



USAID
FROM THE AMERICAN PEOPLE



PAKISTAN

Strategy Support Program



INTERNATIONAL
FOOD POLICY
RESEARCH
INSTITUTE
IFPRI
A member of the CGIAR Consortium

Pakistan Strategy Support Program

Cooperative Agreement # AID-391-IO-00002

Year 3 Annual Report

October 2013 – September 2014 (FY 2014)

Submitted to:

Michael Trueblood, Agreement Officer's Representative

U.S. Agency for International Development (USAID)

Submitted by:

International Food Policy Research Institute (IFPRI)

October 2014

Pakistan Strategy Support Program

Fiscal Year 2014 Year 3 Annual Report (October 2013 - September 2014)



DISCLAIMER: The views expressed in this report do not necessarily reflect the views of the United States Agency for International Development (USAID) or the United States Government.

Table of Contents

ABBREVIATIONS	ii
EXECUTIVE SUMMARY	iv
1. INTRODUCTION	1
PSSP Purpose, Goals and Objectives	1
2. ACTIVITIES AND ACCOMPLISHMENTS	3
2.1 Success Stories	3
(i) Development and use of Pakistan’s Social Accounting Matrix 2011	3
(ii) Technical Support for the preparation of “Integrated Energy Plan” for Vision 2025:	4
2.2 Other Major PSSP Results and Developing Collaborations	5
(i) Macroeconomics, Markets, Trade and Governance	7
(ii) Agricultural Production	7
(iii) Water Management and Irrigation	10
(iv) Poverty Dynamics and Social Safety Nets	11
3. CAPACITY STRENGTHENING	13
3.1 PSSP Competitive Grants Program	13
3.2 Other Capacity Strengthening Activities	16
4. PROGRAM PERFORMANCE REVIEW	17
4.1 Expected Results	17
4.2 Results Framework	17
4.3 Progress on Indicators	18
Table : PMP Indicators Target vs. Actual	23
Program Administration	24
5. LESSONS LEARNED AND CHALLENGES	25
Appendices:	26

ABBREVIATIONS

AEDB	Alternate Energy Development Board
AERC	Applied Economic Research Centre
AIP	Agricultural Innovation Project
ALP	Agricultural Linkages Program
APAARI	Asia Pacific Association of Agriculture Research Institute
ASTI	Agricultural Science and Technology Indicators
AVR	Annual Rental Value
BISP	Benazir Income Support Program
BNU	Beaconhouse National University
BPRSSP	Bangladesh Policy Research and Strategy Support Program
Bt	<i>Basilus thuringiensus</i>
CEO	Chief Executive Officer
CERA	Center for Environmental Risk Assessment
CGE	Computable General Equilibrium
CGP	Competitive Grants Program
COMSATS	Commission on Science and Technology for Sustainable Development in the South
CRE	Center for Rural Economy
CWG	Communications Working Group
DISCO	Distribution Company
DSP	Domestic Study Program
FAO	Food and Agriculture Organization
FATA	Federally Administered Tribal Areas
FBS	Federal Bureau of Statistics
FCCU	Forman Christian College University
FEG	Framework for Economic Growth
FY	Fiscal Year
FUU	Federal Urdu University
GENCO	Generation company
GIS	Geographic information system
GOP	Government of Pakistan
GST	General Sales Tax
HDIP	Hydrocarbon Development Institute of Pakistan
HIES	Household Income and Expenditure Survey
IBMR	Indus Basin Model revised
ICARDA	International Center for Agricultural Research in the Dry Areas
ICTPUM	International Conference on Town Planning and Urban Management
IDS	Innovative Development Strategies
IFPRI	International Food Policy Research Institute
IPR	Intellectual Property Rights
IR	Intermediate Result
IRRI	International Rice Research Institute
ISGS	Inter State Gas System
ITPE	Independent Third Party Evaluation
IWMI	International Water Management Institute
KP	Khyber Pakhtunkhwa
LEAD	Leadership for Environment and Development
LUMS	Lahore University of Management Sciences
MAP	Medicinal and Aromatic Plant
MNFSR	Ministry of National Food Security and research
MOU	Memorandum of Understanding
MPNR	Ministry of Petroleum and Natural Resources
MOWP	Ministry of Water and Power
NAC	National Advisory Committee
NARC	National Agricultural Research Center
NBC	National Bio-safety Centre

NEPRA	National Electric Power Regulatory Authority
NIGAB	National institute of Genomics and Advanced Biotechnology
NNS	National Nutrition Survey
NRSP	National Rural Support Program
NTDC	National Transmission and Dispatch Company
NWP	National Water Policy
OCAC	Oil Company Advisory Committee
OGRA	Oil and Gas Regulatory Authority
PARB	Punjab Agricultural Research Board
PARC	Pakistan Agricultural Research Council
PC	Planning Commission
PIDA	Punjab Irrigation Development Authority
PIDE	Pakistan Institute of Development Economics
PPAF	Pakistan Poverty Alleviation Fund
PIIB	Private Power Infrastructure Board
PSSP	Pakistan Strategy Support Program
PWP	Pakistan Water Partnership
RAC	Research Advisory Committee
ReSAKSS	Regional Strategic Analysis and Knowledge Support Systems
RHPS	Rural Household Panel Survey
SAM	Social Accounting Matrix
SDPI	Sustainable Development Policy Institute
SHFINT	Saving Humanity Foundation International
SPR&SW	Strategic Planning and Reforms & Statistics Wing
TAC	Technical Advisory Committee
TCEB	Thar Coal Energy Board
UAF	University of Agriculture - Faisalabad
UIPT	Urban Immovable Property Tax
USAID	United States Agency for International Development
USG	United States Government
WAPDA	Water and Power Development Authority
WLE	Water Land and Ecosystems

EXECUTIVE SUMMARY

Responding to a request from the Government of Pakistan, the Pakistan Strategy Support Program (PSSP) was launched in July 2011. This program is a flexible country-led and country-wide policy analysis and capacity strengthening program, which provides analytical support on a range of economic policies affecting agricultural growth and food security in the country. The core purpose of the program is to contribute to pro-poor economic growth and enhanced food security through strengthened national capacity for designing and implementing evidence-based policy reforms. This requires improving research-based policy analysis; building capacity, leadership and networks among researchers and policy analysts within and outside the government; and disseminating research results among diverse stakeholders.

Until the third quarter of Fiscal Year (FY) 2013, PSSP's objectives were highly consistent with those of the *Framework for Economic Growth* (FEG), which was promulgated by the Planning Commission under the previous Government of Pakistan (GOP). With the national elections of May 2013, a new GOP took office, with a new economic growth strategy, *Vision 2025*, and the Planning Commission still remains the key counterpart for PSSP. PSSP held several meetings with the Planning Commission to realign its activities for its final years so that they support the new GOP's strategic priorities. PSSP also contributed directly to the development of the *Vision 2025* by playing a major role in the review of the draft and finalization of the document.

PSSP's four primary research priorities are as follows:

1. Agricultural production and productivity
2. Water management and irrigation
3. Macroeconomics, markets and trade
4. Poverty reduction (Income dynamics) and job creation (social safety nets)

In addition to generating policy-relevant research, PSSP aims to improve policy analysis and advocacy, and build the capacity of researchers in selected Government of Pakistan and non-government institutions through PSSP's capacity strengthening, feedback and outreach, and policy advisory programs. Having increased the capacity to conduct research, analyze information and formulate evidence-based policy recommendations, PSSP is linking these Pakistani researchers and institutions through targeted efforts to develop knowledge-sharing networks. Work is currently progressing in regard to training activities with the Pakistan Agricultural Research Council (PARC), the Planning Commission and civil society organizations. (See the Outcome 3 (IR 3) discussion in Section 4 under subsection "Expected Results as reflected in the Performance Management Plan").

SUCCESS STORIES

(i) Development and use of Pakistan's Social Accounting Matrix 2011

The SAM initiative was started in collaboration with the Planning Commission and the Ministry of Finance. The new SAM has been updated to deal with issues relating to the implications of changes in taxation policies, the implications of changing the fuel mix in electricity generation, as well as issues relating to trade policies. It is paired with IFPRI's Standard Computable General Equilibrium (CGE) Model through a new user-friendly Excel-based interface that will make it far easier for users of varying computer skills to be able to use the model and conduct simulations.

The new SAM permits PSSP to model Pakistan's tax system in far greater detail, which will allow for such analyses as calculating tax incidence on specific sectors and households, and changes in specific indirect taxes (say an Import Duty) on any particular commodity (say

fertilizer) to see how this impacts relevant sectors, prices, production etc., as well as households and their welfare. It is based on the latest available household data (HIES 2011), and the new SAM also contains more activities than before, hence more sector-specific analysis is possible than before: instead of horticulture as a whole one can see impacts on vegetables separately; instead of livestock as a whole one can see impacts on poultry and animal livestock separately. The SAM is accompanied by an energy module that allows for energy sector to be disaggregated is being for paired with other energy models (MARKAL TIMES for example). Such a pairing would help policy-makers answer questions about which energy projects are most optimal, simultaneously considering technical efficiency aspects in the TIMES model, and economic and welfare impacts in the CGE model.

(ii) Technical Support for the preparation of “Integrated Energy Plan” for Vision 2025:

Upon receiving a formal request from Energy Wing (Planning Commission), PSSP extended assistance and support to Ministry of Planning, Development and Reforms for the preparation of “Integrated Energy Plan” for *Vision 2025*. An Integrated Energy Plan comprised two separate reports: (1) Fossil Fuel (oil, gas, coal and their imports) and (2) Generation, Transmission, Distribution and Conservation of Electricity.

The analysis shows that the period 2014-17 will continue to be a period of load shedding, though gradually reducing in magnitude. It is therefore necessary to prepare a supply demand management program for the plan period (2014-18). The on-going projects need to be carefully monitored and supported to avoid delays. To mitigate the present energy crisis during the short term, the following major steps are proposed:

- i. Improvement in load factor of existing power generation
- ii. Program for solar home solution for the People of Pakistan to mitigate the impact of existing load shedding
- iii. Improved domestic gas production
- iv. Ensure import of LNG in the shortest possible time.

The Energy Wing of the Ministry of Planning, Development and Reforms was able to produce these reports with the assistance of PSSP.

OTHER MAJOR PSSP RESULTS AND DEVELOPING COLLABORATIONS

Macroeconomics, Markets, Trade and Governance: In 2014, PSSP initiated the construction of a new, 2011 Social Accounting Matrix (SAM) for Pakistan. This exercise had a number of objectives. First, one goal was to provide new, up-to-date information on household welfare and incomes offered by the Household Income and Expenditure Survey (HIES) 2011 that allows for a more relevant SAM on the household side (hence 2011 became the chosen “SAM year”). Second, the new SAM was built to be better suited to address some of the key policy issues currently faced by policy makers at the Ministry of Finance, the Planning Commission, and the Federal Board of Revenue, among other institutions. Clearly, to be successful in policy reform, the full range of consequences, such as those that can be seen in these approaches, needs to be understood.

The 2011 SAM for Pakistan has been created with the direct involvement of Zafar ul Hassan, Head of the Macroeconomic Section in the Planning Commission, and Mr. Imtiaz Khan, Secretary at the Federal Board of Revenue.

Paired with IFPRI's Standard CGE model - redesigned by IFPRI's James Thurlow - into a user-friendly excel-based interface - the new SAM and CGE models are easier to use and adapt, requiring minimal training and no new software skills.

Agricultural Production: Major work by PSSP In FY2014 included conducting Round 2 of the household survey of 725 cotton farmers in Punjab and Sindh to explore the performance and impact of Bt cotton, continuation of the biosafety program and continued support to PARC with their science agenda, part of which includes compilation and analysis of national data on agricultural spending and human resource allocations. This latter effort termed the Agricultural Science and Technology Indicators (ASTI) puts Pakistan’s expenditure on agricultural research into a worldwide database to show Pakistan’s relative position in various areas of research. PSSP assisted PARC in reviewing the “Agriculture and Food Security Policy” which is likely to be passed within the coming months. The input from PSSP stressed the need for more emphasis on livestock and dairy development for faster growth in the agriculture sector.

Water Management and Irrigation: For the survey work, PSSP developed the questionnaire for the Pakistan Rural Household Panel Survey (RHPS) Round 3.5, which will go in to the field in December. This is the second round of a production survey that focuses on plot level production and water management productivity. PSSP continued its support in targeting various aspects of Government of Pakistan’s Water Management Strategies and extended support in: Pushing forward Pakistan’s National Water Policy; Promoting Knowledge Management in the Water Sector; and evaluating benefits of alternative investments in the water sector.

Poverty Dynamics and Social Safety Nets: PSSP administered the Rural Household Panel Survey (RHPS) Rounds 1 (2012) and 2 (2013) in 19 districts in Punjab, Sindh, and Khyber Pakhtunkhwa (KP), with a sample of over 2,000 households and with modules on topics such as employment, income, credit, agriculture, education, nutrition and social safety nets. The first “wave” of Round 3 (2014) was administered in July, while the second “wave” was postponed to a later date due to security. PSSP has used the survey data to prepare reports on the characteristics of rural Pakistani communities and institutions, as well as the households and individuals that populate them. These reports have provided a detailed sense of poverty incidence, dynamics, and the institutions and policies that can best reduce poverty. During FY 2014, PSSP worked on various studies related to poverty measurement, nutrition, migration, gender and aspirations.

CAPACITY STRENGTHENING

PSSP has engaged in the following main activities related to capacity strengthening.

PSSP’s Competitive Grants Program (CGP)

The Planning Commission and IFPRI jointly designed the CGP, which is managed by a 14-member Research Advisory Committee (RAC). Over three rounds, RAC members have reviewed over 760 applications, sending each applicant a review score and selecting 175 proposals for further evaluation. From these short-lists, the RAC invited 103 applicants to make oral presentations on their proposals, ultimately deciding to fund 71 projects involving additional investigators and co-investigators (and their post-graduate master’s degree and Ph.D. students. Round 3 of this process took place in FY 2014 with award announcements made in Quarter 3.

Other Capacity Strengthening Activities

Domestic Studies Program: PSSP created a Domestic Studies Program (DSP) with several Pakistani researchers, universities, institutions and research organizations, which is designed to create an effective network of knowledge sharing. There have been two formed so far: “The State of Agricultural Input and Output Markets in Pakistan,” and “Cluster-based Industrialization and its Effect on Productivity of Manufacturing Firms in Pakistan.”

Training Courses: Steve Davies, Chief of Party of PSSP, conducted week long courses for scientists and researchers on effective methods of writing research proposals, which was jointly organized and presented by PSSP and PARC three times throughout the year. PSSP also held training courses on water net mapping, poverty mapping, social accounting matrices, and enumeration skills in FY 2014.

Study Groups: PSSP has a number of working study groups which include a CGE working group with researchers from PARC, the Pakistan Institute of Development Economics, the Planning Commission and the Sustainable Development Policy Institute (SDPI); and a group formed with CGP awardees interested in entrepreneurship.

PROGRAM PERFORMANCE REVIEW

PSSP is using FY 2013 as the base year to track progress on the 15 indicators stated in the results framework designed in the Performance Management Plan. A snapshot of PSSP's performance can be seen in the table on the following page.

PROGRAM ADMINISTRATION

PSSP's National Advisory Committee (NAC) met once in FY 2014 to provide feedback on the suggested program for the future research agenda. This meeting was held in October 2014 under the chairmanship of Prof. Ahsan Iqbal and a number of newly appointed NAC members.

PSSP filled the position of Deputy Chief of Party, Senior Research Fellow, two Research Analysts and one Research Assistant in FY 2014.

1. INTRODUCTION

Sustainable agricultural growth and economic development in Pakistan are severely constrained by a lack of policies that promote pro-poor agricultural growth, encourage private sector investment and enhance food security. Furthermore, government interference in agricultural markets raises transaction costs and discourages private investment. It is imperative to redefine the ways that national and provincial government institutions operate, since many public sector services have been “devolved” from federal to provincial institutions (under the 18th Amendment to the Constitution of April 2010), in order to promote economic growth at this critical juncture.

Strengthening agriculturally-related government institutions, including those at the provincial level, will increase the capacity of the GOP to provide sound leadership and decisions, improved dialogue with stakeholders, and direction during this important transition.

In order to determine those policies and investments best suited to achieving agricultural growth and poverty reduction, research and knowledge sharing are essential to close existing knowledge gaps. To institutionalize and sustain the process of policy analysis and implementation, the capacity of national researchers and research organizations must be strengthened.

PSSP Purpose, Goals and Objectives

The purpose of PSSP is to contribute to pro-poor economic growth and food security through strengthened national capacity to design and implement evidence-based policy reforms. The overall goal is to enhance agricultural growth and economic development through strengthened Pakistani capacity for analyzing, advocating for, and implementing evidence-based policy reforms. Improved policy decisions, based on better analysis and information, will create a more favorable and predictable investment climate for private enterprises, and will accelerate agricultural growth and economic development in Pakistan. PSSP objectives are to improve policy analysis and advocacy, build the capacity of selected GOP and non-government entities, institutions and individuals through knowledge sharing networks, and to increase their capacity for conducting research, analyzing information and developing sound policies.

IFPRI’s PSSP is a four-year, country-led, countrywide program covering a range of economic policies affecting economic growth and food security. PSSP was initially envisaged to support the FEG of the previous government, but which was replaced by the current Vision 2025 strategy following the change of government in 2013. PSSP played a major role in supporting the Planning Commission in developing the *Vision 2025* document, which was unveiled in August 2014 and aligned its activities with the objectives outlined in Vision 2025..

PSSP is guided by a National Advisory Committee (NAC), chaired by the Planning Commission of Pakistan, with representation from USAID and regional and provincial stakeholders. PSSP reviews its policy advisory activities with the NAC to inform and assist in the implementation of the GOP’s current strategic directions and related policy reforms.

Strategic Fit with Government of Pakistan Objectives

The GOP Poverty Reduction Strategy Paper, adopted in 2003 and reaffirmed in 2008, prioritizes the development of the agricultural sector as a way to alleviate poverty, increase incomes and create a vibrant rural economy. It emphasizes agriculture as the key source of job creation in predominantly rural districts and recognizes its potential as a catalyst for growth in the economy as a whole.

