Recent study by Sustainable Development Policy Institute (SDPI) reveals high level of ‘indoor mercury pollution’ in the air inside various dental hospitals in Lahore, Peshawar, Rawalpindi and Islamabad.

The study, conducted in collaboration with European Environmental Bureau (EEB) and Zero Mercury Working Group (ZMWG), seeks to monitor ‘Mercury emission and release sites’ in various cities of Pakistan. It also assesses air quality to protect environment and human health.

Keeping in view the use of Mercury metal and its amalgam in dental treatment, SDPI monitoring team visited various dental hospitals in the select cities and took measurements of indoor and outdoor air for Mercury contamination using special equipment called Lumex mercury analyzer. Climate parameters like temperature, humidity, wind direction and wind speed were also noted for each sampling site.

The study came up with the findings that indoor air at some dental teaching hospitals has 8-20 times higher level of mercury pollutant than permissible limit for human health. However, in corridors and the outdoor air around testing sites showed lower level of mercury compared to indoor air.

These results were duly shared with staff and administration of these institutions with suggestions to immediately adopt safety measures such as improved cross-air ventilation, installation of exhaust fans and most importantly a reduction in the use of mercury, its amalgam and waste at the dental treatment institutions.

The study, currently in progress, also include monitoring of other ‘mercury source and release sites’ which would culminate into a comprehensive report that would be shared with relevant stakeholders, including ministry of climate change, EPAs, administration of dental treatment institutions, management of chlor-alkali and light product manufacturing plants for subsequent policy actions. The report would also be used to raise awareness in public on toxicity and health hazards of exposure to mercury.

Mercury is a hazardous substance which is in use since long. Mercury sources are quite diverse, ranging from thermometers, electric bulbs and switches to power plants, coal fired power stations, metal smelters, gold mining and cement industry. Most recently, 140 countries signed an agreement in Geneva to reduce mercury use and control its emission and releases by end of 2020.

For details: Dr Mahmood A. Khwaja, SDPI, khwaja@sdpi.org
A Governance Crisis

By Dr Abid Suleri

Can you please elaborate why Pakistan has not been able to feed its population despite having an agriculture-based economy?

Firstly, we are no longer an agro-based economy. Services sector is the largest contributor of our gross domestic product (GDP). In agriculture our focus remained (and still is) on increased food production and enhanced productivity. This partially tackled the issue of physical availability, yet the issue of socio-economic access to food remained the biggest problem. Over the years, one saw some improvement in food production followed by increased prices.

In 2008, Pakistan was the sixth largest producer of wheat and the ninth largest wheat exporter, yet wheat prices doubled in that particular year. Even now, while we have sufficient wheat stored in our reserves, the prices of flour have shot up to Rs42 per kg from Rs33 per kg. Lack of employment opportunities, energy crisis (which has deprived the people of their existing income assets), natural and man-made disasters especially recent floods, inflation, withdrawal of subsidies on agro-inputs and more importantly governance crisis are the major contributors towards increased hunger. I believe that hunger in the wake of abundant production of food is merely a governance crisis.

What policies and measures did the government introduce to reduce hunger and malnourishment?

There are (and were) many stand-alone initiatives such as the Benazir Income Support Programme, Baltal-Mail, Rural Support Programmes and Poverty Reduction Strategy Papers. In March 2012, Yousuf Raza Gilani, the then prime minister, initiated the National Zero Hunger Programme for the 45 worst food insecure districts. However, that programme never took off and became a victim of a bureaucratic tussle between the ministry of national food security and research (MNFSR) and the ministry of finance.

The launch of Zero Hunger Programme had symbolic significance as the prime minister admitted on record that 48.6 per cent of people in the country were extremely food insecure.

Barring that occasion, our policymakers are in a constant state of denial. Citing bumper production of wheat, milk and export of rice, they simply rule out that food insecurity is an issue in the country. The mindset to deny existence of a problem coupled with governance issues is the root cause of all policy failures against hunger and malnourishment.

Does the government plan to invest in agriculture research to achieve better self sufficiency in food production?

There are a few issues here. First the contribution of agriculture to GDP is declining, so investment in agriculture is no more a public or private priority. Second, there is a complete disconnect among agricultural universities, applied research centres and field extension services. Third, there is no research on improved food storage, agricultural marketing and measures to improve access to food. Weak coordination between federal and provincial governments in the context of devolution of ministry of food, agriculture and livestock is yet another hurdle in bridging research-policy practice gap.

Can you explain the political and social implications of food insecurity on society and national cohesion?

‘Insecurity breeds insecurity’ is true in case of food insecurity as well. In the absence of an effective social safety net mechanism and in the presence of huge income inequalities, food insecure individuals may resort to extraordinary behaviours. Some of these deeds include violent and destructive protests for basic amenities such as uninterrupted supply of electricity, natural gas and water; resorting to industrial action (which may turn violent); organ trade, putting children on sale; resorting to various criminal activities (theft, burglary, petty and street crimes, robbery, kidnapping for ransom, etc.); and forcing women into prostitution and kids into child labour.

In extreme cases, some people commit suicide and/or kill all their family members and a few may fall prey to the Jihadi propaganda of militant groups by becoming suicide bombers and militant fighters. All these behaviours not only promote intolerance and violence, they also lead to socio-political instability. Due to Pakistan’s peculiar geo-strategic situation, any socio-political instability has the potential to create a situation where regional or global players may want to intervene.

At meso level, perception of individual marginalisation, social vulnerability, social exclusion and individual food insecurity may lead to social conflict and contest over scarce resources as and when individual insecurity takes on a collective identity — be it ethnicity, creed, gender, sect, class, or regional. This may lead to social instability and may erode the basic societal fabric when it turns violent. The fact that this is al-
Joint, Separate Electorate Systems and Minorities

By Afsheen Naz

Minorities in Pakistan have experienced both the joint and separate electorate systems since its inception. The country inherited its electorate system from the colonial rulers, which divided the nation on the basis of religion. The British rulers in 1909 introduced the separate electorates under the Minto-Morley Reforms, which segregated the people of subcontinent on the basis of religion like Christians, Hindus, Muslims, Sikhs, Parsis, Buddhists etc. This separate electorate system remained existed in the country till the general elections 2002.

Separate electorate system was introduced during the first Constituent Assembly (from 1947 to 1954). The second Constituent Assembly, however, did not follow any electoral system till the formation of an elected National Assembly in 1956. Later, the then prime minister I.I. Chundrigar announced the general elections in 1958 and opted for joint electorate system. However, after few months, martial law was imposed by General Ayub Khan.

Ayub Khan introduced the ‘Basic Democracy’ (BD) system and set up the Constitution Commission. He accepted all the recommendations of the commission, but rejected separate electorates for the country. Therefore, the 1962 election was held under the joint electorate system. Minorities were also given protection in the system to actively participate both in BD and general elections.

General Zia-ul-Haq amended the Public Representative Act 1976 to enforce separate electorate system for minorities. Keeping in view the separate electorate system, reserved seats for minorities were increased in the general election under the Eighth Amendment in the 1973 Constitution of Pakistan. During the era between Gen. Zia and Gen. Musharraf, the governments of Benazir Bhutto and Nawaz Sharif were set up under the separate electorates.

Former President Gen. Pervez Musharraf, after imposing martial law in 1999, announced elections in 2002 to set up a Presidential form of government by presenting himself as the President. He announced joint electorates, which was widely appreciated by the minorities across the country. He also announced Local Government elections in which minorities participated actively to demonstrate their strength in political arena.

Being in minority, people of other religions either opting for separate electorate system or joint electorate system, depend upon the decision made by the ruling party. But, a majority of minority community upholds joint electorate system, as they got dual vote power; they cast vote for their own community representative and got the option of voting for the majority representatives as well.

SDPI has conducted a study in which various aspects of ‘minorities and elections’ have been highlighted. In the joint electorate system, according to the study, the political parties take more care of the minorities. The research further shows that acquiring vote from these communities is one of the major reasons behind such care by the political parties. However, in any case, minorities do get more benefits from the joint electorate system.