The Planning Commission has been the main counterpart of PSSP, both under the previous and current government. Until March 2013, PSSP’s objectives were highly consistent with those of the *Framework*

for Economic Growth promulgated by the Planning Commission under the previous Government. PSSP is working with the current GoP on its economic growth strategy and has aligned its activities to support the GoP's strategic priorities as evidenced in *Vision 2025*, the current roadmap for the country's medium-term development, which was unveiled in detail on August 2014. PSSP worked to design its activities during the final two years of the project to support selected dimensions in their approach along with supporting the development of the *Vision 2025* document itself. As expected, the Planning Commission continues to support a growth strategy based on a broad approach that is focused on regulatory changes needed to encourage economic growth, rather than on specific development projects. PSSPs role has been acknowledged by the GoP in the building of such strategies.

Strategic Fit with USAID Objectives

USAID's Economic Growth Strategy, which incorporates agriculture, was approved by the Pakistan Mission and by Washington in February 2011. PSSP is the first of two components of USAID's Pakistan Policy, Science and Innovation Program for Agriculture. The other component is Promoting Science and Innovation in Agriculture in Pakistan, which has evolved into Agricultural Innovation Project (AIP), which is also underway.

2. ACTIVITIES AND ACCOMPLISHMENTS

2.1 Success Stories

PSSP is engaged in a number of activities that work towards fulfilling the objectives laid out in the Results Framework (described in detail in Section 4). We list below two such key activities that have caught the attention of policymakers and have led to some steps towards significant policy reform.

(i) Development and use of Pakistan's Social Accounting Matrix 2011

These include issues relating to the implications of changing fuel mix in electricity generation, the implications of changes in taxation policies, as well as issues relating to changing trade policies. As a result, the 2011 SAM has the following features:

- It is based on the most recently available 2011 HIES
- It models Pakistan's tax system in far greater detail, making it well-suited for tax analyses
- It contains more activities: more agricultural and manufacturing activities, making it better suited for trade analysis and also more sector-specific analysis is possible than before.
- It is accompanied with an energy module that allows for the energy sector to be disaggregated when needed and the potential for pairing with other energy models (MARKAL TIMES for example) exists.
- It is paired with IFPRI's Standard Computable General Equilibrium (CGE) Model through a new user-friendly excel-based interface that will make it far easier for users of varying computer skills to be able to use the model and conduct simulations.

The 2011 SAM initiative also served to streamline the SAM building process, such that future SAMs can now be created quickly, in time to meet policy needs. This was done by setting up the 2011 SAM within a "SAM building toolkit" designed by James Thurlow at IFPRI. The toolkit allows new data, when it becomes available, to be incorporated within the same database, with the result that a new SAM can be generated quickly. Hence, this exercise is not just a one-time contribution, but sets up a system that will make it possible for PSSP and other users to produce new SAMs for Pakistan when needed in far less time than one being built for the first time. For example, once the 2012 HIES dataset is available a "2012 SAM" update can easily be produced.

The 2011 SAM initiative also includes the construction of a new Input-Output table for Pakistan which underlies the SAM. Pakistan has not produced an "official" Input-Output table since 1991. It has, however, periodically rebased its national accounts. The most recent rebasing was completed in 2012 when national accounts were rebased to the year 2005-06. The data published by the Pakistan Bureau of Statistics as an outcome of the rebasing, along with other existing secondary data sources, provided an opportunity to create a new Input-Output table for Pakistan. While there were data shortcomings for some sectors, particularly services, (and that the data relates to 2005-06), it nonetheless offers a significant improvement over using 1991 technological coefficients for present day analyses. Hence, not only has a 2011 SAM been produced, but also a 2005-06 Input-Output table which forms its base on the production side.

The SAM initiative was undertaken with sustainability and uptake by stakeholders in mind; hence, capacity building and collaboration measures were an important component of this exercise. The initiative was a collaborative effort with the Planning Commission and the Federal Board of Revenue: Mr. Zafar ul Hassan, Chief of the Macroeconomic Section at the Planning Commission, and Mr. Mohammad Imtiaz Khan, Secretary (SPR&SW) at the Federal Board of Revenue were involved directly in

the SAM building process and provided invaluable insight, which ensured that the new SAM is accurate, and contains the required details to address policy issues. Furthermore, periodic workshops were conducted to elicit the involvement of a broader group of stakeholders. Participating institutions included government and policy institutions, independent research institutions, and universities. These workshops provided hands-on training on SAM-building and their use, and were also used to apprise participants of our progress on the 2011 SAM.

Further work: In the final stage of the SAM and CGE building process, PSSP plans to present the 2011 SAM and CGE model to the Planning Commission, the Ministry of Finance and the Federal Board of Revenue in institution-specific workshops to ensure that these key institutions have the ability to use the SAM themselves. Further workshops will be held with broader participation as before as well.

Studies based on the new SAM and CGE model: The initiative will come to fruition with research produced using the new SAM. Among various other possible studies, SAM/CGE-based research activities will aim to provide policy and investment guidance for energy management to the Planning Commission and the Ministry of Finance, and evaluations of tax and budget implications for the Ministry of Finance and the FBR. Our planned interactions with these institutions, as mentioned above, will be used to develop these studies so that they meet policy needs precisely, and the production of collaborative studies is also a target.

(ii) Technical Support for the preparation of “Integrated Energy Plan” for Vision 2025:

Upon receiving a formal request from Energy Wing (Planning Commission), PSSP extended assistance and support to Ministry of Planning, Development and Reforms for the preparation of an “Integrated Energy Plan” for *Vision 2025*. This task was assigned to Mr. Muhammad Saad Moeen of PSSP. He was deputed to the Energy Wing in August, 2014 for a period of 2 months to facilitate Mr. Arshad Maqsood, Chief (Energy) and his team.

For realistic planning, it is essential to prepare a future plan in relation to the projected economic setting. Accordingly, this includes: (i) an affordable level of investment for the power sector, (ii) estimated foreign exchange availability for power projects, and (iii) affordable electricity price, along with estimates of inflation, the projected exchange rate and sector wise GDP growth rates. The Integrated Energy Plan comprised two separate reports: (1) Fossil Fuel (oil, gas, coal and their imports); and (2) Generation, Transmission, Distribution and Conservation of Electricity. In pursuance of this task, the Energy Wing of the Ministry of Planning, Development and Reforms, being the secretariat for the Integrated Energy Plan, held meetings with the Ministry of Petroleum and Natural Resources (MPNR), Oil and Gas Regulatory Authority (OGRA), Oil Company Advisory Committee (OCAC), Inter State Gas System (ISGS), Energy Year Book of Hydrocarbon Development Institute of Pakistan (HDIP), Thar Coal Energy Board (TCEB) and the Provincial board and Departments of Energy to prepare the report on “Fossil Fuel - oil, gas, coal and their imports”.

Imported coal based power generation has been introduced to provide energy supplies to the people of Pakistan at affordable rates and to overcome present energy shortages at a sustainable basis. It has analyzed that the saving will be around US \$5 billion per annum due to shifting from furnace oil to imported coal for power generation by 2017-18. The main highlights of the report are as follows:

- i. The dependence on imported oil will be reduced from the existing 35% to 24% by 2024-25.
- ii. The share of gas will be reduced from existing 47% to 37% by Year 2024-25.
- iii. Coal share from existing 5% will be increased to 13% by 2017-18 and will further increase to 17% in Year 2024-25.
- iv. The share of Hydel is also expected to grow from 11% to around 17% by year 2024-25.

The analysis done for the preparation of the report on “Generation, Transmission, Distribution and Conservation of Electricity” is in collaboration with Ministry of Water & Power (MoWP), National Transmission and Dispatch Company (NTDC), National Electric Power Regulatory Authority (NEPRA), Electricity Distribution Companies of Pakistan, Alternate Energy Development Board (AEDB), Private Power Infrastructure Board (PPIB), Provincial Power and Energy Departments and K-Electric. The analysis shows that the period 2014-17 will continue to see load shedding, though gradually reducing in magnitude. It is therefore necessary to prepare a supply demand management for plan period (2014-18). The on-going projects need to be carefully monitored and supported to avoid delays. To mitigate present energy crisis in the short term, the following major steps are proposed:

- v. Improvement in load factor of existing power generation
- vi. Program for solar home solution for the People of Pakistan to mitigate the impact of existing load shedding
- vii. Improved domestic gas production
- viii. Ensure import of LNG in the shortest possible time.

In a recent meeting with Member (Energy) and Chief (Energy), the Ministry of Planning, Development and Reforms requested PSSP to provide further support in the following areas:

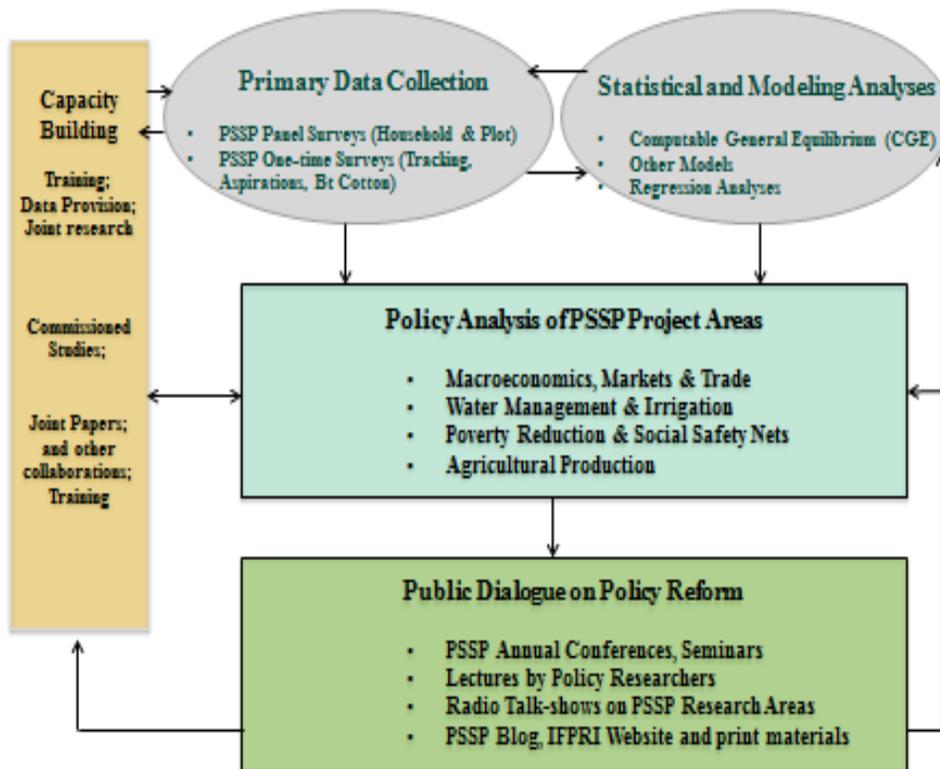
- i. To support a task force to review the long term electricity demand mechanism of NTDC and possibly design an alternative model for the Energy Wing of the Planning Commission;
- ii. To review MARKEL TIMES based Integrated Energy Model of Energy Wing and provide expertise in energy modeling;
- iii. Provide a seminar on Integrated Energy Policy, and the role of the CGE model.

2.2 Other Major PSSP Results and Developing Collaborations

In 2011, PSSP formulated the agenda for its first two years under the instruction of the NAC at that time, and a major part of that work involved setting up systems for providing continued support to the GoP. PSSP has reached a stage where much of the initial work, and evidence required for policy analyses has been completed or is currently being implemented. This annual report is a good time to take stock of the activities and trajectories of the project. This is done in the following sections.

The schematic below outlines the types of work that PSSP conducts. We use two main forms of evidence, namely (1) surveys and regression analyses, and (2) a variety of simulation approaches, mainly CGE models. A variant of the surveys can be to undertake randomized control trials and other experimental approaches to elicit behavioral responses to economic issues. These are required for evidence based policy reform to go forward, and much of the first two years were devoted to this data collection and initial model building exercises. Now much of this research is at the stage for directed and in depth interactions with stakeholders. The collected evidence is directed at four target areas for policy reform: Poverty Reduction and Social Safety Nets; Macroeconomics, Markets, Trade and Governance; Water Management and Irrigation; and Agricultural Production. We illustrate the highlights of activities in each area below.

Figure 2: The Structure of PSSP Activities



Along the left-hand side of the Figure, we show that several different kinds of capacity building go along with our research, in keeping with the results framework that identifies capacity building as an important part of the project. These include a variety of training programs that are provided to university, government and civil society participants, and additionally, joint research papers written with international and local researchers, and provision of databases that can be used by local researchers. The details of our work in these dimensions are given in the section that follows, showing results and trajectories in our four areas of effort.

(i) Macroeconomics, Markets, Trade and Governance:

PSSP's models simulate changes to the economy in ways that identify the full range of economic impacts: sectoral gross domestic product; employment; factor allocation; income distribution; and so on; and all can be reviewed in a dynamic context. Climate change and other environmental implications can be added as well. Clearly, to be successful in policy reform, the full range of consequences, such as those that can be seen in these approaches, needs to be understood. For the macroeconomic work, this area mostly focuses on model building and analysis. In Year 3 PSSP built upon the SAM for 2007-08 by updating it for 2010-11. This work was done along with the SAM study group with representatives from the Planning Commission, Federal Board of Revenue, Economic Reforms Unit of the Ministry of Finance and others.

An updated 2011 SAM for Pakistan has been created that has been better designed to capture Pakistan's indirect tax system. The exercise has benefited from the direct involvement of Zafar ul Hassan, Head of the Macroeconomic Section in the Planning Commission, and Mr. Imtiaz Khan, Secretary at the Federal Board of Revenue. With their involvement, we were able to create a SAM that captures many of the complexities of the tax system in Pakistan and will allow for better tax related analyses and simulations.

Pakistan's indirect taxes (the primary source of tax revenues for the government) comprises a range of taxes on goods: GST on domestic goods and imports, excise duties on domestic goods and imports, and import duties. These are then subject to rebates and refunds, when used as inputs in the manufacture of export goods. To model these accurately, these taxes have been kept as separate accounts in the 2011 SAM (as opposed to a single indirect tax account as is the norm in most SAMs). The indirect tax account has now been split into: GST on domestic goods, GST on imported goods, surcharges, other sales/indirect taxes, excise taxes (on domestic goods and imports separately), an account for import duties, and finally an account for direct taxes. Rebates and refunds for exporters have been accounted for.

This will yield a SAM that is well-designed for use by the FBR and other policy makers, to simulate the impacts of changes in the tax system. Paired with IFPRI's Standard CGE model - redesigned by IFPRI's James Thurlow - into a user-friendly Excel-based interface - the new SAM and CGE model are easier to use and adapt, requiring minimal training, and no new software skills.

The Minister for Planning Development and Reforms, Prof. Ahsan Iqbal, is interested in rebuilding the Planning Commission and has asked PSSP's collaboration. PSSP initiated this support by developing a concept paper for a Center for Rural Economy (CRE) within the government that focuses on rural growth and employment. This will be the first of five Centers of Excellence that the Planning Commission plans to develop. The concept paper was approved by the Minister and formally converted to a PC-1 to be put up to the project review committee for approval. The involvement of PSSP in this process highlights the need of the government for competent skills to design a solid structure of good governance.

Future Plans and Collaborations: PSSP will continue to develop joint working groups with partners from government and universities. For example, the Planning Commission is interested in continuing training on SAM and CGE topics, and selected personnel from other agencies will be included. Thus there may be opportunities for this analytical framework to be used centrally in the analytical functions in many parts of government.

Progress on Impact Areas. In this theme area, there are three broad impacts that PSSP is pursuing during the next year. The first is to create a cell, with an institutional location as yet to be determined, that is capable of running our CGE models and providing up to date and useful policy analysis in a short period of time. In this regard, discussions have been done during the past year with the MoF, FBR and

PC to gauge their interest, which has been high. We have also had several sessions on the basics of the model, in which members of the main institutions and universities have been included. Also, the main data compilation for these models, the SAM, was updated and improved, as noted in the earlier section on success stories. Thus, momentum has been achieved, and this will be a main effort during the coming year.

The second area of impact is to help assess, design and create analytical tools for the Planning Commission and others to more directly examine energy issues. The Energy Wing of the PC has requested a review of alternative energy models for their use, perhaps with more training on MARKAL Times, or the addition of a different model. Relatedly, an energy demand model has been requested, and PSSP will facilitate and direct a task force reviewing these possibilities.

Finally, the Planning Commission has been very interested in upgrading its analytical capacity and its objectives and purposes. The CRE, Policy Unit and other activities are evidence of this direction. PSSP is organizing a conference for the SDPI annual meetings that will some assess of these options.

(ii) Agricultural Production:

PSSP has many studies in progress on policies for most major inputs, namely water, land, fertilizer, seed, and labor, along with the impacts of those policies. GoP officials have already reviewed some of these studies. Major work by PSSP In FY2014 included conducting Round 2 of the household survey of 725 cotton farmers in Punjab and Sindh to explore the performance and impact of Bt cotton, continuation of the biosafety program and continued support to PARC with their science agenda, part of which includes compilation and analysis of national data on agricultural spending and human resource allocations. This latter effort termed the Agricultural Science and Technology Indicators (ASTI), puts Pakistan's expenditure on agricultural research into a worldwide database to show Pakistan's relative position in research.

PSSP assisted PARC in reviewing the "Agriculture and Food Security Policy" which is likely to be passed within the coming months. The input from PSSP stressed the need for more emphasis on livestock and dairy development for faster growth in agriculture. PSSP suggested a new flagship for the dairy as it accounts for over half of the incremental growth of agriculture, if that sector meets meet growth targets of eight percent. PSSP also suggested revising the flagship program on horticulture to emphasize two components: (1) make sure that it is known that the traditional horticulture sector (especially citrus and mangoes) will have to be the core of accelerated growth in the sector; and (2) the non-traditional component, which is the core of their present horticulture flagship. PSSP stressed that the large resource requirements need to be made specific and be beyond the development budget. These suggestions were presented to Minister Sikander Hayat Khan Bosan and Secretary Seerat Asghar Jaura of the Ministry of National Food Security and Research (MNFSR) by Dr. John Mellor and Dr. Stephen Davies.

The Bt cotton survey, which is a core source of evidence for this part of PSSP, collects information on socio-economic indicators (demographics, income, household expenditure, assets, etc.), varieties grown, sources of market information, sources of seed, farming practices, use of inputs and cost, and the cotton harvest and sales. In addition, samples of leaves and bolls of cotton were also collected for laboratory testing to determine the level of the Bt toxin, in collaboration with UAF, the National Institute for Genomics and Advanced Biotechnology (NIGAB), and the National Agricultural Research Center (NARC).