In fact minorities in Pakistan always demand for joint electorate to obtain ‘equal rights’, as well as ‘social and political justice’. In contrary, separate electorate system heightens a sense of deprivation and alienation, particularly social and political, among the minorities in which they can only cast their votes to the minority candidates.
Human Capital and Economic Growth in Pakistan

By Muhammad Zeeshan

Human capital is considered an important factor of economic growth and its significance has been acknowledged in both exogenous and endogenous growth theories (Qadri and Waheed, 2013). Though, the indicators of human capital are debatable, nevertheless Barro and Lee (2010) argue that education attainment is a good indicator of human capital.

The present state of education in Pakistan is somehow encouraging, as nearly 16% of total population in the age group of 25-34 years has college degrees placing Pakistan ahead of India, Namibia, Indonesia, Uganda, Zimbabwe, Congo DR, Liberia, Benin, and Niger (Global Education Digest, 2009). According to UNESCO, Pakistan has been leading all these countries because of its growing number of young graduates, which has been shown in Figure 1.

Figure 1: Attainment of Education in Pakistan

The National Educational Policy 2009 plans:
- Improvement in quality and quantity of education in schools and colleges
- Universal primary education
- Better Early Children Education (ECE)
- Better facilities in primary schools
- Switching primary schools into elementary schools
- Detaching XI-XII classes from college level education
- A comprehensive free education policy
- Gender parity at elementary level
- Improved demand based skills and raising the share of resources for education

Despite all these claims and challenges, practically the government of Pakistan has abandoned the education sector in Pakistan. The regional comparison of South Asian countries indicates that public expenditure on education is the lowest in Pakistan which is just 2.3% of GDP whereas it is the highest in Maldives (Figure 2). These statistics reveal that the government has a little role in the improvement of education sector.

Figure 2: Public Expenditures on Education as a Percentage of GDP for 2010


The 18th Constitutional Amendment abolished the federal ministry of education and gave the provinces more autonomy so that they could devise the provincial education policy. Now the responsibility of human capital development and capacity building rests on provincial governments. In September 2011, a Joint Declaration on Education was signed by federal government and provincial authorities; it is believed that this declaration would serve a lot in building the human capital in the country. It states that:
- Federal and provincial governments would reaffirm their stance on education policy.
- The National Education Policy 2009 would consider the 18th Constitutional Amendment before formulating future education policies.
- Each province would devise an action plan setting the priorities according to the provincial needs regarding the access and quality of education.
- International commitments would be ensured to meet the targets of Millennium Development Goals (MDGs).

References:

Information sharing and e-government: why so laggard?

By Samavia Batool and Safwan A. Khan

With the advent of modern technologies, the quantum of information generated and circulated has increased manifold. While circulation of information is directly the outcome of these technologies, information generation is more likely to be borne out of higher competition. This competition has led to different groups competing for the best, or to say the least, most consolidated information of any kind. Today, information has become the most vibrant force and factor of production in the new economy beyond the four traditional factors of production.

The importance of information cannot be discounted particularly in the context of governance. However, information sharing for improved governance implies better and efficient mechanisms for the purpose, and not the other way round (while we still have Youtube blocked!). In governance parlance, information sharing (IS) enables better government service delivery and improved policy development through focused inter-agency collaboration.

Besides connecting government, IS connects individuals and communities with information and resources beyond their geographic boundaries, encouraging information dissemination, information exchange, information flow and communication. Citizens are also encouraged to participate in online discussion forums and bulletin boards. This way, e-government mechanisms are facilitating procedures just the way ICT technologies have helped in other sectors. In many countries, this has led to improved complaints and efficient government service delivery mechanisms.

E-government is defined as the use of Information and Communication Technologies (ICT), particularly the Internet, as a tool to achieve better government and enhanced interaction with the public. It is not an aim in itself but a tool leading to better policy outcomes, higher quality of public services, more efficient government processes, more efficient use of public funds, higher citizen engagement, among other factors that can contribute to better governance.

Many countries, including Australia, United Kingdom, United States, and New Zealand have developed national strategies on information sharing and interaction with the public at large to help improve government delivery. Needless to say, this effort is appended also as a way of reflecting a better image of the government itself.

For a country like Pakistan, which still ranks low on governance indicators, e-mechanisms adopted by countries to improve government service serve as useful examples. According to United Nations e-government survey 2012, 16.78 inhabitants out of 100 have access to internet in Pakistan. This figure is higher than for any other country in South Asia.

While building and investing on the telecom infrastructure may be argued as yet another activity without sufficient resources to be funded, it is the need of the day to link at least governance with ICT and IS. This calls for enhanced government role by actively engaging in e-communication and establishing information highways for disseminating information to the citizens. Currently, Pakistan is ranked 156th out of 190 countries in e-government development index according to UN survey.

Table 1: E-governance Development Index Ranking and Estimated Internet Users

<table>
<thead>
<tr>
<th>Country</th>
<th>E-governance Development Index Rank</th>
<th>Estimated Internet Users (per 100 inhabitants)</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>75th</td>
<td>45.30</td>
</tr>
<tr>
<td>Iran</td>
<td>105th</td>
<td>15.80</td>
</tr>
<tr>
<td>India</td>
<td>125th</td>
<td>7.60</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>150th</td>
<td>3.70</td>
</tr>
<tr>
<td>Britain</td>
<td>152nd</td>
<td>13.90</td>
</tr>
<tr>
<td>Pakistan</td>
<td>158th</td>
<td>10.70</td>
</tr>
<tr>
<td>Nepal</td>
<td>160th</td>
<td>6.73</td>
</tr>
</tbody>
</table>


On the e-government development index, Pakistan is ranked globally at 156. Even though this figure is higher compared to some countries in South Asia, it is still low if seen in the perspective of better government service delivery. Pakistan is also ranked lower in the e-government development index as compared to India, Iran and even Bangladesh, despite the estimated number of internet users is higher than all of these countries.

Despite some e-government initiatives on ICT and IS for government service, there are lags, which need to be filled for improved governance. Information gap is what can also be cited as responsible for inefficient delivery of government services in Pakistan. As information fails to flow from government to public and vice versa, the government fails to cater to public demands resulting in poor/bad governance. The 18th Constitutional Amendment, which granted the right of information to every citizen, was an encouraging step in bridging the information gap. However, no concrete
steps have been taken in this regard. ICT and IS mechanisms are useful tools that can be adopted in this context.

Key indicators for the emergence of the information society in Pakistan include e-government, IT policy, rapid growth of the IT and telecom sector, increased tele-density, Internet services, e-learning, e-commerce, etc. Electronic Government Directorate (EGD) was established in 2002 under the e-government initiative in Pakistan. However, in digital government, the sharing of information is crucial for empowering citizens and boosting joined-up services which in not currently practiced in Pakistan. Consequently, these information gaps lead to efficiency gaps in government as well as other services.

Moreover, even though there is an e-government initiative in place in Pakistan, the feedback and follow-up mechanism still appears to be weak. Without feedback and follow-up, the public viewpoint cannot be actively received, let alone entertained. Another setback is that only few government bodies have presence on potential social media websites, which have already transformed information sharing and interaction (not to forget a series of revolts throughout the MENA region, now termed as the Arab Spring).

Some of the information gaps usually come to the forefront in disaster managements where fore-warnings fail to reach the targeted group. On the other hand, public is rather unaware of government activities due to which the public is likely to lose faith in the performance of core institutions and government representatives.

While there is no doubt on the importance of information sharing, be it for public or private organization, it is one of the fundamental tools of democracy. The information age supports democracy and thus calls for accountability which can be further facilitated through e-governance. This becomes all the more relevant for Pakistan, a country with a nascent democracy at best and marked by low levels of transparency.

Not to mince matters, there is huge potential, which can be tapped by further enhancing the government use of ICT. The government can develop a national information sharing strategy, which can be employed to ensure transparency and monitoring. Apart from this, sharing information between and within the government will provide more efficient use of public funding. Better management of natural resources, more effective and efficient emergency as well as health services, and improved policy and planning for communities can also be ensured through enhanced e-governance.