PSSP worked on building the biosafety regulatory capacity through training and networking, by undertaking the Bt cotton seed analysis, and by encouraging additional research on biotechnology and biosafety issues through a small competitive grants program. Awardees from Round 1 and 2 of the

Biosafety Grants Program presented their studies at the 2nd South Asia Biosafety Conference in Sri Lanka. Round 3 awards selection is still in process. Presentations can be viewed at this site: <http://www.cera-gmc.org/The%20Biosafety%20Research%20in%20Pakistan%20Grants%20Program>

Future Plans and Collaborations: PSSP will continue to work with major stakeholders at PARC, MNFSR, the provincial governments and various agricultural universities to build their capacity for better analysis.

Progress on Impact Areas. There are two main areas where our research is essentially finished and potentially large policy changes can be made: the seed industry, and the fertilizer sector. We have finished research during FY 2014 and found significant reforms can be made in both sectors. We will spend considerable effort moving each area forward by engaging stakeholders, finding champions and tracking the progress on the each reform effort. Shifting 20% of the current subsidy of \$630 million to the urea industry could raise agricultural research funding by 50%, and lead to higher productivity, which would also raise demand for fertilizer and improve its productivity. (See Box 1).

Box 1: Study on the History and Trends in the Fertilizer Industry in Pakistan by Mubarik Ali, CEO, PARB

One of PSSP's Domestic Studies activities examined the fertilizer sector in Pakistan in depth. The study reviewed factors affecting production as well as the price sensitivity of fertilizer consumers. The fertilizer industry in Pakistan is highly concentrated with just 6 major players. Also, the nature of the industry is such that a great deal of power lies with regulators, making entry difficult for newer players. The heavy subsidy, primarily on urea production (in the form of reduced gas prices) means that it is overused at the expense of phosphorous and potash based fertilizers, resulting in an overall reduced marginal productivity of fertilizer. Moreover, empirical data suggests that fertilizer use is not being determined by land or soil types, suggesting that extension workers need to focus on recommending optimal quantities based on physical characteristics of the area. Our study suggests that reducing the subsidy on urea will not result in a significant reduction of urea application by farmers but will in fact result in more judicious use.

The second major impact area in this theme is support to the overall research agenda in agricultural science. To this end, there have been several activities over the past year that are building towards an impact. First, a fundamental problem is an overall lack of funding for agricultural research, as at Federal level, according to PARC analyses, allocations decreased from Rs 23 billion to about Rs 1.0 billion after devolution and were not picked up by provinces,. This argument is being made in the PM's Cabinet by the Ministry of Food Security and Research using the ASTI data and other work PSSP has done. We will also implement an evaluation of indirect taxes paid by the agricultural sector based on PSSP studies on inputs noted above and the new SAM, which has a very detailed specification of taxes in each sector.

Additionally, PSSP is working in several ways to help improve the efficiency of agricultural research programs in Pakistan. During the past year, four trainings in technical writing were implemented by PSSP and PARC for researchers in Punjab, Sindh, KPK and Baluchistan. Nearly seventy grants were put into the Agricultural Linkages Program (ALP) from these participants (and ALP is a main program for competitive grants in PARC) which led to 24 short listed proposals, many from disadvantaged areas. This success rate was much higher than before. PSSP is also partnering with PARC to set up agricultural research boards in the three provinces, which can be done fairly quickly in Baluchistan, as there is interest, and the needed legislation is in place. In Sindh and KPK, there will be more steps involved.

However, PSSP hired Dr. Mubarik Ali during the past year, who has unique experience in these programs. Additionally, PSSP itself has in depth experience in the grants program from its CGP.

(iii) Water Management and Irrigation:

The water resources of the Indus Basin are crucial to agricultural productivity, hydropower generation and flood management. PSSP uses a combination of survey work, controlled experiments and modeling exercises to address issues in this area. For the survey work, PSSP worked on developing the questionnaire for the Pakistan Rural Household Panel Survey (RHPS) Round 3.5, which will go in to the field in the next quarter. This is the second round of a production survey that focuses on plot level production and water management productivity. PSSP continued its support in targeting various aspects of Government of Pakistan's Water Management Strategies and extended support in: Pushing forward Pakistan's National Water Policy; Promoting Knowledge Management in the Water Sector; and evaluating benefits of alternative investments in the water sector. The main accomplishments from this year are highlighted below.

Pushing forward Pakistan's National Water Policy: Government of Pakistan recognized the need of an integrated water resource development approach to overcome this sector's current and future challenges: diminishing per capita water availability; climate change; trans-boundary issues; water governance; resettlement; use of saline water; reuse of waste water; water rights management; recharging ground water; and water trade. The Planning Commission initiated a consultative process directed towards a National Water Policy (NWP) through a Water Summit held near World Water day in March 2014. PSSP extended its support on request of Planning Commission and identified key themes (in 14 concept papers) which were presented in the Summit. PSSP will facilitate continued stakeholder dialogue, particularly in the provinces, as water is very much a provincial subject. If enacted, this Policy would provide a framework leading to potential implementation of key institutional and infrastructural objectives spelled out in the Policy. This work is done in collaboration with major stakeholders from the water sector. PSSP also organized a one day seminar on Pakistan's water issues around the Special Issue of Water International (Vol. 38, Issue 5 of 2013) on "Water for Food Security: Challenges for Pakistan." Selected publications from this Issue were presented at this seminar which was held in the first quarter of 2014. PSSP was responsible for six of the ten articles that were published in this journal.

Box 2: Economic Evaluation of the Diemer-Bhasha Dam: Assessing the Benefits of Diemer-Bhasha Dam on the Economy of Pakistan under Climate Change, by Sherman Robinson and Arthur Gueneau

The CGE-W model framework links separate economic and water models, drawing on the strengths of both approaches without having to compromise by specifying either a simplified treatment of water in an economic model or simplified economics in a water model. The model system is used to simulate the impact of economic growth and changes in water resources over the long run, focusing on agriculture and hydropower. The results of scenario analysis indicate that the Diemer-Bhasha dam would improve the resilience of Pakistan to adapt to climate shocks, providing increased hydropower capacity and enhanced ability to manage the water system to offset climate-induced variation in river flows. Given the modest amount of existing water storage capacity in the Indus basin, extreme events such as an extended drought overwhelm the water management system. The proposed dam partly offsets the negative impacts and is an excellent investment under various climate scenarios, yielding benefit-cost ratios of 3.3 to 3.9 and internal rates of return of 11% to 14%.

A study on Diamer-Bhasha Dam was presented in the water session of PSSP's Second Annual Conference. Prof. Ahsan Iqbal requested to chair this session himself, as he had stressed the importance of evaluating benefits of Diamer-Bhasha Dam at several occasions. This study describes the potential impact on the economy of Pakistan from building the Diamer-Bhasha dam. An integrated system of economic and water simulation models is applied to Pakistan to analyze the economy-wide impacts of changes in water resources in the Indus river basin, focusing on agricultural and hydropower benefits provided by the Diamer-Bhasha dam under different climate scenarios. (See box 2 above)

A policy brief was published on "Climate Change and Extreme Events: Impacts on Pakistan's Agriculture." In this policy brief it was concluded that to minimize negative impacts of drought and long-term climate change, both drought risk reduction and long-term climate change adaptation strategies should be integrated into agricultural development policies. Drought mitigation requires concerted efforts in agricultural and water resources management across the country, such as flexible trade policies in drought years and changes in reservoir release rules ahead of droughts. To achieve the kinds of improvements in agricultural production and irrigation efficiency needed to adapt to the negative impacts of climate change, a range of options are available. These include accelerating cultivar improvement programs, strengthening crop management research, expanding agricultural extension and education, strengthening infrastructure in rural areas, accelerating irrigation management reforms, allocating irrigation water more flexibly across provinces, and accelerating drip expansion.

Progress on Impact Areas. The major impact area in this theme area is related to the development of a new National Water Policy strategy. As noted, the Planning Commission initiated a consultative process directed towards a National Water Policy (NWP) through a Water Summit held on World Water Day in March 2014 and PSSP extended its support on request of the Planning Commission. At this point, Minister Iqbal has noted to the PM's Cabinet that there will be a Water Policy forthcoming, and PSSP will facilitate continued stakeholder dialogue, particularly in the provinces, as water is very much a provincial subject. The target date for these interactions is early in the second quarter of FY 2015.

PSSP is also committed to showing the value of information and stakeholder's interactions, with adequate data and analysis in front of them, through various complementary efforts: a real time flow measurement is being done with IWMI; value of information in resolving contentious issues in water resources through stakeholder experiments is underway; the structure of a knowledge management system for groundwater in the Punjab is being done as an example; and an experiment on decisions for farmers to adopt drip irrigation.

(iv) Poverty Dynamics and Social Safety Nets:

A major achievement for the project has been the completion of several household surveys. These will be publicly-released on IFPRI's website and allow for a wealth of analysis of poverty dynamics and social safety nets in rural Pakistan. PSSP administered the Rural Household Panel Survey (RHPS) Rounds 1 and 2 in 19 districts in Punjab, Sindh, and Khyber Pakhtunkhwa (KP), with a sample of over 2,000 households and with modules on topics such as employment, income, credit, agriculture, education, nutrition and social safety nets. PSSP has used the survey data to prepare reports on the characteristics of rural Pakistani communities and institutions, as well as the households and individuals that populate them. These reports have provided a detailed sense of poverty incidence, dynamics, and the institutions and policies that can best reduce poverty. This analysis has progressed since last year to include more detailed analysis of these topics.

Box 3: A Review and Recent Evidence of the State of Child Malnutrition in Rural Pakistan, by Hina Nazli, Amina Mehmood and Asma Shahzad

This paper shows a continuing high incidence of malnutrition in rural Pakistan among children under five, for three anthropometric measures, showing the prevalence of stunting (46%), wasting (19%), and underweight (40%). These results are comparable with the 2011 National Nutrition Survey (NNS) in terms of stunting. We, however, found a higher incidence of wasting and underweight, which may have resulted from rising food prices since 2010. A decline in real incomes may also affect the accessibility to health care services, which can be examined in subsequent rounds of the RHPS. The prevalence of malnutrition was examined through a bivariate analysis, which indicates that the prevalence of malnutrition differs across different socio-economic, demographic, and location variables. The results of a multivariate analysis further showed that the nutritional status of children is significantly determined by the mother's education, indicators of hygiene, and presence of a health care provider within the community. A significant role of the mother's education a child's long-term growth highlights the importance of girls' education. The results of this paper show many children are living in poor socio-economic conditions, at high risk to disease. An improvement in the situation of food security, easy access to health services and manpower, and awareness about hygiene and community health can reduce the prevalence of high malnutrition among children. Much greater attention needs to be paid to the nutritional status of children in Sindh. The expanded role of Lady Health Workers beyond being an assistance provider with child births alone to be a purveyor of nutritional information and a monitor of child growth would be beneficial.

Last year, IFPRI's poverty data and analysis has helped induce the GoP to set up a task force to evaluate the Pakistan Bureau of Statistic's methods of calculating official poverty numbers using IFPRI's household surveys as a model. PSSP continued to work with this committee with regard to poverty measurement and reduction strategies. PSSP also conducted detailed analysis on nutrition and migration.

A unique longitudinal survey being collected to better understand migration and rural-urban linkages came to its final stages in FY 2014. This survey is tracking all household members in the original, 1986 – 1991 panel survey carried out by IFPRI, including collecting detailed employment and migration histories. These data will be available starting in FY 2015. The team will use these results to analyze the supply- and demand-side drivers of permanent and temporary migration by rural Pakistanis. This will help us understand the barriers to poverty-reducing migration and the pursuit of economic opportunities in cities and other communities. Understanding rural-urban linkages and the factors driving temporary and permanent migration has been a high priority Planning Commission, and a key knowledge input for poverty reduction policy formulation.

Future Plans and Collaborations: PSSP plans to continue working with the Planning Commission, the Ministry of Finance, the Pakistan Income Support Program and the Pakistan Bureau of Statistics to share information and improve the quality of data collection and estimation, so that better analysis can lead to appropriate policies and poverty reduction strategies. Moreover, the carefully collected household level rural panel data (RHPS) has provided the basis for several studies that have direct poverty alleviation implications. For example, a major review of the social safety nets is underway, which will evaluate issues of targeting, coverage and sustainability in those programs. PSSP plans on working with the Rural Support Program Network to strengthen its strategies

Progress on Impact Area. In regard to the Poverty Dynamics and Social Safety Nets work, PSSP administered a third Round of the Rural Household Panel Survey (RHPS) in 19 districts in Punjab, Sindh, and Khyber Pakhtunkhwa (KP), with a sample of over 2,000 households and with modules on topics such as employment, income, credit, agriculture, education, nutrition and social safety nets. During the coming year, these results will be used for analyses of resilience and evaluations of social protection programs. Additionally, the results will be used to prepare reports on the characteristics of rural Pakistani communities and institutions, as well as the households and individuals that populate them. These reports have provided a detailed sense of poverty incidence, dynamics, and the institutions and policies that can best reduce poverty. With the evaluation of NRSP, expected to be done in the Spring of 2015, many of the research results can be made available in forms that are useful to such “on-the-ground” institutions. Thus, the studies that PSSP worked on during FY 2014, such as those related to poverty measurement, nutrition, migration, gender and aspirations, can be used to support the strategic development in NRSP.

(v) Crosscutting PSSP Activity:

PSSP continued work on a book titled, “Agriculture and Rural Poverty Reduction in Pakistan,” which has been designed to present a comprehensive picture of the food security, growth and poverty situation in Pakistan. PSSP researchers, with several Pakistani collaborators, are working on various chapters that deal with issues related to land ownership, market efficiencies, rural development, service delivery, and social protection programs, among other topics. In Quarter 3, first drafts of all the chapters were submitted by the respective authors. The drafts were peer reviewed by IFPRI staff. All chapters have been revised by the authors in response to the comments and the book manuscript will be submitted to the PRC.

3. CAPACITY STRENGTHENING

PSSP’s purpose is to contribute to pro-poor economic growth and enhanced food security through strengthened capacity for designing and implementing evidence-based policy reforms. This requires improving research-based policy analysis; building capacity, leadership and networks among researchers and policy analysts within and outside the government; and disseminating research results among diverse stakeholders. This section presents some of the main approaches, results and trajectories in the area of capacity building.

3.1 PSSP Competitive Grants Program

A major component of PSSP is the Competitive Grants Program (CGP), which provides small grants in support of research projects. Researchers from across the country – and a small number of Pakistani scholars abroad – have received grants. Rather than providing funding to well-known scholars for research on pre-selected topics, or to a small number of major research institutions, PSSP employs competition to allow scholars – including women and ones from remote areas – to select their own research topics within broad guidelines. By operating in this manner, the program both produces high quality academic papers on key policy areas from an unusually diverse set of scholars and enables the building of sustainable networks of researchers on particular themes.

Award Selection

The Planning Commission and IFPRI jointly designed the CGP, which is managed by a 14-member RAC.¹ The RAC launched the first round of the CGP in January 2012 with a call for proposals, and took the same action for a second round in October 2012 and third round in October 2013. Over these three rounds, RAC members have reviewed over 760 applications, sending each applicant a review score and selecting 175 proposals for further evaluation. From these short-lists, the RAC invited 103 applicants to make oral presentations on their proposals, ultimately deciding to fund 71 projects involving additional investigators and co-investigators (and their post-graduate master's degree and Ph.D. students).



Example Research Results: Ultimately, the CGP will be evaluated on the quality of its output, with one of the major success metrics being the use of research to inform policy issues. We give a few examples below that have the potential to have large impacts on policy, and the authors, along with PSSP can continue to push these outputs and further examinations forward.

¹ Members of the Research Advisory Committee for 2014 were Prof. Ahsan Iqbal, Federal Minister for Planning, Development and Reforms and Deputy Chairman of the Planning Commission; Dr. David Orden, RAC Deputy Chairman; Dr. Nuzhat Ahmad; Dr. Imran Ali; Dr. Ryan Cardwell, Dr. Ali Cheema; Dr. Stephen Davies; Dr. Ariel Dinar, Dr. Akmal Hussain; Dr. Aliya H. Khan, Dr. Iqrar Ahmad Khan; Dr. John Mellor; Dr. Nicholas Minot; Dr. Margaret McMillan, Dr. Syed Nawab Haider Naqvi; Dr. Abid Suleri and Dr. Michael Wyzan.

Journal Article - "Economic benefits of high value medicinal plants to Pakistani communities: an analysis of current practice and potential" published in Journal of Ethnobiology and Ethnomedicine by Hassan Sher, Ali Aldosari, Ahmad Ali, and Hugo J de Boer

Completed and Published in the "Journal of Ethnobiology and Ethnomedicine". This article highlights that wild collection of Medicinal Plants is almost the only source of medicinal raw material in Pakistan, with virtually no cultivation practices used. Gathering is mostly done by women and children of nomadic Middle Hill tribes, who earn supplementary income through this activity, with the plants brought to market by collectors, who are usually local farmers. The individuals involved in gathering and collecting are largely untrained in pre- and post-harvest treatment of collected material. Most collected material is sold to local middlemen. After that, the trade pattern is complex and heterogeneous, involving many players. Hassan Sher 's research highlighted the importance of Medicinal and Aromatic Plants (MAPs), which have now been included in the Agriculture Reform Act of KPK, the Biodiversity Action Plan of the Ministry of Climate Change and the Forest Act 2011.

Journal Article - "Informal entrepreneurship and institutional theory: explaining the varying degrees of (in) formalization of entrepreneurs in Pakistan" by Muhammad Shehryar Shahid and Colin Williams

This is an article completed and accepted for publication in the journal "Entrepreneurship and Regional Development". Results of the survey highlight that 62% of entrepreneurs operate wholly informal enterprises, 31% largely informal and only 7% largely formal enterprises. None operate wholly formal enterprises. Those businesses with lower formality levels are more likely to display higher levels of institutional asymmetry, exhibit greater concerns about public sector corruption, possess lower tax morality and be more concerned about high tax rates, and the procedural and distributive injustice and unfairness of authorities.

Journal Article - "Urban Open Spaces for Adolescent Girls in Rawalpindi-Islamabad" forthcoming in *Pakistan Journal of Urban Affairs* by Syed Ayub Qutub and Nomana Anjum:

This research was presented at the International Conference on Town Planning and Urban Management (ICTPUM) and was accepted for a forthcoming publication in the proceedings issue of "Pakistan Journal of Urban Affairs". The project has developed Adolescent Girl Friendly Space designs for parks and school playgrounds, and tested the preferences of target beneficiaries for outdoor physical activities before and after exposure to model designs. Institutional and programmatic interventions have been generated in consultation with secondary school children, and planning and sector specialists.

PSSP Working Paper 021 - "The Emergence and Transformation of Bathkela (Malakand) Bazaar: Ethnic Entrepreneurship, Social Networks, and Change in Disadvantageous Societies" by Muhammad Ayub Jan

This article has been completed and posted to the PSSP blog. Results highlight that entrepreneurs in Bathkehlra use social networks of family and friends in different combinations at different stages of entrepreneurship. It presents evidence that family networks were more useful in the initial stage of business development, and friendship networks were more useful in the later stages. The study found, encouragingly, that friendship networks, being more diverse, are not limited to co-ethnics as the literature on ethnic entrepreneurship would suggest, but are increasingly cross-ethnic. This article will be presented at the Pakistan Society of Development Economics' annual conference in December.

PSSP Working Paper 022 - "Public Investment Efficiency and Sectoral Economic Growth in Pakistan" by Qazi Masood Ahmed and Syed Ammad Ali

This article also has been completed and posted to the PSSP blog. Results highlight a crowding-in phenomena of private investment in the Pakistan economy. For eight sectors of the economy, the majority of cases support the argument that public investment has a positive effect on private

investment, and generally on output and employment. Also, the marginal productivity of sectoral investment is more important than that of aggregate public investment.

3.2 Other Capacity Strengthening Activities and Collaborations

Creating Networks for Knowledge Sharing:

In Year 2, PSSP created a Domestic Studies Program (DSP) with several Pakistani researchers, universities, institutions and research organizations, which was designed to create an effective network of knowledge sharing. The domestic studies groups were formed with a vision of accelerating collaborative research and promoting knowledge sharing within the Pakistani research community. PSSP successfully created two groups, each with a lead researcher, three assistant researchers and several research assistants from various institutions, with the objective of producing several high quality research products. Though this method was successful, it was not as far reaching as we would have liked. In response to USAID's audit recommendations in July, PSSP has identified a list of 10 universities to build a knowledge management and training network. PSSP plans to sign MoUs with these universities, followed by training of representative instructors from the main institutions, who would then take the training materials back to the home university and use it for training students and other faculty there.

This will ensure that PSSP's training efforts are sustained beyond the life of the activity. PSSP already has relevant course outlines available on such subjects like computable general equilibrium modeling, water modeling, and poverty mapping, having used these syllabi to train individuals from a variety of local institutions in Year 3. It would be an easy step to ensure that local instructors are qualified to teach the same material and to provide the relevant course outlines to these institutions.

Writing Technical Proposals at PARC: In Year 3, Davies conducted three, one week long courses for scientists and researchers on effective methods of writing research proposals, which was jointly organized by PSSP and PARC in Year 3. The aim of the workshops was to train participants in writing effective research proposals to help them write and obtain better grants. The sessions focused on writing concept notes, developing a logical framework, project proposal budgets, executive summaries, and donor relations. So far, two of the participants from these trainings have shown an interest in working with students from their own institutions. They plan on using the materials from this training to conduct them in the next year, which is creating the kind of expansion in capacity that we had hoped would occur. There is still an issue with quality control but at least further training is being done, and they are using our curricula as a base.

Other Trainings: PSSP held a training on Water net mapping at the LEAD Pakistan office in Islamabad in April 2014. This training was led by consultant Jennifer Hauck from Helmholtz Centre for Environmental Research, Germany. PSSP also held a training event on Poverty mapping in Islamabad in May 2014. This training included an overview of STATA and ArcGIS. Stakeholders from the Planning Commission, Ministry of Finance, and Benazir Income Support Program (BISP) among others, participated in this week long training.

Future Plans and Collaborations: PSSP is in a pivotal position to direct these networks, providing a unique knowledge-sharing environment for both researchers, and students assisting the lead researchers, to contribute to various research topics. PSSP plans on making the training materials available on the web or videos streamed on SDPI's live web TV.

Providing Support to Civil Society and other Organizations:

PSSP's main support to civil society organizations was in the form of participation and support in these organizations' conferences and events. PSSP supported SDPI by sending four IFPRI researchers to present and actively participate in their conference in December 2013. PSSP collaborated with LEAD Pakistan, the Pakistan Water Partnership, and the Asian Development Bank in organizing the Planning Commission's Pakistan Water Summit in March. PSSP worked closely with the Water Summit organizing committee in developing the 14 concept papers and other arrangements during the summit at the Planning Commission. PSSP collaborated with SHFINT in June by assisting them in organizing their International Water Conference, which was attended by several ambassadors and key government officials. PSSP researchers also presented their research work on water management and irrigation issues at this event. PSSP will support the Pakistan Society for Development Economists (PSDE) and SDPI in their annual conferences in December 2014, by helping organize the event and by sending researchers to participate in the sessions.

4. PROGRAM PERFORMANCE REVIEW

4.1 Expected Results

Effective policymaking requires timely, evidence-based analysis that is available to key government decision makers. The process of policy formulation, analysis, implementation, monitoring and evaluation needs to be more effective and sustainable. To that end PSSP is focused on enhancing the technical capacity of analysts and researchers in government institutions, academia and the private sector to undertake policy review and analysis which is robust. Moreover, widespread stakeholder participation in policy debate favors policy reform and implementation. PSSP therefore has prioritized designed for information dissemination and outreach activities that identify the needs of target constituencies, address their priorities, make information and results widely available and promote public discussion and debate. To date PSSP has undertaken substantial research activities and is now well positioned to take results and translate them in to policy dialogue and subsequent action. Details of the specific outputs related to discussions in this section can be found in Appendix 2.

4.2 Results Framework

PSSP's vision is summarized in the following Development Objective.

Development Objective: The overall objective of PSSP is to act as a strategic and proactive partner of Government of Pakistan; promote informed debate and decision making and to rigorously inform policy formulation through research, analysis, and public discussion. The main criterion for success under this objective is the extent of increased utilization of empirical evidence, review and research, involvement of stakeholder networks, as well as private sector and civil society participation in public policy process.

The Development Objective will be met by addressing three intermediate results, as described below. Also, PSSP has devised 15 indicators to track progress on these intermediate results. A description and analysis of these indicators follows the intermediate results discussion below.

Outcome 1 (IR 1): IFPRI will increase and improve research in PSSP's four areas of emphasis, with much of the research being collaborative and interactive with local institutions and academics. The relevant indicator for success is the number of papers completed and published by PSSP supported staff, academics and institutions, including PSSP and IFPRI discussion papers, book chapters and journal articles. Our efforts are designed to strengthen local capacity by creating opportunities for research through commissioned research projects and the Competitive Grants Program (CGP) (IR 1.1). The PSSP

will measure success in the CGP and other collaborative research efforts by the number of grants contracted to individuals, and the number of results published from the research that is conducted.

Outcome 2 (IR 2): PSSP is improving access to, and creating demand for, high quality research on the part of policy-makers, academics, and other researchers, by disseminating research results through written output as well as in public forums, both of which are designed to increase discussion on policy change geared toward pro-poor growth and development. Two Sub-IRs (IRs 2.1 and 2.2) support this outcome. First, PSSP will create networks by signing Memoranda of Understanding (MOUs) with local organizations and by tracking the number of collaborative trainings; meetings and dissemination events hosted by or held on site by a local institution working with the project (IR 2.1). A second output or sub-IR (IR 2.2) is “increased provision of timely, demand-driven policy analysis and advice to policy-makers and other key stakeholders.” This output will be evaluated by tracking the preparation of Policy Notes developed on questions relating to the four main research areas of the project through explicit analyses of policies that have potential to be revised, and by making large-scale surveys available to local researchers.

Outcome 3 (IR 3): The third outcome expected by PSSP involves improving policy-making by mainstreaming the catalytic role of private sector and civil society organizations. This goal is being accomplished through the development of a website and blog, in addition to disseminating results through journals and other media outlets. PSSP is tracking the number of “hits” on each media outlet as well as attendance at each conference or policy related workshop. PSSP is creating an agenda of policies that need discussion in regard to potential adjustment in either design, require passage or promulgation, or need better implementation. In one Sub IR (IR 3.1), PSSP is working toward disseminating research results to private sector and civil society organizations through public forums and meetings with key groups to increase discussion on policy change geared toward development paradigms which are responsive and inclusive.

Additionally, two **crosscutting training activities** are tracked. PSSP is currently setting up training projects that contribute to the achievement of all three IRs, which includes training academics, researchers and local government officials in various aspects of research. Success will be measured by the number of trainings given, along with the number of individuals trained.

4.3 Progress on Indicators

PSSP is using FY 2013 as the base year to track progress on 18 indicators. A description and analysis on progress of each of the indicators are listed below. There are also discussions of possible changes for some of the indicators for 2014 if it seems to improve the accuracy or coverage of the indicators.

Indicator 1: This indicator counts the number of policies/regulations/administrative procedures at a given stage of development as a result of USG assistance. It also includes assessment of the stage of analysis, legislation or implementation that each policy or procedure has reached. In FY 2014 PSSP analyzed 11 policies in total, which included five policies at stage one, one at stage 2, three at stage 3, while two reached stage 5 of the policy process. In Quarter 4 of FY 2014, PSSP made progress on the following two policies, a policy on reducing the Tariff Differential Subsidy, which was encouraged by PSSP’s CGE work, and a second policy that was input to the Vision 2025’s Integrated Energy Plan, which will lead to change in several policies on the country’s energy mix. For the whole year, the following policies were considered:

- Seed sector legislation (Stage 1)
- Intellectual property rights legislation and policy (Stage 1)

- Institutional restructuring in the seed sector (Stage 1)
- Food Security Draft (Stage 2)
- Improving Governance with Knowledge Management Platforms (Stage 1)
- Economic evaluation of Diemer Basha Dam WP By Sherman (Stage 1)
- Agriculture Reform Act KP is under review. (Stage 3)
- Ministry of Climate Change is working on a biodiversity action plan which will include MAP (Stage 3)
- Forest Act 2011 is also under review with a full chapter on MAP (Stage 3)
- Vision 2025 Integrated Energy Plan (Stage 5)
- Tariff Differential Subsidy (Stage 5)

Indicator 2: This indicator aggregates the index of production, distribution, access to, and use of research produced as a result of USG assistance. The index creates an overall measure by calculating an aggregate index, which is a weighted sum of the indexes for production, access to, and usage at the IR level. The weights are 40 percent for IR1, and 30 percent for IR2 and IR3 each. Below are the components that constitute the index. The number shown against each component is the output achieved in this quarter.

- The index measuring production of research by PSSP and partners IR1. The number of (weighted by 40 percent):
- The index measuring access to research produced by PSSP and partners IR2 (weighted by 30 percent);
- The index measuring usage of research produced by PSSP and partners IR3 (weighted by 30 percent):

To measure PSSP's progress, FY 2013 output was set as a baseline, with a value of 1. The target for 2014 is for a five percentage point increase or to a 1.05 index number by the end of 2014. PSSP achieved a 0.22 contribution to the index in quarter 4, leading to a 2.13 cumulative point increase in the FY 2014. The over achievement is primarily due to the increase in citations of PSSP products, which affects the third sub-index.

Indicator 3: This index captures production of published studies or conference presentations given as a result of USG assistance. The index captures the increased production of PSSP and partner research and aggregates them into an index. The components of this index are listed below and the number against each is the output achieved in this quarter.

1. Number of journal articles published: 3 research papers published
2. Number of book chapters: 1 book chapter
3. Number of IFPRI and PSSP discussion papers created: 9 PSSP working papers
4. Number of conference presentations and invited lectures given: 32

The target for 2014 was set at a 5 percentage point increase or 1.05 index points by the end of 2014. PSSP achieved 0.16 points in Quarter 4 and 0.95 cumulative points for the FY 2014. The latter value implies that PSSP reached 82 percent of the target for this indicator. However, there are sixteen book chapters under review now, and there should be about 8 working papers in the first quarter of FY2015, so the project will catch up by the end of the coming year.

Indicator 4: This indicator counts the number of new, PSSP-funded awards to institutions/individuals in support of research. These contracts include the number of competitive grants, domestic studies, and

commissioned research proposals whose authors receive final contracts. In quarter 4 of FY 2014, PSSP shortlisted 34 candidates for the research competitive grant. The contracts for 31 grants have been finalized. The rest of three grants would be finalized in the first quarter of FY 2015. Overall in FY 2014 PSSP finalized 32 grants for research studies.

Indicator 5: This index captures access to and usage of applied economic research by policymakers and related stakeholders by including citations of products, policy dialogue using PSSP and partner products, as evidenced by policy notes distributed from PSSP research, attendance of key stakeholders at PSSP meetings, and networks linking research producers and users together. There are four components of this index listed below and are weighted at 30, 15, 15 and 40 percent respectively.

- Citations of products: 9
- Policy notes and outreach publications distributed from PSSP funded research: 34
- Attendance of key stakeholders at PSSP meetings: 185
- Networks linking the research producers and users together: 0

The target for 2014 was set at a 5 percentage point increase or 1.05 index point by the end of 2014. PSSP achieved 0.32 points in the fourth quarter. In FY 2014 PSSP achieved an index point of 3.92. The over achievement is due to the fact that, as we noted, a total of 9 citations this year, which carry a 30 percent weight and were previously listed as 0. This could be a spillover from previous quarters.

Indicator 6: This indicator counts the number of MOUs signed with economic research networks. In the fourth quarter of FY 2014, one MOU was signed with RIPAH University of Islamabad. In FY 2014 PSSP signed four MOUs with SDPI, University of Tandojam Sindh, SHIFNT and RIPAH University for research sharing, capacity building of faculty members and resource sharing.

Indicator 7: This indicator accounts for the attendance of key stakeholders in PSSP meetings, conferences, and trainings. In total, 185 key stakeholders attended PSSP events in FY 2014. In quarter 4 12 key stakeholders attended PSSP events. A major portion of the attendance was in the second annual conference of PSSP and the workshop on development opportunities in the Indus Basin.

Indicator 8: This indicator counts the number of outreach publications and policy notes from PSSP-funded research. In the fourth quarter of FY 2014, PSSP finalized three working papers. Overall in FY 2014 PSSP published nine working papers, three policy notes and one seminar insights note.

Indicator 9: This indicator accounts for the number of datasets from PSSP funded research and other data compilations made available online. In FY 2014 PSSP made 5 data sets available to the IFPRI and PSSP researchers, these include Aspirations, RHPS-1, RPHS 1.5, RPHS 2 and Satpara Command Area Baseline Survey.

Indicator 10: This index captures the extent to which policies are influenced by feedback from private sector/civil society stakeholders. This indicator is derived from indicators 11, 12 and 13. It includes the working papers and other research papers produced by PSSP.

The target for 2014 was set at a 5 percentage point increase or 1.05 index value by the end of 2014. PSSP achieved 0.20 points in this quarter and a 1.90 point cumulative in FY 2014. The latter value implies that PSSP has achieved the target for this indicator. The over achievement is primarily due to the indicator 11 which made most of the difference, as it constitutes 1.37 out of the 1.90. This is because of

the frequent interactions of the Chief of Party and Deputy Chief of Party with the officials from civil society and private sector.

Indicator 11: The indicator counts the number of meetings with private sector and civil society organizations. PSSP administration and researchers had 39 meetings with organizations which include meetings with Pakistan Poverty Alleviation Fund (PPAF), National Rural Support Program (NRSP), Leadership for Environment and Development (LEAD), Pakistan Water Partnership (PWP), Aurat Foundation, Pakistan Microfinance Network Pakistan and SDPI among others.

Indicator 12: This indicator counts the number of results reported, published, and presented for public knowledge. In the fourth quarter of FY 2014, three PSSP working paper on "Public Investment Efficiency and Sectoral Economic Growth in Pakistan", "The emergence and transformation of Batkhela (Malakand) Bazaar: Ethnic entrepreneurship, social networks, and change in disadvantageous societies" and "Issues in the measurement and construction of the consumer price index in Pakistan" was published and made available on the PSSP Blog. In FY 2014 a total of 12 research studies were published which includes, 9 working papers and 3 policy notes.

Indicator 13: This indicator accounts for the number of media mentions of IFPRI PSSP papers and results. PSSP received 76 media mentions in FY 2014. These include mentions of PSSP Second Annual Conference, Competitive Research Grants, MoU signing and Radio shows.

Indicator 14: This indicator accounts for the number of persons receiving training on skills development. PSSP conducted 6 trainings on skill development in FY 2014. These include 4 trainings on technical proposal writing, a training for enumerators to conduct the BT Cotton survey and one training for RHPS Round 3 enumerators. A total of 233 individuals were trained among them 159 were male and 59 were female trainees in FY 2014.

Indicator 15: This indicator counts the number of persons receiving training on policy related topics. PSSP organized two policy-related training events during the fourth quarter. They include SAM CGE training in IFPRI Headquarters Washington DC, a total of 4 participants attended from Pakistan two were from PSSP research staff and one each from Planning Commission and Federal Board of Revenue. In addition, a SAM workshop was attended by 14 participants. In FY 2014 PSSP organized 5 trainings on policy related topics, a total of 84 individuals were trained among them 67 were male and 17 were female.

Indicator 16: This indicator counts the number of USG-assisted organizations that participate in legislative proceedings and/or engage in advocacy at all levels. PSSP assisted a total of 5 such organizations they include the Planning Commission for the development of the PC-1 for the Center of Rural Economy, SDPI, LEAD, PWP and SHIFNT.

Indicator 17: This indicator counts the number of USG assisted meetings with government officials regarding proposed changes in legal/institutional framework. PSSP senior management held 41 meetings with government officials from Ministry of Finance (MoF), PARC, NARC and the Planning Commission during FY 2014.

Indicator 18: This indicator counts the number of events for public/stakeholders consultation to enhance sector governance or facilitate private sector engagement in policy making as a result of USG assistance. This FY 2014 PSSP organized ten events in total. They include WLE Workshop, Water International Special Seminar, Third CGP Conference, Second Annual Conference, Fourth CGP

Conference, Fertilizer Sector Seminar, Two Sam-CGE Workshops, Energy Sector Seminar and a seminar on the Agricultural Land Values.