E-government in Pakistan is still at its early stage of development. However, being low implies a higher potential that can be achieved. The government can devise an information disseminating strategy, which would also imply improving the ICT infrastructure in the country. The question then gets back to the needed resources, they say? Well, higher demand generates investment opportunities. And investors would not like to let go of an opportunity like that.

Poor governance has severely affected the private sector in Pakistan, and has also led to significant flight of capital. Further, ICT as IS are just as beneficial for the private sector as they are for the government. Synchronizing these needs and benefits is need of the hour to yield better results for both the private and public sector.

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**Role of Diaspora in South Asia**

*By Muhammad Sohaib*

South Asian diaspora, which is more than 30 million all over the globe, continues to grow. The term diaspora defines migration of people from their country of origin to some new destinations. There are two types of South Asian diaspora: labour diaspora, and permanent diaspora. Many of them maintain strong social, political and cultural connections to their country of origin due to less assimilation with the new surroundings.

In the 70s, migration from South Asia had increased due to extensive economic activities in Middle East. Most of migrants from South Asia settled in west and some in the United States. In South Asia, topmost countries that encouraged immigration include: India, Bangladesh, Pakistan, Nepal and Sri Lanka. The potential contributions of diaspora to their home countries have many faces. South Asia diaspora contributed in three aspects, i.e., i) remittances, ii) use of concept ‘Brain Gain’, and iii) role as ‘intermediaries’.

Remittances are unquestionably big contribution of diaspora. In recent years, remittances have increased tremendously and became big source of external funding for many South Asian countries. Three of the top 10 recipients of remittances in the world are India, Bangladesh and Pakistan. India is the top recipient of...
remittances in the world with more than $69 billion. Pakistan ranked 7th in 2010 but in 2012 Pakistan was 8th and Bangladesh became 7th (Figure 1). According to World Bank, there was a sharp increase in remittances to South Asian Region (SAR) in 2012 that was estimated to be $109 billion with growth rate of 12.3 per cent. These remittances remained resilient during the global financial crisis of 2007, which led to economic turn down in 2009. Remittances play a vital role in reducing poverty in South Asia.

![Remittance $ bn](source: World Bank 2013)

India alone received more than $69 billion in 2012, which is 64 per cent of the total remittances received by the South Asian countries. Remittances directly enhance the income of migrants’ families. Bangladesh is second top recipient of remittances in the region closely followed by Pakistan. Remittances to Pakistan and Bangladesh were $14.01 billion and $14.06 billion respectively. Afghanistan, Maldives and Bhutan are in the bottom among the SAR recipients of remittances (figure 2).

Brain drain is the migration of skilled workers or professionals from a country for a better pay and living standard. The term was first used in 1950s and is often associated with loss. Brain drain is a talent mobility, which can bring benefits to both host and home country. Since the 1970s, majority of Pakistani and Bangladeshi migrants were unskilled workers, but this trend was comparatively different in the case of India. A number of Indian skilled migrants were moved to America, Canada and European Union where they turned to be the successful businessmen and good professional. The reverse migration began in the 1990s, and it was estimated that about 35,000 Non-Resident Indians (NRIs) were settled in Bangalore making the city the silicon valley of India.

Diaspora members are excellent intermediaries and are able to connect home countries to foreign investors. They can lobby in their host countries for more favorable trade and labour flow. Diaspora can also develop business ventures. For example in 2004, 19 out of the top 20 Indian software businesses were managed or founded by NRIs. Diasporas also play a role of cultural intermediaries, who introduce their cultures into the host countries. From South Asia, Punjabi, Bengali and Gujarati Diasporas introduced the culture of subcontinent to world.

**FDI in India**

**Why are Pakistani Investors hesitating?**

By Muhammad Adnan

In August 2012, Indian government, through an executive order, allowed Foreign Direct Investment (FDI) from Pakistan, but only through the government route. It was a continuation of the process of starting bilateral trade, granting Most Favourite Nations status, giving visa relaxation and reducing negative lists.