The comparison of targets and actual output is shown for all indicators in Table 1. Three of the indicators were significantly higher than the targets, including Indicators 2, 5, and 7. Indicator 2 is the aggregate index of production, distribution, access to, and use of research produced as a result of USG assistance. It was high because Indicator 5, one of the sub-indexes was very high. Indicator 5 was far above its target because of the because of the large gain the citations of products, due to the fact that, as we noted, a total of 9 citations this year, which carry a 30 percent weight and were listed as 0 in the base year. Indicator 7 was high because we had much larger attendance than expected at second annual conference of PSSP and the workshop on development opportunities in the Indus Basin.

Three of the indicators were low, including indexes 3, 13 and 16. Indicator 3 had to do with written output, which was somewhat low relative to the target, but with sixteen book chapters under review now, and 8 working papers in the first quarter of FY2015, the project will make up this difference up by the end of the coming year. The number of media mentions, found in Indicator 13, was low simply because of canceled conferences near the need of the year. With regard to Indicator 16, which is about helping organizations which enter into legislative or policy activities, we believe ten, the target, is a high number, and we need to think more carefully about a reasonable expectation.

Table 1 : PMP Indicators Target vs. Actual

Indicator Number	Indicator Description	Unit	FY 2014		Cumulative Progress FY 2014
			Target	Progress in Q4	
1	Number of policies/regulations/administrative procedures at a given stage of development as a result of USG assistance	Number	7	2	11
2	Aggregate index of production, access to, and use of research produced as a result of USG assistance	Index	1.05	0.22	2.13
3	Index of capturing production of published studies or conference presentations given as a result of USG assistance	Index	1.05	0.16	0.95
4	Number of new USG-funded awards to institutions/individuals in support of research.	Number	30	31	32
5	Index capturing access to and usage of applied economic research by policymakers and related stakeholders	Index	1.05	0.32	3.92
6	Number of Memoranda of Understanding (MOU)s signed with research networks	Number	10	1	4
7	Attendance of key stakeholders in PSSP sponsored events	Number	40	12	185
8	Number of outreach publications and policy notes from PSSP-funded research	Number	10	3	13
9	Number of datasets from PSSP funded research and other data compilations made available	Number	6	0	5
10	Index capturing extent to which policies are influenced by feedback from private sector/ civil society stakeholders	Index	1.05	0.20	1.90
11	Number of meetings with private sector and civil society organizations	Number	10	3	39
12	Number of results reported, published and presented for public knowledge from PSSP support and research to civil society partners	Number	12	6	12
13	Number of media mentions of PSSP	Number	100	2	76
14	Number of persons receiving training on skill development	Number	180	0	233
15	Number of persons receiving USG supported training on policy development, analysis, and implementation	Number	75	18	84
16	Number of USG-assisted organizations that participate in legislative proceedings and/or engage in advocacy at all levels	Number	10	1	5
17	Number of USG assisted meetings with government officials regarding proposed changes in legal/institutional framework	Number	30	15	41
18	Number of events for public/stakeholders consultation to enhance sector governance or facilitate private sector engagement in policy making as a result of USG assistance	Number	10	3	10

Program Administration

NAC Meeting: PSSP's held its first meeting under the Chairmanship of Prof. Ahsan Iqbal in the first quarter of 2014 on October 21, 2013. Rabia Sultan, Director of Farmers Associates Pakistan, Naseer Gillani, Chief Water Resources, Planning Commission, Ijaz Shafi Gilani, Chairman Gallup, and Abid Suleri, CEO, SDPI also attended as newly nominated members. USAID Mission Director Gregory Gottlieb also attended this meeting. PSSP's Annual Work Plan for Year 3 was the highlight of the discussion.

New Office Location: Due to the security situation PSSP relocated to the Serena Business Complex in January 2014 and continues to operate from this location

Hiring of PSSP Staff: PSSP advertised for the position of Deputy Chief of Party, Senior Research Fellow, Research Analyst and Research Assistant at the beginning of the year. After several rounds of shortlisting PSSP successfully hired Ahmad Jamal as Deputy Chief of Party, Dr. Mubarak Ali as Senior Research Fellow, Sana Ehsan as Research Analyst and Amna Ejaz as Research Assistant.

5. LESSONS LEARNED AND CHALLENGES

Roadmap for activities: Now that PSSP is beginning its fourth year of implementation it is at a crucial stage where completed research needs to proactively drive policy, and its relevance and efficacy should increasingly steer the work of policy makers. In this regard, increasing efforts will be devoted to showcase work already completed and to increase engagement on advocacy and dialogue. The PSSP research agenda is based on providing research results that are essential for policy managers to make informed decisions. Though PSSP has maintained communication via collaboration with stakeholders throughout our intensive research phase, it is now time to chalk out the necessary steps required for policymakers to consider the recommendations and act upon them. Economic research is an ongoing process and making a change in a policy is not something that can happen instantly or easily. PSSP is confident that it has planted the seeds of reform in sufficient depth, while recognizing that policy reform or change in the status quo is a long term process. Getting this informed research into the hands of influential stakeholders is a first step towards this goal. Maintaining a balance between ongoing research activities along with outreach of the results while maintaining relationships with policy makers, to influence outcomes, is crucial and PSSP has planned to aggressively to pursue these objectives in tandem during its final year.

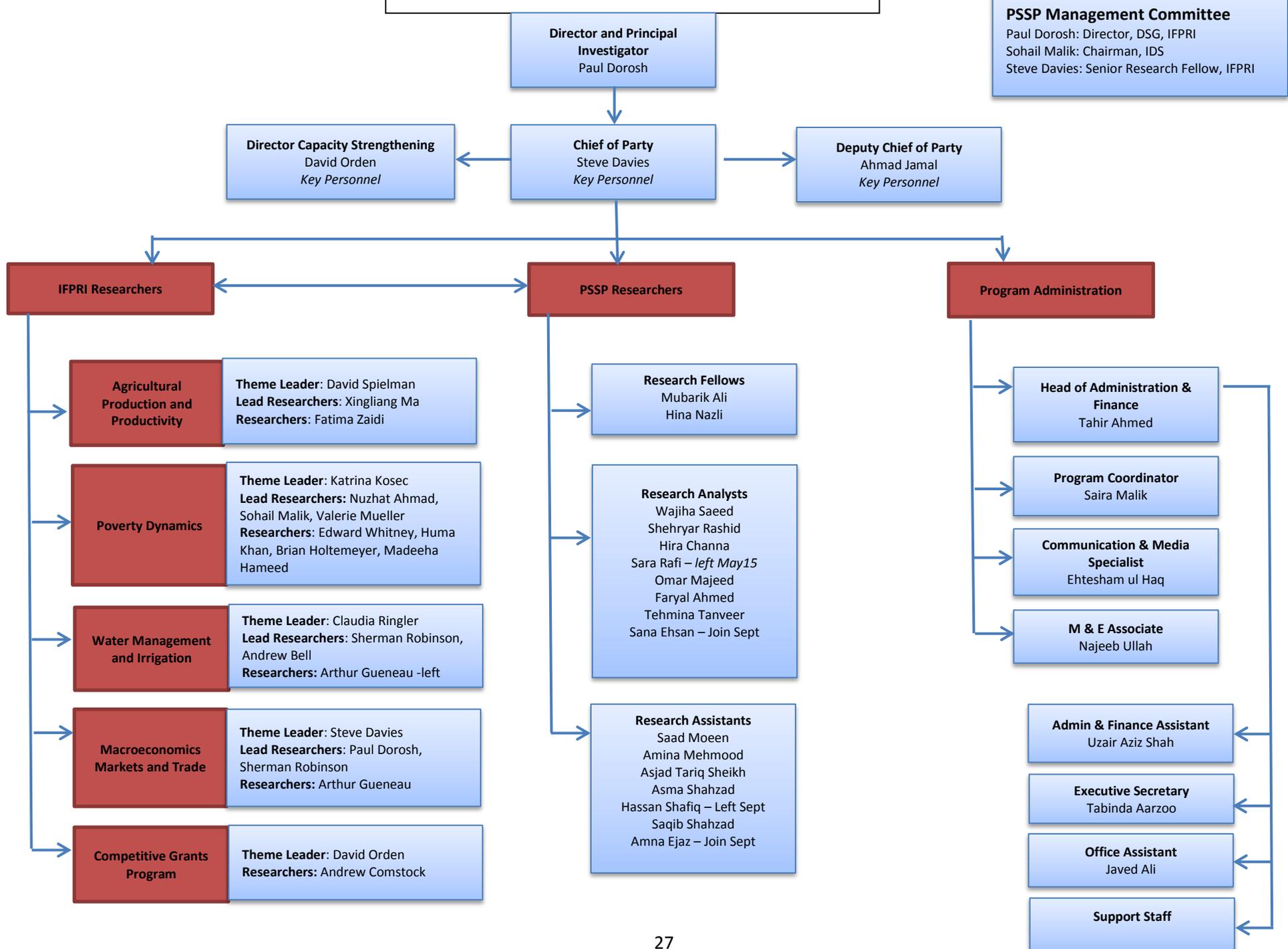
Field work and Security: Large scale political protest and agitation took place in August/ September, which adversely affected our pace of work. PSSP had scheduled two policy seminars, two trainings and a NAC meeting that had to be cancelled. These have been rescheduled for next year. For the Total Factor Productivity training, PSSP had planned to invite three trainers from IFPRI headquarters and participants from major agricultural universities and institutions from all provinces were to be invited. PSSP has now moved this training to January 2015, with hopes that the security situation will be better. The enumerators of the RHPS Round 3 survey faced issues accessing some districts during the survey and it had to be halted in several instances. Efforts are now in hand to obtain a higher level of authorization and security clearance so that work can continue uninterrupted in these districts.

PSSP Seminar Series: In FY 2014 PSSP started a series of engagements with a select group of key stakeholders. Following a seminar format these interactions are focused on soliciting quality feedback on completed research, expanded use of this research as well as related avenues which can be further explored or studied.

Appendices:

1. Organizational Chart – Pakistan Strategy Support Program
2. Listing of Activities under the Results Framework
3. PSSP Events Calendar (Oct 2013 – Sep 2014)
4. PSSP Future Events to be held (October, November, December) Q1- FY 2015
5. Official travels
6. Submissions to USAID
7. PSSP Policy Seminar Agenda – An Overview of Power Sector Distribution Companies: The Way Forward
8. PSSP Policy Seminar Agenda – Farmers’ Perceptions of Agricultural Land Values in Rural Pakistan
9. PSSP Media Mentions Q4 – FY 2014

Appendix 1: PSSP Organizational Chart



Appendix 2: Listing of all Activities under the Results Framework

PSSP engaged in a number of activities that contribute toward the outcomes that are listed under Section 4 on Progress on Performance. This section provides details on the all the activities that PSSP undertook in FY 2014 to fulfill the targets set under the indicators in the Results Framework.

IR 1: Increased and Improved Agricultural and Economic Policy Research

Indicator 1: Number of policies/regulations/administrative procedures at a given stage of development as a result of USG assistance

The main policies that reached a significant level of development during FY2014 were:

Quarter 1:

- Seed sector legislation, Stage 1 (i.e., analysis only)
- Intellectual property rights legislation and policy, Stage 1 (i.e., analysis only)
- Institutional restructuring in the seed sector, Stage 1 (i.e., analysis only)

Quarter 2:

- Agriculture and Food Security Policy, Stage 2(i.e., public debate and consultation)
- Knowledge Management for Better Water Governance, Stage 1(i.e., analysis only)
- Economic Evaluation of the Diemer-Bhasha Dam, Stage 1 (i.e., analysis only)

Quarter 3: One of our competitive grants awardees, Hassan Sher in the Swat valley led an effort to change several policies to encourage MAPs:

- Agriculture Reform Act KPK is under review. Previously there was no component in the Agriculture Act in KPK on MAP, but after Dr. Sher's study, they have included a MAP component.
- Ministry of Climate Change is working on a biodiversity action plan. They have also included MAP.
- Forest Act 2011 is also under review. Previously there was only one line on MAP and now there is a full chapter on the subject. The areas suggested for emphasis include conservation and sustainable use of MAP for economic development of the country.

Quarter 4:

- Vision 2025 Integrated Energy Plan (Stage 5)
- Tariff Differential Subsidy (Stage 5)

Indicator 3: Index capturing production of published studies or conference presentations given as a result of USG assistance

All research activities undertaken by PSSP that result in the production of a publication or conference presentation fall under IR 1 and contribute to indicator 3. The main researchers are PSSP staff and collaborative teams, including the CGP and other commissioned research.

PSSP Staff and Collaborative Research

Research activities undertaken by PSSP mainly fall under four main themes: a) Agricultural Production; b) Water Management and Irrigation; c) Macroeconomics, Markets and Trade; and d) Poverty Dynamics and Social Safety Nets. Completed and ongoing activities in Quarter 3 of FY 2014 under each theme are listed below.

a) Agricultural Production and Productivity

The following activities took place during FY 2014:

- Spielman, D.J., H. Nazli, and F. Zaidi. Meeting with the vice chancellor and senior faculty, University of Agriculture Faisalabad, October 25.
- Spielman, D.J., M. Rosegrant, C. Ringler, T. Zhu, and H. Xie. 2013. "Climate change and adaptation: Scenarios for food security and malnutrition to 2050." Presentation given at a seminar on Climate Change and Food Security: University of Agriculture Faisalabad, October 25.
- Spielman, D.J. and F. Zaidi. Meeting with economics and marketing faculty at Lahore University of Management Sciences (LUMS) on technology, seed systems, intellectual property rights, and agricultural sector growth, Lahore, January 24.
- Spielman, D.J., Mubarak Ali, S. Davies. Meeting with senior staff at the Pakistan Agricultural Research Council (PARC) on agricultural technology evaluation, Islamabad, June 10.
- Spielman, D.J., A. Ali Khan, and S. Ali. 2014. Presentation to senior staff at the National Agricultural Research Center (NARC) on "Bt cotton in Pakistan: Progress report on a collaborative research project," Islamabad, June 11.
- Spielman, D.J. 2014. Field experiments in conservation agriculture: Tools and methods for economic impact evaluation. Seminar given at the Pakistan Agricultural Research Council, Islamabad, June 12.
- IFPRI Hosted Dr. Aamer Irshad, Hubert Humphrey Fellow, and Chief of Food and Agriculture at the National Planning Commission of Pakistan at their headquarters in Washington DC in Quarter 3.
- PSSP discussion paper on "**A political economy analysis of Pakistan's Intellectual Property Rights (IPR) regime**" by consultant, Ahsan Rana is in progress and expected to be completed in the next two quarters.
- In Quarter 2, PSSP assisted PARC in developing the "**Agriculture and Food Security Policy**" draft, which was presented to Minister Sikander Hayat Khan Bosan and Secretary Seerat Asghar Jaura of the Ministry of National Food Security and Research. Prof. Mellor stressed the need for more emphasis on livestock and dairy development in formulating the new policy.
- PARC, with assistance from PSSP, made good progress in collecting and uploading survey data to the ASTI Data Management Portal in Quarter 2.
- PSSP's Pakistan Cotton Survey Round 1.3 was administered and completed in the province of Punjab and Sindh during quarter 2. There are a total of 28 districts in the sample (19 in Punjab and 9 in Sindh), and a total of 728 households were surveyed (560 in Punjab and 168 in Sindh). Training took place during January 11 – 19 and the PSSP team administered the survey between February 5 and March 5. The data were entered

by the end of March and cleaning continued into the next quarter. At the end of the year data analysis of this round was in progress.

- During Quarter 2, Forman Christian College University (FCCU) conducted a third party validation of the biophysical survey conducted earlier by University of Agriculture Faisalabad (UAF) and National Institute of Genomics and Advanced Biotechnology (NIGAB). The survey involved collection of a sample of leaves and bolls of cotton from the fields of these farmers for laboratory testing of the level of *Bacillus thuringiensis* (Bt) toxin and preparation of a report on the results.
- In Quarter 2 PSSP researchers presented papers at the PSSP Second Annual Conference in a session on Development, Regulation and Performance of Bt cotton, chaired by Dr. Kauser Abdulla Malik, former chairman PARC and a Distinguished Professor at FCCU; moderated by David J. Spielman, Senior Research Fellow, IFPRI; and with a distinguished panel of discussants, including Dr. Zahoor Ahmed, General Manager, Seed Research and Development, Four Brothers and Dr. Shahid Mansoor, Director, National Institute for Biotechnology and Genetic and Engineering (NIBGE). Presentations were given by Hina Nazli on "**Bt cotton in Pakistan: Performance and Adoption with Imperfect Information**"; Asif Ali Khan on "**Bt Cotton in the Field: Scientific Evidence from Pakistan**"; and Shahzad Kouser, "**Adoption of Bt Cotton and Yield Impact in Pakistan.**"
- PSSP and IFPRI Discussion paper on "**The Effects of Political Competition on Rural Land: Evidence from Pakistan**" is almost complete with additional data analysis and revisions in progress. In August, the abstract for this study was selected for presentation at the American Political Science Association (APSA), Washington DC
- A draft paper on 1) "**The role of social networks in an imperfect market for agricultural technology products: Evidence on Bt cotton adoption in Pakistan**" and 2) "**Information efficiency in a lemons market: Evidence from Bt cotton seed market in Pakistan**" was prepared for presentation at the Agricultural and Applied Economics Association (AAEA) Annual Meetings in Minneapolis, MN, July 2014. The first Paper was also presented at the 2014 AAEA/EAAE/CAES Joint Symposium in Montreal, Canada. An abstract was prepared for the second paper to be presented at the 30th Annual General Meeting and Conference for Pakistan Society of Development Economists (PSDE) in December.
- A paper on "**Social networks in an imperfect market: lessons learnt from cotton farmers in Pakistan.**" was presented at the 18th International Consortium on Applied Bioeconomy Research (ICABR) Annual Conference, Nairobi, Kenya. PSSP also sent Khuda Baksh, and Abedullah from UAF to present at this conference. Khuda Baksh presented his paper on "**Does Bt cotton seed lead to sustainable cotton production in Pakistan? Use of panel methods**" and Abedullah presented on "**Bt cotton, pesticide use and environmental efficiency in Pakistan.**"
- A discussion paper on "**Technological opportunity, regulatory uncertainty, and the economics of Bt cotton In Pakistan**" by David Spielman, Hina Nazli, Xingliang Ma, Patricia Zambrano and Fatima Zaidi (PSSP and IFPRI) has been completed and is getting reviewed before finalization.
- In Quarter 3, Spielman, Asif Ali Khan, UAF and Shaukat Ali , NIGAB presented their study on "**Bt cotton in Pakistan: Progress report on a collaborative research project**" at the PARC, Islamabad.
- A chapter on "**The Seed Industry in Pakistan: Regulation, Politics and Entrepreneurship;**" by Ahsan Rana, David Spielman and Fatima Zaidi was submitted for the Pakistan Food Policy book in Quarter 3. A PSSP Working paper on the same topic was published on the blog in the third Quarter.
- The study "DNA fingerprinting to study supply chain of cotton in Pakistan" is in progress. It focuses on the comparison of cotton genotypes collected from farmers' fields with breeder sourced material through DNA fingerprinting. This study is being conducted in

collaboration with UAF and National Institute of Genomics and Advanced Biotechnology (NIGAB).