While discussing FDI across the border, a major question arises that why doesn’t private sector invest in Indian market, as India is believed to be the market of one billion plus people having significant purchasing power. The answer is that the Pakistani business community is reluctant to make investment in India, as there is still lack of confidence and trust between both the countries.
In a recent research conducted by Sustainable Development Policy Institute (SDPI), there seems to be two different views on this subject. One is the high-end business community in Pakistan, which already has an established investment in various parts of the world. For those, India is just another destination where they will go if, in economic terms, they see long-term expansion of their conglomerate. Others are medium scale production or trading concerns having the view that there still remains high risk in return for payoffs in case of India.

A leading leather industrialist in Sialkot said that he first wanted to ensure that he would get the same skill set to produce quality products in India as he currently has in Sialkot. According to him, hand stitching is a niche that is not always available in large numbers and given the visa restrictions between both the countries, labour mobility is hardly possible.

A textile firm owner in Lahore is thinking to start business in India, but he surety, through a framework of sovereign guarantees on both sides, that his venture will not be affected by political upheavals between the two neighbors. Such guarantees are built in bilateral investment treaties, however, given the current political milieu, we know that such a treaty may be around very soon.

Talking about other issues, such as connectivity between the two countries, he said there are no daily flights to India, but are scheduled in certain days of a month and sometimes cancelled. Any one visiting India has to plan his activity according to these schedules and reaching there in advance for two or three days raises the cost of travelling.

FDI in India from Pakistan is a recent development and everything related to it need to be matured on both sides at government as well as business community level. Once the officials on both sides develop a trust between each other then investors will be more comfortable to invest in India.

— The author is Research Assistant at SDPI and may be contacted through email: madnan@sdpi.org

**Increased Vulnerability and Social Protection Programmes**

By Haider Abbas

Pakistan has witnessed significant fluctuations in poverty trajectory during the last two decades. Increased economic and social vulnerability in Pakistan has created a dire need for social protection programmes. Key issues contributing to the vulnerability are extreme poverty incidence, natural disasters, increased insecurity, gender and regional disparities, and rising tide of extremism.

A study shows that out of an estimated 180 million population, 58.7 million are living below the poverty line in Pakistan. The study conducted by SDPI on social protection programs shows at least 20 districts in the country are faced with extreme poverty incidence, of which 16 are located in Balochistan and four in Khyber Pakhtunkhwa (KP). Balochistan was determined to be the poorest of all provinces with 52 per cent of its population living below the poverty line. About 32 per cent of the population was found living below the poverty line in KP.

The resurgence of poverty is attributed to various shocks. For instance, the 2010 monsoon season caused an unprecedented scale of flooding in most parts of the country affecting around 20 million people and 132,000 sq. km of area.

While various economic and social issues and natural disasters have acted as catalyst to add to the ranks of disadvantaged, some form of exclusions in the society have persisted over the decades, and continued unabated. Of these, the most obvious ones are rights issues and violence against women, which aid to the need of social protection.

Social protection is a human right: according to the Articles 22 and 25 of the Universal Declaration of Human Rights, ‘Everyone, as a member of society, has the right to social security’. Social protection has been observed to rapidly reduce poverty and facilitate economic growth. It also contributes to the achievement of MGDs.
Social protection, as an area of government intervention, is a recent development in Pakistan. While several public safety net programmes have existed, they suffer from several deficiencies including, design, targeting and implementation errors, and limited coverage. These errors give rise to inefficiencies, including corruption, and result in significant allocation of programme benefits being provided to recipients, who were ineligible for the programme to begin with. Historically, the government has allocated nominal funding towards them. Between 2004-05 to 2006-07, social protection expenditures remained between 3-4 per cent of total Poverty Reduction Strategy Paper (PRSP) spending.

The need for comprehensive social development strategy with extensive coverage was first highlighted in the Medium Term Development Framework (MTDF) 2005-10, prepared by the Planning Commission (PC) of Pakistan. The MTDF in fact recognized the right to social protection as a constitutional and human right. The shift towards adopting holistic social protection programmes was primarily initiated by various donor agencies, including Asian Development Bank (ADB), the World Bank and the Department of International Development (DFID), and grounded in significant evidence-based research and technical assistance undertaken by these organizations. These three donor organizations also assisted in the development of the first National Social Protection Strategy (NSPS) 2007 through funding and technical assistance. The NSPS of 2007 has been formally adopted by the government of Pakistan, but with little or no progress towards its implementation.

Although a social protection framework has only begun to emerge recently in Pakistan’s policy history, the country has long implemented various social protection programs in response to circumstantial or political needs.

### Pakistan Key Social Insurance & Social Assistance Programs-2011-2012

<table>
<thead>
<tr>
<th>Program</th>
<th>Disbursement</th>
<th>Number of Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Sector Workers’ Welfare</td>
<td>3.544 billion</td>
<td>5,167</td>
</tr>
<tr>
<td>Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food Workers’ Welfare Fund</td>
<td>1.346 billion</td>
<td>18,925</td>
</tr>
<tr>
<td>ERSS (Senior citizens)</td>
<td>108,88 million</td>
<td>279,01</td>
</tr>
<tr>
<td>Beneficiaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic Income Support Program</td>
<td>21.09 billion</td>
<td>7,392,658</td>
</tr>
<tr>
<td>Zakat</td>
<td>353,022,000</td>
<td>125,832</td>
</tr>
<tr>
<td>Pakistán Federal NGOs</td>
<td>19,927,000</td>
<td>35,382</td>
</tr>
</tbody>
</table>

Social insurance programmes are contributory in nature. In order to be eligible for financial assistance at some point in future, recipients pay a mandated amount over certain duration. Financing is usually tripartite between employer, employee and the state. While social assistance programmes constitute non-contributory cash or in-kind transfers. They are targeted towards the poor and vulnerable and those unable to earn their livelihood.

— The author is Researcher at SDPI Economic Growth Unit (Email: haiderabbas@sdpi.org)

### SANDEE Project

Environmental Regulations and their Compliance in Textile Processing Sector

The study primarily encompasses the compliance or non-compliance of environmental regulations in textile processing sector of Faisalabad, Pakistan. The wet processing involves dyeing, printing and finishing. Environmental Regulations in Textiles Processing Sector, Faisalabad, are either present in the form of national regulations i.e. NEQS and PEPA, or international certifications such as ISOs, OEKO TEX, SA 8000, and many others.

The primary objective of this research includes: (i) taking the stock of current level of environmental regulations in textile industry, (ii) assessing how far textile industry is ensuring compliance with environmental regulations and standards, (iii) identifying the challenges that textile industry is facing in ensuring compliance, and (iv) identifying remedial measures towards factors responsible for non-compliance and also highlight the possible role of non-regulatory measures in environmental protection.

As the main purpose of this study is to see how textiles industry is contributing to its environment, it also evaluates the government responsibility with regard to environment protection. Moreover, it investigates whether the environmental laws are fully enacted and/or properly implemented. In this backdrop, it analyzes whether the environmental rules and regulations are well-formulated and implemented, whether the adequate environmental compliances are lacking the
proper framework to follow, whether the government is fulfilling its responsibility to facilitate textile processing industry to conforming to environmental compliances and whether the measures have been taken by the textiles processing units in Faisalabad for the management of effluent or waste water discharged, in the form of installing “effluent treatment technology” or by proactively going for the preventive measures in order to be compliant to national and international environmental standards.

There are many reasons for the poor compliance, e.g. environmental standards costing the textile firms substantially, therefore, lacking economic sense, fear of decline in competitiveness, increased demand by international buyers both in terms of production and compliance-related certifications, testing and stringent international standards, lack of sense towards social responsibility, direct financial benefits by cheating, etc.

Research has been done at local level in Faisalabad and the sample size of the firms has been kept small i.e. 8-10 textile firms as it is considered to be a pilot phase of the project.

The study commenced in the first week of February 2013 and its completion is expected in the last week of April, 2013.

The study concludes that firms surveyed can be segregated into “large, medium and small categories” based on their output and market size i.e. a firm is considered large if it has export base, a small firm manufactures for local/domestic market and a medium firm is the one working for both large firms that is exporters and domestic market. This classification is based on detailed “qualitative analysis of as many as 10 case studies” i.e. textile firms chosen for this research study.