- As part of the Bt Cotton Survey study, "Insect bioassay for *H. armigera* using leaf/boll samples collected to determine the performance of the Bt toxins in controlling the indigenous lepidopteran pests" by Asif Ali Khan and Masooma Naseer Cheema of UAF is in progress and expected to be completed in the next Quarter
- Forman Christian College University (FCCU) submitted results on the third party evaluation of field samples of Bt cotton from UAF and NIGAB for 70 and 120 DAS. This third party evaluation was conducted to cross check the results of Bt cotton testing of UAF and NIGAB.
- Bt Cotton Survey 2.1: Design of instruments for the panel survey on Bt cotton including a household survey as well as a choice experiment to be conducted in February 2015.
- The Center for Environmental Risk Assessment (CERA) continued to administer competitive biosafety research grants program. Recipients of the 2012 and 2013 grants presented their studies at the 2nd Annual South Asia Biosafety Conference in September 2014 in Sri Lanka. The studies are listed below:

1) "Effect of Bt cotton on chemistry, microbial community structure and enzymatic activity in the rhizosphere soil" by Dr. Fiaz Ahmad, Head Scientific Officer, Physiology/Chemistry Section, Central Cotton Research Institute Multan (2012 Grantee)

2) "Potential risk for cross resistance development in cotton growing areas of Pakistan" by Dr. Shaukat Ali, Principal Scientific Officer, Natural Agriculture Research Centre, Pakistan Agricultural Research Council (2012 Grantee)

3) "Biosafety, risk assessment and management with reference to GM (Cry1Ac) cotton" by Khadim Hussain, Scientific Officer, Central Cotton Research Institute, Pakistan Central Cotton Committee (2012 Grantee)

4) "Collection of baseline information about papaya crop cultivation in all growing areas of Sindh Pakistan" by Dr. Saifullah Khan, Associate Professor and in charge of the Biotechnology Wing, International Centre for Chemical and Biological Sciences, HEJ Research Institute, University of Karachi (2012 Grantee)

5) "Impact assessment of the transgenic sugarcane over expressing antifungal proteins on endophytic and rhizospheric microorganisms" by Dr. Iqar Ahmad Rana, Assistant Professor, Centre of Agricultural Biochemistry and Biotechnology (CABB), University of Agriculture Faisalabad (2012 Grantee)

6) "Prevalence of insect pests, predator, parasitoids and their survival in GE corn fields in Pakistan" by Dr. Habib Iqbal Javed, Pakistan Agricultural Research Council (2012 Grantee)

7) "Assessing management practices and externalities of Bt cotton plantations in Paksitani Punjab" by Dr. Khuda Bakhsh, Assistant Professor, Institute of Agricultural and Resource Economics, University of Agriculture Faisalabad (2013 Grantee)

8) "Ecological impact of transgenic Bt cotton hybrids on soil biological attributes of varying agricultural soils in Pakistan" by Dr. Sabir Hussain, Assistant Professor, Department of Environmental Sciences, Government College University Faisalabad (2013 Grantee)

9) "Earias spp. survival to transgenic Bt cotton strains having different protein levels" by Dr. Muhammad Naveed, Scientific Officer and Cotton Entomologist, Central Cotton Research Institute Multan (2013 Grantee)

10) "Linking Cry protein persistence with microbial diversity, enzymatic activity, nutrient cycling and gaseous emissions in soils under Bt cotton in Punjab" by Dr. Muhammad Saleem Arif, Assistant Professor, Department of Environmental Sciences, Government College University Faisalabad (2013 Grantee)

11) "Impact of rhizodeposition and incorporation of residues from Bt cotton on soil ecosystem processes of carbon and nitrogen cycling" by Dr. Tanvir Shahzad, Assistant Professor, Department of Environmental Sciences, Government College University Faisalabad (2013 Grantee)

b) Water Management and Irrigation

- Consultant Hassan Khan presented a paper on "Impacts of Climate Change on the Water-Energy-Food Nexus in the Indus Basin of Pakistan" on behalf of PSSP at the Nexus 2014: Water, Food, Climate and Energy Conference, which took place at the University of North Carolina at Chapel Hill.
- PSSP made new connections on future papers with Khalid Riaz and Muhammad Ashfaq in this year. More details will be given in the next quarterly report.
- PSSP researchers presented the following studies: "An Economic Evaluation of Diamer-Bhasha Dam: Assessing the Benefits of Diamer-Bhasha Dam on the Economy of Pakistan under Climate Change," "Reimagining cost recovery in Pakistan's irrigation system through willingness-to-pay estimates for irrigation water from a discrete choice experiment," and "The impact of water users' associations on the productivity of irrigated agriculture in Pakistani Punjab," at PSSP's Second Annual Conference in January. PSSP published the Diamer-Bhasha paper as a Working Paper while the other papers are being finalized as Working Papers.
- The studies on Diamer-Bhasha Dam and water users' associations were also presented at SHFINT's International Water Conference in June.
- The studies on "Knowledge Management for Better Water Governance," and "Economic Evaluation of the Diamer-Bhasha Dam" are both at Stage 1 of the policy making process, that is, the reports mentioned here are economic analyses of possible aspects of policy reform.
- The Planning Commission, in collaboration with Ministry of Water and Power, organized the Pakistan Water Summit on March 20, to develop the country's first National Water Policy to stimulate proactive development and management of Pakistan's water resources. PSSP, along with LEAD Pakistan, the Pakistan Water Partnership, and ADB were members of the Planning Committee that organized the Summit. The purpose of the Summit was to provide technical input into the formulation of a water policy. The Summit focused on 14 thematic issues related to water, including trans-boundary water. The Planning Committee prepared 14 concept papers, which were discussed in separate breakout sessions, one for each thematic area. Each paper consisted of a discussion topic, background issues and policy recommendations. PSSP will continue to work on this effort in the following quarters.

c) Macroeconomics, Markets and Trade

Ongoing:

- The studies **“Pakistan’s Fertilizer Sector: Structure, Institutions, Performance and Impacts,”** **“Farmers’ Perceptions of Agricultural Land Values in Rural Pakistan,”** and **“The Effects of Political Competition on Rural Land: Evidence from Pakistan,”** were presented at PSSP’s Second Annual Conference in January. The first two studies were also presented at separate Policy Seminars in the PSSP office. All three are being finalized as working papers and the Fertilizer paper has also been used as a book chapter in PSSP’s Agriculture and Food Security book.
- Researchers continued to work on creating a SAM for 2010-11. The objectives are to re-specify the representation of the economy’s structure to better evaluate consequences of Pakistan-India trade, the economic effects of federal subsidies distributed to the provinces, various investment and policy changes in the energy sector, and other issues related to food security and pro-poor economic growth. The will also be used to evaluate the indirect effects of value chain work done in USAID and other projects.
- PSSP held two SAM workshops where representatives from the Economic Reforms Unit within the Ministry of Finance, the FBR and the Planning Commission attended and worked together to develop the new SAM. This was the beginning of the formation of a CGE working group that will meet periodically throughout the year.
- At the request of the Planning Commission PSSP developed a concept paper for a **“Center for Rural Economy,”** which has been turned in to a formal PC-1 and has been submitted for approval for funding.
- PSSP gave extensive feedback on the Planning Commission’s *Vision 2025* document which was finally unveiled in August.

d) **Poverty Dynamics and Social Safety Nets**

PSSP researchers continued to work on the following in FY 2014:

- PSSP continued work on a book titled, **“Agriculture and Rural Poverty Reduction in Pakistan,”** which has been designed to present a comprehensive picture of the food security, growth and poverty situation in Pakistan. PSSP researchers, with several Pakistani collaborators, are working on various chapters that deal with issues related to land ownership, market efficiencies, rural development, service delivery, and social protection programs, among other topics. In Quarter 3, first drafts of all the chapters were submitted by the respective authors. The drafts were peer reviewed by IFPRI staff. All chapters have been revised by the authors in response to the comments and the book manuscript will be submitted to the PRC.
- PSSP research study, **“Productivity Shocks, Aspirations, and the Role of Social Protection: Evidence from Rural Pakistan”** and **“Political Competition and Rural Land: Evidence from Pakistan”** were presented for feedback at the PSSP Second Annual Conference in January 2014. They were also circulated among a number of IFPRI staff and external reviewers from the U.S. and Pakistan. In Quarter 3, these studies were revised according to that feedback. Additionally, the authors of the first study are complementing their research with GIS maps. Completed drafts, to officially become PSSP discussion papers, IFPRI discussion papers, and to be submitted to journals, are expected in September 2014.
- Data for the research study, **“Poverty, Mobility, and Political Attitudes: Evidence from Pakistan”** have been collected and this research has been outlined, but it will require some additional information from Round 3 of the RHPS. When these data are ready and analyzed (anticipated for Q1 of 2015), the research will become a PSSP discussion paper.
- Research on **“Family Composition and Marriage: The Impact of Spouse Quality and Poverty on Political Attitudes”** began in Quarter 3 of 2014, and a draft will be ready in November 2014. The research will be augmented with additional data from Round 3 of

the RHPS, and finalized and submitted as a PSSP discussion paper, IFPRI discussion paper, and to a journal by March 2015.

- The research study on “Perceptions and Practices for Gender in Pakistan” uses data from Pakistan on National Baseline Study on Knowledge, Attitudes and Practices under the Gender Equity Program of the USAID. The research will analyze perceptions in Pakistan on gender relating to human rights and justice, women’s empowerment and gender based violence. The knowledge, awareness and perceptions of men and women will be analyzed separately.
- Data collection for “Determinants of Migration in Rural Pakistan” was completed during the reporting period, and data cleaning is underway. The research team is now doing background research and making initial plans for the construction of variables to be used in the analysis. As a next step, the team will construct these variables and then analyze the factors explaining migration in rural Pakistan. In particular, it will compare permanent versus temporary migration, and explain what factors drive a person to choose one vs. the other and why, how/ when people transition, and how the relationships with the origin households differ. This will lend insights into the drivers behind and dynamics of migration.
- **RHPS Round 2:** The final clean version of Round 2 is now available for IFPRI researchers to use and eventually will be shared with a wider set of researchers.
- **RHPS Round 3:** The survey instrument was written in Quarter 2 and In Quarter 3, the survey was piloted, finalized, translated and rolled out. Wave 1 was completed by the end of June with data editing and entry in process. Wave 2 was postponed due to the security situation and will most likely be moved to March 2015.
- **Tracking Survey:** In FY 2014, the Innovative Development Strategies (IDS) survey team continued Phase II tracking all of the original households to find migrants that have moved out of their original district as well as international migrants, who were then administered a short survey over the phone. Phase II is over due to the current security situation in Pakistan. IDS is cleaning the data and IFPRI should receive the entire dataset by mid-July for planned analyses on migration. Focus group discussions were also held in eight villages of the four original districts in Quarter 2.
- Renowned promoter of rural support networks, Shoaib Sultan Khan, presented “Social Mobilization: a case from South Asia” at IFPRI in May. PSSP published his talk as Seminar Series Note 001 in June.

IR 1.1: Increased Capacity Building Opportunities for Researchers and Analysts

Indicator 4: Number of new, USG-funded awards to institutions/ individuals in support of research

The two remaining methods of providing individuals and institutions with capacity to undertake research are the CGP and other commissioned contracts. The number of research activities funded by these methods contributes to Indicator # 4.

Competitive Grants Program Research

PSSP launched the CGP in FY 2012 to provide researchers with the opportunity to conduct quality research under the guidance of professional and international expertise.

PSSP conducted mentoring sessions for the CGP awardees to build capacity and to ensure that quality research is produced. David Orden, Senior Research Fellow of IFPRI conducted the second round of these sessions during a two week visit to Pakistan in October. The first

such session was held at the International Islamic University, Islamabad, and at PSSP's offices, and the second session was held at UAF, where awardees from Faisalabad, Sargodha, Gujrat and Multan participated.

PSSP held its Third Research CGP Conference on January 16 and 17. This event was a forum for second round awardees to present their interim reports and for a few first round awardees to present their final studies. (See IR 2.2 below). PSSP's RAC meeting also took place on January 16 in the evening.

The RAC added new members in this year: Minister Iqbal, serving as Chairman; and four other distinguished members, including Abid Suleri, SDPI; Aliya Khan, Quaid-i-Azam University; Ariel Dinar, University of California, and Ryan Cardwell, University of Manitoba.

In quarter 2, PSSP organized a call for applications for a third round of the CGP. As a result, over 360 applications were received by the March 31st deadline. All applications were processed and meticulously tracked. All of the 325 applications which were deemed to be eligible for funding were reviewed by at least one member of the RAC. The 86 most highly ranked were reviewed in more detail by two members of the RAC and were cut down to 42 proposals during a RAC meeting on May 31.

PSSP held its Fourth Research Competitive Grants Conference on June 21 and 22 at the Planning Commission in Islamabad. (See IR 2.2 below) The 42 short listed applicants were invited to present their proposals and applicants who made it to the second round of shortlisting, but didn't make the final cut, were also invited to attend. Following each day of the conference the RAC met for extensive review and discussion of the proposals. After the second day of discussion, 34 proposals were agreed upon for funding. Applicants were informed of the decisions, and as of quarter 4 all but 3 of the contracts have been finalized.

Commissioned Research

Domestic Studies Program: DSP studies are defined as research that involves Pakistani academics conducted in the context of international partnerships. The DSP team working on "Cluster-based Industrialization and its Effect on Productivity of Manufacturing Firms in Pakistan," continued work on their research study in this quarter.

IR 2: Improved Access to and Demand for, High Quality Research on the Part of the Policy Makers, Academics, and other Researchers

IR 2.1: Networks of Agricultural and Economic Research Organizations and Universities Established and Operating

Indic 5: Index capturing access to and usage of applied economic research by policymakers and related stakeholders

Indic 6: Number of MOUs signed with economic research networks

Research Networks

PSSP is currently in the process of updating Indicator 6 (above) to better describe the work on "economic research networks." In FY 2013, PSSP engaged in a number of collaborative efforts with local and international institutions to build the foundation for groups of researchers to pursue research work on similar economic themes. These efforts could develop into partnerships between stakeholders to pursue high quality economic research and branch into larger networks. PSSP participated in one collaborative event this quarter,

with the training of participants from UAF. PSSP plans to sign a total of ten MOUs, which will cover a fourth training on technical proposal writing at PARC, poverty mapping at the PBS, and a CGE working group with the Planning Commission, Ministry of Finance and FBR, among others. The latter will include training and regular workshops to present the new SAM for 2010-11, give local analysts the possibility to use these models, and see if the approach is useful as part policy analysis. In the third quarter, we presented the first of two SAM workshops, which will be repeated in various locations around the country. Following those meetings, we will move to CGE development training and work to cultivate linkages between universities and government with a view to determining the best location for to set up an enduring capacity within the country. In South Africa, for example, the Ministry of Finance employs three trained analysts who use CGEs regularly for policy analysis.

IR 2.2 Increased Provision of Timely, Demand Driven Policy Analysis and Advice to Policymakers and Other Key Stakeholders

Indicator 7: Attendance of key stakeholders in PSSP meetings and conferences and Indicator 18: Number of events for public/stakeholders consultation to enhance sector governance or facilitate private sector engagement in policy making as a result of USG assistance

Seminars, Workshops and Conferences

- IFPRI Senior Management welcomed Prof. Ahsan Iqbal at the IFPRI office in Washington DC in November 2013, with a seminar on the overview of some of the research being done by PSSP. This event received media attention and was mentioned in several papers in Pakistan. (See media section below under indicator 13).
- As part of the CGIAR network, IFPRI collaborated with IWMI to organize a two-day workshop on “Development Opportunities within the Indus Basin,” on December 4-5 in Islamabad. A total of 47 key stakeholders from the water sector, provincial government representatives, including representatives from provincial institutes of irrigation and drainage, faculty members from agricultural universities, and the Water and Power Development Authority (WAPDA) attended the workshop from water management institutions from all over Pakistan.
- PSSP also helped organize and participated in a one-day Water International Special Seminar on “Water for Food Security – Challenges for Pakistan” on December 6 in Islamabad. A total of 44 key stakeholders from the water sector attended this seminar.
- PSSP’s Third Research CGP Conference was held on January 16-17 in Islamabad.
- PSSP also held its Second Annual Conference on January 21 -22 at the Planning Commission. In the inaugural session, Minister Iqbal was the chief guest, and Gregory Gottlieb, Mission Director, USAID/Pakistan made special remarks. PSSP researchers presented findings from research conducted in Year 2. A senior government official chaired each session, while topic experts who made up the distinguished panel of discussants were given time to reflect on the research presentations before opening up the discussion to the audience. The first day of the event took place at the Planning Commission and was attended by a large number of government, private sector and civil society stakeholders.
- PSSP also helped organize and participated in the Pakistan Water Summit on March 20th at the Planning Commission. PSSP was part of the planning committee that worked on the 14 concept papers that were presented at in different breakout sessions during the event. (See IR 1, b above)

- PSSP's Fourth Research CGP Conference was held on June 21-22 at the Planning Commission in Islamabad. The event was inaugurated by Minister Iqbal and USAID/Pakistan Acting Mission Director Catharine Moore. .
- PSSP also helped organize and participated in SHFINT's "International Water Conference" on June 4-6 at the Islamabad Club. A number of diplomats and policymakers attended this event to show support for the cause.
- PSSP held its First Policy Seminar on "Fertilizer Policy" on May 28. Mubarik Ali presented the research study to a group of 10 stakeholders from the fertilizer sector. These stakeholders included the Secretary of Agriculture, Punjab along with representatives from the Department of Agriculture, Punjab, Soil Fertility department and NARC.
- PSSP held its Second Policy Seminar on "An Overview of Power Sector Distribution Companies in Pakistan: The Way Forward" on July 2. Representatives from the government and civil society organizations were present to participate in the debate.
- PSSP held its Third Policy Seminar on "Farmers' Perceptions of Agricultural Land Values in Rural Pakistan" on August 6. Experts on agricultural land values attended this seminar to give their feedback.
- PSSP held a Seminar in Washington DC on September 11 "Addressing the Needs of Internally Displaced Persons in Pakistan." This seminar was chaired by His Excellency, Jalil Abbas Jilani, Ambassador of Pakistan to the US. Presentations were made by Dr. Anis Dani, former Social Scientist and Advisor to the World Bank, Dr. Paul Dorosh, Director of the Development, Strategy and Governance Division at IFPRI, and Dr. Shakil Malik, Director of Psychiatric Services, National Health Service Partnership in UK. The event was moderated by Dr. Sohail Malik, Visiting Senior Research Fellow at IFPRI and Chairman of Innovative Development Strategies Ltd. (IDS)

Indicator 17: Number of USG assisted meetings with government officials regarding proposed changes in legal/institutional framework

Meetings

Senior Policymakers:

- In quarter 1, PSSP researchers held several meetings with the Chairman and members of PARC, the Chief Executive Officer (CEO) of PARB, government officials and academics from universities such as COMSATS Institute of Information Technology, Pakistan Institute of Development Economics (PIDE), and Federal Urdu University, to further the mission of identifying and conducting quality research.
- A team of four researchers along with Davies participated in the National Consultation Conference on Pakistan Vision 2025, on November 22, 2013, in Islamabad. The Prime Minister of Pakistan, Mohammad Nawaz Sharif, was the chief guest at the event.
- Davies participated in a meeting of the Water Sector Working Group, at the Planning Commission on December 10
- During Prof. Mellor's visit to Pakistan, PSSP held several meetings with the Chairman and members of PARC, the Chief Executive Officer (CEO) of PARB, Federal Minister and Federal Secretary of the Ministry of National Food Security and Research, government officials and academics from universities such as Commission on Science and Technology for Sustainable Development in the South (COMSATS) Institute of Information Technology, Pakistan Institute of Development Economics (PIDE), and Federal Urdu University, to further the mission of identifying and conducting quality research.
- In Quarter 3, Senior PSSP researchers, Nuzhat Ahmad, Ahmad Jamal, Steve Davies, Sohail Malik and Mubarik Ali met with a number of policymakers and academics such as Minister Ahsan Iqbal, Secretary Hassan Nawaz Tarar, representatives from the Ministry

of Finance and Ministry of Food Security and Research, Vice Chancellor of the Pakistan Institute of Development Economics (PIDE).

- David Spielman, Mubarik Ali and Steve Davies met with senior staff at the PARC on agricultural technology evaluation, in Islamabad on June 10.

Indicator 8: Number of outreach publications and policy notes from PSSP-funded research

Outreach Publications

(See Indicator 12 below)

Policy Notes

PSSP researchers are working on creating policy briefs based on the various research studies. We finalized three policy notes in quarter 3, which include “Implications of Productivity Growth in Pakistan: An Economy Wide Analysis,” “Climate Change and Extreme Events: Impact’s on Pakistan’s Agriculture,” and “Aspirations in Rural Pakistan.” The goal is to disseminate three to five policy briefs per quarter.

Indic 9: Number of datasets from PSSP funded research and other data compilations made available online

Datasets

In quarter 2, PSSP finalized five surveys. PSSP did not finalize any other surveys in this year though it is working on four more surveys (RHPS Round 3, Tracking Survey and Bt Cotton Survey), which will result in additional high quality datasets. These datasets will be made available to the public when they pass all quality checks and verifications. For the first year, IFPRI policy requires that a co-author from IFPRI be included, but thereafter, the datasets will generally be made available to researchers for individual use.

IR 3: Policy-Making Benefits to a Greater Degree from Informed Input by Private Sector and Civil Society Organizations

PSSP strives to create a cooperative community of policymakers, researchers, civil society organizations and private sector stakeholders. This is achieved by incorporating stakeholders into the process of defining policy research agendas, encouraging communication across ministries, agencies and line departments, bridging the gaps between central and provincial governments, and working with civil society organizations and the private sector to encourage participation in policy formulation.

Indicator 10: Index capturing extent to which policies are influenced by feedback from private sector / civil society stakeholders

This index is formed on the basis of the activities described below.

IR 3.1 Increased Informed Input and Feedback Provided to Policymakers by Private Sector and Civil Society Stakeholders

Indicator 11: Number of meetings with private sector and civil society organizations and Indicator 16: Number of USG-assisted organizations and stakeholders that participate in legislative proceedings and/or engage in advocacy at all levels

Meetings

- Davies attended a consultative meeting of PAC was held at PSSP's Islamabad office on October 11.
- On November 8, Davies participated in a roundtable event hosted by the Canadian High Commission to discuss proposed activities of PAC.
- SDPI organized its Sixteenth Sustainable Development Conference titled "Creating Momentum: Today is Tomorrow" December 10-12, 2013, in Islamabad. PSSP actively participated in this conference.
- In quarter 3 PSSP met with the National Rural Support Program (NRSP), Pakistan Microfinance Network, Aurat Foundation, PPAF, LEAD Pakistan, and Pakistan Agricultural Council, among others
- PSSP has been working with LEAD Pakistan and the PWP to design the recent Water Summit at the Planning Commission and to continue on to facilitate the adoption of the National Water Policy. These collaborations count towards indicator 16.
- PSSP supported SHFINT in its International Conference on Water in June.

Indicator 12: Number of results reported, published, and presented for public knowledge from PSSP support and research to civil society partners

Research Disseminated

PSSP Working Papers: PSSP formally published 11 Working Papers in FY 2014. They are available on the PSSP blog and are listed below:

- PSSP Working Paper 011: "[Collection and Marketing of High Value Medicinal and Aromatic Plants from District Swat, Pakistan](#)" by Hassan Sher. 2013.
- PSSP Working Paper 012: "[Analyses of selected heavy metals and aflatoxin M1 in milk for human consumption in Jhang city, Pakistan](#)" by Muhammad Younus, Tariq Abbas, Muhammad Kamran Rafique, Muhammad Sajid and Muhammad Jabbar. 2013
- PSSP Working Paper 013: "[Can Pakistan have creative cities? An agent based modeling approach with preliminary application to Karachi](#)" by Ammar A. Malik, Andrew T. Crooks and Hilton L. Root. 2013
- PSSP Working Paper 014: "[Economic evaluation of the Diamer-Basha dam: Analysis with an integrated economic/water simulation model of Pakistan](#)" by Sherman Robinson and Arthur Gueneau. 2014
- PSSP Working Paper 015: "[Allocative inefficiency and farm-level constraints in irrigated agriculture in Pakistan](#)" by Sanval Nasim, Ariel Dinar and Steven Helfand. 2014
- PSSP Working Paper 016: "[Exchange rate misalignment in Pakistan and its general equilibrium distributional implications](#)" by Dario Debowicz and Wajiha Saeed. 2014
- PSSP Working Paper 017: "[An assessment of industrial employment skill gaps among university graduates](#)" by Faisal Mehmood Mirza, Atif Ali Jaffri and Muhammad Saim Hashmi. 2014

- PSSP Working Paper 018: "[How much do you love Pakistan? A property tax revenue simulation for a municipal revolution in Punjab](#)" by Daniyal Aziz, Sabieh Haider and Muhammad Nasim Khan Raja. 2014
- PSSP Working Paper 019: "[The Seed Industry in Pakistan](#)" by Muhammad Ahsan Rana. 2014
- PSSP Working Paper 020: "[Issues in the measurement and construction of the consumer price index in Pakistan](#)" by Sohail Malik, Hina Nazli, Amina Mehmood and Asma Shahzad. 2014
- PSSP Working Paper 021: "[The emergence and transformation of Batkhela \(Malakand\) Bazaar: Ethnic entrepreneurship, social networks, and change in disadvantaged societies](#)" by Muhammad Ayub Jan. 2014
- PSSP Working Paper number 022: "[Public Investment Efficiency and Sectoral Economic Growth in Pakistan](#)" by Qazi Masood Ahmed and Syed Ammad Ali. 2014

PSSP also finalized the following notes which are on the web:

- Seminar Series 001: Social Mobilization: A Key to Sustainable Development – South Asia Experience”
- PSSP Policy Note 001: "Implications of productivity growth in Pakistan: an economy wide analysis" by Dario Debowicz, Paul Dorosh, Sherman Robinson and Syed Hamza Haider. 2014
- PSSP Policy Note 002: "Climate change and extreme events: Impacts on Pakistan’s agriculture" by Tingju Zhu, Hua Xie, Ahmad Waqas, Claudia Ringler, M. Mohsin Iqbal, M. Arif Goheer, Timothy Sulser. 2014
- PSSP Policy Note 003: “Aspirations in rural Pakistan” by Katrina Kosec, Stephanie Hausladen, Huma Khan. 2014

PSSP Presentations: PSSP researchers made the following presentations in FY 2014:

- Claudia Ringler presented her study, “Droughts, Climate Change Impacts and Adaptation Options for Water and Food in Pakistan,” at the Water International Special Seminar in December.
- Presented a number of studies at the Second Annual Conference in January.
- Presentations on “The impact of water users' associations on the productivity of irrigated agriculture in Pakistan’s Punjab,” “An Economic Evaluation of Diamer-Bhasha Dam: Assessing the Benefits of Diamer-Bhasha Dam on the Economy of Pakistan under Climate Change,” and “Knowledge Management for Better Water Governance” at SHFINT’s International Water Conference.
- Made a presentation to senior staff at NARC on “Bt cotton in Pakistan: Progress report on a collaborative research project,” Islamabad, June 11.
- Spielman gave a seminar on “Field experiments in conservation agriculture: Tools and methods for economic impact evaluation” at the PARC, Islamabad, June 12.
- Katrina Kosec presented “Productivity Shocks, Aspirations, and the Role of Social Protection: Evidence from Rural Pakistan” to the Department of Science faculty at Vanderbilt University
- A CGP award recipient, Syed Ayub Qutub presented - “Urban Open spaces for Adolescent Girls in Rawalpindi-Islamabad” Paper presented at the International Conference on Town Planning and Urban Management (ICTPUM), 2014, University of Engineering and Technology (UET), Lahore

- A CGP award recipient, Zehra Aftab presented "Essays on the Political Economic Consequences of Pakistan's Linguistically Fractured Educational System" paper presented at the Institutions That Change The World Inaugural Conference at Old Royal Naval College, London, UK
- PSSP researchers presented "The role of social networks in an imperfect market for agricultural technology products: Evidence on Bt cotton adoption in Pakistan" and "Information efficiency in a lemons market: Evidence from Bt cotton seed market in Pakistan" at the Agricultural and Applied Economics Association(AAEA) Annual Meetings in Minneapolis, MN, July 2014

Indicator 13: Number of media mentions of PSSP papers and results

Media Coverage

Electronic Social Media: Over the past year, PSSP has efficiently utilized a variety of communication and outreach mediums for its research dissemination as well as to ensure a positive public visibility.

PSSP has a significant Internet presence, with a blog on the IFPRI website and social media pages on Facebook and Twitter. All research conducted by PSSP that has reached the Working Paper stage is available online on the PSSP blog. The social media pages are used to reach out to PSSP's target audience of researchers, economists, policy analysts, civil society organizations, as well as to the general public to keep them abreast of the latest PSSP updates, news and upcoming events.

PSSP continued to use Facebook and Twitter to share information on Pakistan's economic conditions, with particular focus on its four primary research priorities (agricultural production, water management, macroeconomics, and poverty).

Media Activities: In Quarter1, PSSP received media coverage when Prof. Iqbal visited the IFPRI office in Washington, DC. In Quarter 2, PSSP received media coverage on the Second Annual Conference and the Third Competitive Grants Conference. In Quarter 3, PSSP received media coverage on the Second Annual Conference and the Third Competitive Grants Conference. In Quarter 4

Cross-cutting Activities

Indicator 14: Number of persons receiving training on skill development and Indicator 15: Number of persons receiving USG supported training on policy development, analysis, and implementation

Training Events

Quarter 2:

- The first training event dealt with survey enumeration techniques for 50 enumerators of the Pakistan Cotton Survey Round 1.3 which was held on January 11-19 in Faisalabad.
- In Quarter 2, the second training event covered writing technical proposals for 18 participants, and was held on February 9-12 at NARC premises outside Islamabad. The first event had only a skill development aspect, whereas the second one had both skill development and policy analysis aspects.

Quarter 3:

- The first training event dealt with survey enumeration techniques for 150 enumerators of the RHPS Round 3, which was held on April 26 – May 5 in Islamabad.
- The second training event covered writing technical proposals for 18 participants, and was held on June 2 - 7 at UAF. The events only had skill development aspects.
- PSSP held a three day Water net mapping training event on April 14-16 at LEAD Pakistan in Islamabad. Thirteen participants were trained. The goals of the training were to introduce the net-map method using case study examples, conduct a hands on net-mapping of participants, develop a net-map study design and get some theoretical insights in social network analysis.
- PSSP held a five day poverty mapping training event for 22 participants on May 26-30 in Islamabad. The trainers went over STATA and GIS to be able to map the poverty estimates and calculations related to this. Participants included individuals from the Planning Commission, MoF and PBS among others.
- PSSP held a one day training event on SAM and CGE for 31 participants in Islamabad. Participants included individuals from the Planning Commission, PBS, and Benazir Income Support Program among others.

Quarter 4:

- PSSP held a half day training on SAM and CGE on July 24 for 34 participants in Islamabad.
- PSSP held a 2 week training on SAM in Washington DC for 4 participants. A representative from the Planning Commission and the Federal Bureau of Revenue also attended this training.

Note: Work is currently progressing in regard to training activities with PARC, the Planning Commission and civil society organizations.

Appendix 3: Events Calendar for Meetings held – FY 2013 (October 2013 - September 2014)

(October 2013 - December 2013)							
Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
Oct 11	Collaboration with local institutions	Consultative Meeting with Newly Formed Pakistan Agricultural Council (PAC)	To discuss future activities that PAC intends to engage in and possible collaborations between the two organizations	Prof. Stephen Davies	Islamabad	PAC	N/A
Oct 11	Collaborative Research	Progress review of PSSP Domestic Studies Group	To review the interim progress report including a presentation on work completed to date and plan for future work	Prof. Stephen Davies, Dr. Mushtaq Ahmed	Islamabad	PSSP, LUMS	N/A
Oct 21	Consultations with NAC	PSSP National Advisory Committee (NAC)	To introduce Pakistan Strategy Support program to the new Federal	Prof. Stephen Davies, Dr. David	Islamabad	PSSP, USAID, Planning	N/A

(October 2013 - December 2013)

Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
		Meeting	Minister and seek his guidance as the chairman NAC for proposed PSSP activities.	Orden		Commission	
Oct 21 - 29	Competitive Grants Program (CGP)	Mentoring Sessions with CGP Round I & II Research Grantees	To review and discuss upcoming research papers and the progress so far with grant recipients	Prof. Stephen Davies, Dr. David Orden, Andrew Comstock	Islamabad, Lahore, Faisalabad	PIDE, SDPI, etc.	N/A
Oct 30 - 31	Collaborative Research	Coordination Meetings of the PSSP Domestic Studies Group	To review the progress of the research studies and to chalk out deadlines for their timely completion	Dr. Mushtaq Khan, Ms. Hadia Majid, Dr. Masood Sarwar Awan, Dr. Mubarak Ali, Dr. Waqar Akram, Dr. Irfan Baig, Dr. Ahsan Rana	Islamabad	PSSP, LUMS, PARB, University of Sargodha	N/A

(October 2013 - December 2013)

Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
Nov 8	Collaboration with similar organizations	Presentation on AIP work plan	To find synergies between AIP project and other ongoing EGA projects and activities	Prof. Stephen Davies	Islamabad	USAID/EGA, NARC, PSSP	N/A
Nov 8	Collaboration with local institutions	Agricultural Roundtable by the Pakistan Agriculture Council (PAC)	To discuss ideas and possible support to the provincial and federal governments for developing policies related to agriculture sector in Pakistan	Prof. Stephen Davies	Islamabad	PSSP, CIDA, Canadian High Commission and other stakeholders	N/A
Dec 4 – 5	Workshops	WLE Indus Design Workshop	To CGIAR research program on Water, Land and Ecosystems (WLE) and to identify key research for development	Prof. Stephen Davies	Islamabad	WAPDA, WASA, Provincial Irrigation Departments,	N/A

(October 2013 - December 2013)

Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
			opportunities in the region that could be addressed by WLE and its partners			IRSA	
Dec 6	Conferences and Seminars	Water for Food Security – Challenges for Pakistan	The authors will present their work published in Water International Vol. 38, Issue 5 of 2013 and interact with Pakistan water policymakers and researchers	Claudia Ringler, Arif Anwer (IWMI)	Islamabad	PSSP, IWMI	N/A

(January 2014 - March 2014)

Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
Jan 16 - 1	Competitive Grants Program	Third Research Competitive Grants Conference	Presentation of interim reports from the projects funded in 2013	Dr. David Orden, Prof. Stephen Davies	Serena Hotel, Islamabad	Deputy Chairman Planning Commission	Yes
Jan 16	Consultations with government and other counterparts	PSSP's Research Advisory Committee (RAC) Meeting	To discuss the rollout plan of the third round of PSSP's Competitive Grants Program (CGP)	Dr. David Orden, Prof. Stephen Davies	Planning Commission, Islamabad	Deputy Chairman Planning Commission and other RAC members	N/A
Jan 21 - 22	Conferences and Seminars	PSSP's Second Annual Conference	Highlight Year-2 research activities by arranging policy dialogue with relevant stakeholders	Prof. Stephen Davies, Hina Nazli	Planning Commission, Islamabad	Prof. Ahsan Iqbal, Sikander Hayat Bosan and other eminent researchers and economists	Yes

(January 2014 – March 2014)

Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
Jan 23	Meetings with Government Stakeholders	Meeting with Economic Reforms Unit (ERU)	To present an overview of the ongoing research projects at PSSP and find synergies	Dr. Paul Dorosh, Dr. Sohail Malik, Prof. Stephen Davies, Dr. Nuzhat Ahmed	ERU Office, Islamabad	ERU, Karachi School for Business and Leadership.	N/A
Jan 24	Meetings with Government Stakeholders	Meeting with Chairman, Federal Board of Revenue (FBR)	To discuss how PSSP could assist FBR in developing a CGE model to conduct tax analysis	Prof. Sherman Robinson, Prof. Stephen Davies, Ms. Wajiha Saeed, and Mr. Arthur Gueneau	FBR Office, Islamabad	Chairman and Member (Customs) FBR	N/A
Jan 28	Meetings with Civil Society Organizations	Meeting with Chief Executive, Pakistan Poverty Alleviation Fund (PPAF)	To conceive a plan on how PSSP and PPAF can benefit from each other's work and resources	Dr. Nuzhat Ahmed, Ms. Madeeha Hameed, Mr. Brian Holtemeyer, and Mr. Omer Majeed	PPAF Office, Islamabad	Chief Executive, PPAF	N/A

(January 2014 - March 2014)							
Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
Feb 9 - 11	Workshops and Trainings	Technical Writing for Grant Proposals	To train participants on technical writing skills for research grants proposals	Prof. Stephen Davies	NARC, Islamabad	NARC	N/A
Mar 4	Collaborative Research with local partners	Social Accounting Matrix (SAM) Collaboration Meeting	To train and work with local researchers on the Social Accounting Matrix (SAM)	Prof. Stephen Davies	Islamabad	Government departments and Research organization	Yes
Mar 11 - 14	Workshops and Trainings	Introduction to STATA Course	To train the participants on basic use of STATA software	Edward Whitney	Islamabad	Government departments and Research organization	Yes
Mar 17 - 20	Workshops and Trainings	Poverty Mapping Workshop	To train the participants on preparing data and walking through the analysis	Edward Whitney, David Spielman	Islamabad	Government departments, Research Institutions and	Yes

(January 2014 – March 2014)

Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
						Individuals	
Mar 21	Workshops and Trainings	GIS course of mapping the poverty estimates	To train the participants on use of ARC-GIS software for Poverty Mapping	Ahmed Waqas, Helene Tilahun	Islamabad	Government departments, Research Institutions and Individuals	Yes
Mar 24	Workshops and Trainings	Training on Poverty Estimation Methodology	To train the participants on Poverty Estimation techniques and Methodology	Edward Whitney	Islamabad	Planning Commission	Yes

(April 2014 – June 2014)							
Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
Apr 3	Outreach and Advocacy	Live Radio Talk show on, "Analyses of Selected Heavy Metals and Aflatoxin M1 in Milk for Human Consumption in Jhang City".	To present the PSSP working paper on milk contamination for wider public information and advocacy	Ehtesham ul Haq	FM 101, Islamabad	None	Yes
Apr 14 – 16	Workshops and Trainings	Net-Map – Participatory Drawing and Analysis of Social Networks	To train the participants in the basic theory of social network analysis	Ghazi Alam, Ms. Jannifer Hauck	LEAD office, Islamabad	Planning Commission, Arid Agriculture University, NUST, SDPI	Yes
Apr 20 – May 06	Training	Questionnaire Training for Rural Household Panel	To train the enumerators and supervisors on proper enumeration and data collection including	Hina Nazli	Islamabad	None	N/A

(April 2014 – June 2014)							
Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
		Survey Round-III	GPS usage.				
Apr 21	Workshops and Trainings	Technical Proposal Writing Workshop	To train the participants in writing effective technical proposals	Prof. Stephen Davies	NARC, Islamabad		Yes
Apr 26 – 30	Workshops and Trainings	STATA Course and Poverty Mapping Workshop	To train master trainers on basic use of STATA software	Edward Whitney, David Stifel, Faryal Ahmed, Ahmed Waqas	Washington DC	None	Yes
Apr 30	Workshops and Trainings	SAM Workshop	To constitute a working group for collaboration on PSSP's 2010-11 SAM	Prof. Stephen Davies, Amalia Davies, Saad Moeen, Wajiha Saeed	Islamabad	FBR, MoFA PBS, PIDE, Hagler-Bailey, PMAS-AAU SDPI, PIDE, Planning	Yes

(April 2014 – June 2014)							
Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
						Commission	
May 14 - 28	Workshops and Trainings	Introduction to STATA Course and Poverty Mapping Workshop	To train the participants on preparing data and walking through the analysis	Edward Whitney, David Stifel, Faryal Ahmed, Ahmed Waqas	Islamabad	Government departments, Research Institutions and Individuals	Yes
May 21	Surveys	Rural Household Panel Survey (Wave 1)	To collect primary data for RHPS	Hina Nazli	19 Districts across Pakistan	None	N/A

(April 2014 – June 2014)							
Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
May 23	Creating linkages with local partners	MoU signing ceremony with Saving Humanity Foundation International (SHFINT)	To participate in the International Water Conference organized by SHFINT and publish PSSP research studies in its publications.	Prof. Stephen Davies, Ehtesham	Islamabad	Riphah International University	Yes
May 28	Policy Seminars	PSSP Policy Seminar Series 01: Pakistan's Fertilizer Sector: Structure, Institutions, Performance and Impacts	To get comments, suggestions and feedback on PSSP's research study	Dr. Mubarik Ali, Prof. Stephen Davies, Ehtesham	Islamabad	Planning Commission, Agriculture Department Punjab, NFDC	Yes
May 29	Outreach and Advocacy	Radio Talk show on Pakistan's Fertilizer Sector: Structure, Institutions,	To educate the general public on types, merits and demerits, and other information relate to	Ehtesham, Dr. Mubarik Ali	Islamabad	None	Yes

(April 2014 – June 2014)							
Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
		Performance and Impacts	Fertilizer sector in Pakistan				
May 31	Competitive Grants Program	Research Advisory Committee Meeting	To assess and do initial shortlisting of the research proposals for CGP Round 3	Dr. David Orden, Prof. Stephen Davies	Islamabad	Planning Commission, PIDE, RAC members	N/A
Jun 4 - 6	Conferences and Seminars	International Water Conference	To highlight the water sector problems at academic and policymaking levels.	Prof. Stephen Davies, Ehtesham	Islamabad	Deputy Chairman Planning Commission	Yes
Jun 14 - 15	Competitive Grants Program	Fourth Research Competitive Grants Conference	To have presentations on the final shortlisted research proposals for award of research grants	Dr. David Orden, Prof. Stephen Davies	Islamabad	Minister Ahsan Iqbal, Planning Commission, RAC Members	Yes

(July 2014 – September 2014)

Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
Jul 2	Policy Seminars	PSSP Policy Seminar Series 02: An Overview of Power Sector Distribution Companies	To get comments, suggestions and feedback on PSSP's research study	Shehryar Rashid, Saad Moeen, Asjad Tariq, Prof. Stephen Davies, Ehtesham	Islamabad	Planning Commission, WAPDA, SDPI, Ministry of Power	Yes
July 15	Creating linkages with local partners	MoU signing ceremony with Riphah Institute of Public Policy, Riphah	To participate in the International Water Conference organized by SHFINT and publish PSSP research studies in its	Prof. Stephen Davies, Ehtesham	Islamabad	Riphah International University	Yes

(July 2014 – September 2014)

Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and for GOP Representation	Applicable for Branding & Marking
		International University	publications.				
July 24	Workshops and Trainings	SAM Workshop	To constitute a working group for collaboration on PSSP's 2010-11 SAM	Prof. Stephen Davies, Saad Moeen, Wajiha Saeed	Islamabad	FBR, PBS, PIDE, Hagler-Bailey, PMAS-AAU SDPI, PIDE, PC	Yes
Aug 6,	Policy Seminars	PSSP Policy Seminar Series 03: Farmers' Perceptions of Agricultural Land Values in Rural Pakistan	To get comments, suggestions and feedback on PSSP's research study	Shehryar Rashid, Asjad Tariq, Saad Moeen, Ehtesham	Islamabad	Planning Commission, Provincial Department of Agriculture (Punjab & Sindh)	Yes

(July 2014 – September 2014)							
Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
Sep 4	Workshops and Trainings	Value Chain Analysis using 2007-07 SAM	To create a working group trained for conducting value chain analysis	Prof. Stephen Davies, Wajiha Saeed	Islamabad	USAID, Planning Commission	No

Appendix 4: Meetings to be held – FY 2015 Quarter 1 (October - December 2014)

Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
Oct 2	Policy Seminars	PSSP Policy Seminar Series 04: Food Consumption Patterns and Nutritional Status in Pakistan	To get comments, suggestions and feedback on PSSP's research study	Dr. Sohail J. Malik, Dr. Hina Nazli, Ms. Amna Mehmood, Asma Shehzad Ehtesham	Islamabad	Planning Commission, NIH, Micronutrient Initiative	Yes
Oct 22	Stakeholder Seminar	Addressing the needs for sustained rapid agriculture sector growth in Pakistan	To review the interim progress report including a presentation on work completed to date and plan for future work	Dr. Sohail J. Malik, Dr. David Speilman, Jock Anderson	Washington DC	Pakistan's Ambassador to US, DSG-IFPRI, PSSP	N/A
Oct 30	Outreach and Advocacy	Radio Talk show on Food Consumption Patterns and Nutritional Status in Pakistan	To publicize PSSP's work on nutrition and food consumption patterns from PRHPS	Dr. Sohail J. Malik, Dr. Hina Nazli, Nazim Ali, Ehtesham	Islamabad	None	Yes
Nov 25	Workshops and Trainings	SAM Workshop	To constitute a working group for collaboration	Prof. Stephen Davies, Saad Moeen, Wajiha	Islamabad	FBR, PBS, PIDE, Hagler-Bailey,	Yes

Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
			on PSSP's 2010-11 SAM	Saeed		PMAS-AAU SDPI, PIDE, PC	
Dec 2 – 4	Conferences and Seminars	PIDE Conference, "Poverty, Inequality and Economic Growth"	To explore the inter-linkages between poverty and inequality in connection with growth and society	Prof. Stephen Davies, Ahmed Jamal	Islamabad	PIDE	Yes
Dec 8	Conferences and Seminars	Resilience in Food Security and Nutrition in Pakistan		Ahmed Jamal, Dr. Mubarik Ali	Islamabad	PC, PARC, RSPN, PSSP	Yes
Dec 9 – 11	Conferences and Seminars	"Pathways to Sustainable Development" SDPI Conference	To recommend policy interventions, share best practices, and present workable solutions to the emerging challenges	Prof. Stephen Davies, Ahmed Jamal	Islamabad	SDPI, Panelists from India, China, Iran, Bangladesh, Afghanistan	Yes
Dec 13	Competitive	Mentoring session for Round-III		Dr. David Orden	Faisalabad,	UAF, PSSP	No

Proposed Date(s)	PSSP Results Framework Activity	Events/Activities	Purpose	Person Responsible	Venue	Partner/s, stakeholders and GOP Representation	Applicable for Branding & Marking
	Grants Program	awardees			Lahore		
Dec 26 - 30	Trainings and Workshops	Poverty Mapping Training		Faryal Ahmed, Ahmed Waqas	Sargodha	University of Sargodha	Yes

Appendix 5: Official Travels – Quarter 4 FY 2014 (July – September)

No.	Person(s)	Purpose	Station	Date(s)
International Travel				
1	Dr.Hina Nazli	IFPRI HQ Official Visit	Washington D.C	Jul 21 – Aug 11, 2014
2	Dr. Steve Davies	Family/Personal	UK, Washington	Aug 05 – Sep 17, 2014
3	Dr. Hina Nazli	Conference on ‘Inequality in Low- and Middle-Income Countries’	Helsinki, Finland	Sep 01 – Sep 17, 2014
4	Ms. Tehmina Tanveer	SAM Training	Washington D.C	Sep 20 – Oct 07, 2014
5	Ms. Wajiha Saeed	SAM Training	Washington D.C	Sep 20 – Oct 07, 2014
Domestic Travel				
1	Ms. Hira Channa	Collection of data/information from agricultural department, Sindh	Karachi/Hyderabad	Jul 02 – Jul 07, 2014
2	Ms. Faryal Ahmed	Collection of data/information from agricultural department, Sindh	Karachi/Hyderabad	Jul 02 – Jul 04, 2014
3	Haseeb Ali	Conduct Survey of Manufacturing Firms of Agriculture Machinery	Daska, Sialkot	Jul 02 – Jul 04, 2014
4	Haseeb Ali	Pilot Survey Test of Rural Household Panel Round 3, Wave 2	Attock	Jul 22 – Jul 24, 2014
5	Shehryar Rashid	Pilot Survey Test of Rural Household Panel Round 3, Wave 2	Attock	Aug 07 – Aug 07, 2014
6	Saqib Shahzad	Pilot Survey Test of Rural Household Panel Round 3,	Attock	Aug 07 – Aug 07, 2014

		Wave 2		
7	Saad Moeen	Collection of data/information from agricultural department, Sindh	Karachi/Hyderabad	Aug 07 – Aug 07, 2014
8	Asjad Tariq	Pilot Survey Test of Rural Household Panel Round 3, Wave 2	Attock	Aug 07 – Aug 07, 2014
9	Ms. Sana Ehsan	Data Collection from Statistical Division Agriculture Census Org & Agri. Research Board Lahore	Lahore	Aug 13 – Aug 14, 2014
10	Ms. Amna Ejaz	Data Collection from Statistical Division Agriculture Census Org & Agri. Research Board Lahore	Lahore	Aug 13 – Aug 14, 2014
11	Dr. Mubarik Ali	Data Collection from Statistical Division Agriculture Census Org & Agri. Research Board Lahore	Lahore	Aug 13 – Aug 14, 2014

Appendix 6: Submissions to USAID

No.	Submissions/Reports	Date(s)
1	Financial Report (SF 425)	October 30, 2014
2	Accrual report	September 15, 2014
3	Year 4 Annual Work Plan	September 30, 2014



PAKISTAN

Strategy Support Program



INTERNATIONAL
FOOD POLICY
RESEARCH
INSTITUTE
A member of the CGIAR Consortium

PSSP Policy Seminar Series

An Overview of Power Sector Distribution Companies: The Way Forward

12:30 p.m. – 2:30 p.m. July 2, 2014

FINAL AGENDA

12:30 p.m. Presentation on “An Overview of Power Sector Distribution Companies: The Way Forward”

Presenters:

- *Shehryar Rashid, Research Analyst, PSSP*
- *Muhammad Saad Moeen, Research Assistant, PSSP*
- *Asjad Tariq Sheikh, Research Assistant, PSSP*
- *Amina Mehmood, Research Assistant, PSSP*

1:00 p.m. Panel Discussion

Discussion Panelists:

- *Arshad Maqsood Malik, Chief (Energy), Ministry of Planning Development and Reforms, Islamabad*
- *Engr. Arshad H. Abbasi, Adviser, SDPI*
- *Dr. Faisal Jamil, Associate Professor, School of Social Sciences & Humanities, NUST, Islamabad*
- *Dr. Khaqan Hassan Najeeb, Director General (ERU), Ministry of Finance*
- *Dr. Michael Wyzan M&E Team Leader, EGA/USAID*
- *Mr. Nazim Ali, Development Assistance Specialist, EGA/USAID*
- *Dr. Rashid Aziz, Ex- Senior Energy Specialist, World Bank*
- *Mr. William Butterfield, Program Economics Officer, USAID*
- *Prof. Stephen Davies, Chief of Party, PSSP (Moderator)*

2:00 p.m. Question/Answer Session

2:30 p.m. Closing Remarks by Dr. Stephen Davies

Appendix 8: PSSP Policy Seminar - Farmers' Perceptions of Agricultural Land Values in Rural Pakistan



PAKISTAN

Strategy Support Program



PSSP Policy Seminar Series

Farmers' Perceptions of Agricultural Land Values in Rural Pakistan

12:30 p.m. – 3:30 p.m. August 06, 2014

12:30 p.m.

Lunch

1:30 p.m.

Presentation on “Farmers’ Perceptions of Agricultural Land Values in Rural Pakistan”

Presenters:

- *Mr. Shehryar Rashid, Research Analyst, PSSP*
- *Mr. Asjad Tariq Sheikh, Research Assistant, PSSP*

2:00 p.m.

Panel Discussion

Discussion Panelists (Tentative):

- Mr. Abdul Waheed Sheikh, Chief Economist, Planning and Development and Special Initiative Department, Government of Sindh, Karachi
- Dr. Aamer Irshad, Chief, Agriculture & Food Section, Ministry of Planning, Development and Reforms, Planning Commission, Islamabad
- Dr. Abdul Jabbar, Director, Pakistan Agriculture Research Council (PARC), Islamabad
- Dr. Abdul Rashid, Editor-in-Chief, Pakistan Academy of Science, Ex-DG NARC, Islamabad
- Dr. Omar Farooque, Director, Pakistan Agriculture Research Council (PARC), Islamabad
- Dr. Sohail Jehangir Malik, Visiting Senior Research Fellow, IFPRI
- Dr. Shujat Ali, Additional Secretary, Budget, Ministry of Finance,

Islamabad

- Mr. Hanid Mukhtar, Senior Economist, South Asia Poverty Reduction and Economic Management (PREM), World Bank, Islamabad
- Mr. Khalid Mushtaq, Chief Economist, P&D, Lahore
- Mr. Muhammad Irfan Elahi, Project Director & Chairman P & D, Project Management Unit, Board of Revenue, Government of the Punjab, Lahore
- Mr. Nazim Ali, Development Assistance Specialist, EGA/USAID
- Mr. Tariq Bucha, Farmers Associates Pakistan, Lahore
- Mr. Zameer Ahmed, Joint Chief Economist (Macro), Planning Commission, Islamabad
- *Mr. Ahmed Jamal, PSSP (Moderator)*
- *Dr. Mubarik Ali, PSSP (Technical Lead)*

3:00 p.m.

Question/Answer Session

3:30 p.m.

Tea

Appendix 9: Summary of PSSP Press & Media Coverage QTR 4, FY 2014
--

Sr. No	Medium/Event	Event/Coverage Date	Title of the press release/activity	Print media/ Web coverage	Electronic Media Coverage
1	Newspaper Article	July 16	RIPHAH University and PSSP sign MoU	Business Recorder	FM 101
2	Newspaper Article	July 16	<u>USAID, Riphah varsity to collaborate in policy research</u>	Pakistan Observer	None
3	Newspaper Article	September 03	US research center finds flaws in CPI computation	The News	None