— Report by Gul Waseem

Trade Normalization and FDI Prospects for India and Pakistan

Pakistan needs to trade with India: Dr Ishrat

A consultative meeting on Trade Normalization and FDI prospects for India and Pakistan was organized by SDPI in Karachi on 29th November, 2012. The meeting was divided into three sessions.

The first session on ‘FDI Prospects in India: Concerns and Opportunities’ was presided over by Advisor to the Prime Minister on Textile Dr Mirza Ikhtiar Baig, and moderated by Economist Dr Shahida Wizarat. Speakers of the session included Ashraf Kapadia, the Managing Director of Systems Limited, Majyd Aziz Balagamwala, the ex-president of Karachi Chamber of Commerce & Industry, Haroon Askari, the Deputy Managing Director of Karachi Stock Exchange, Engineer M.A. Jabbar, the Chief Executive Officer of Qaim Automotive Manufacturing (Pvt) Ltd, and S.M. Munir, the President of India-Pakistan Chamber of Commerce and Industry. Dr Vaqar Ahmed, the Deputy Executive Director of Sustainable Development Policy Institute, delivered the welcome address.

Recommendation: Pakistan needs to move towards a bilateral investment treaty (or a similar arrangement) with India so that sovereign guarantees may prevent reversal of current success at the diplomatic level.

The second session on ‘Non-tariff Barriers in India: Exporters Perspective’ was moderated by Junaid Iqbal, the Chief Executive Officer of Elixir Securities Karachi. Speakers included Khurram Hussain from Dawn News, Ali Khizer from Business Recorder, S. M. Muneer, the Chairman of Din Group of Industries President of India- Pakistan Chamber of Commerce and Industry (IPCCI), Afnan Ahsan, the CEO of Engro...
Foods, and Dr Vaqar Ahmed, the Deputy Executive Director of Sustainable Development Policy Institute.

**Recommendation:** Domestic national trade corridor projects should be developed so that transport costs in export markets can be brought down, which would lead to facilitation in trade with India.

**The third and last session on "India-Pakistan Trade Normalization:** Importers Perspective’ was presided over by Dr Ishrat Hussain, the former Governor of State Bank of Pakistan. Speakers included Zahid Adamjee, the Managing Director of Adamjee Automotives, Naeeem Yahya Mir, the MD and CEO of Pakistan State Oil, Amin Hashwani, the Co-chairman of India-Pakistan CEO’s Business Forum, and Haji Hanif, the Head of Procurement at Glaxo Smith Cline, Pakistan.

Dr Ishrat said that no country can benefit without international trade, and Pakistan needs to increase trade with one of the largest economies of the world that is India; since Pakistan only stands to benefit from such an arrangement. He further said that trade surpluses do not matter, what matters is efficiency and cost-saving, which come with competition, which in turn is a by-product of international trade. Therefore competition from international trade will only bring benefits and Pakistan’s policy makers should not be complacent.

— Report by Nafeesa Hashmi, Research Analyst at SDPI

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**ILM Ideas project**

**Making Quality Education Accessible in Pakistan:**

**A Social Accountability Perspective**

**F**unded by ILM Ideas, ‘Making quality education accessible in Pakistan: A Social Accountability Perspective’ is one-and-a-half years long project aimed at improving access to and quality of education in Pakistan by promoting transparent and participatory school governance at local levels in Khanewal and Vehari districts. During the project life, SDPI aims to work with 24 primary and middle level schools of both girls and boys.

While implementing the project, SDPI will conduct Citizen Report Cards (CRCs) in the targeted communities to assess the users’ (students, parents, teachers and community at large) feedback on status of public schools and the quality of education being imparted over there. Also, SDPI will form Accountability committees comprising locally elected community representatives to approach District Monitoring Officers to register their public schools related grievances (teachers’ absenteeism, poor quality of education, corruption, high dropouts, ghost schools etc.)

The project also involves comprehensive advocacy campaigns sensitizing communities about the importance of education and their role and feedback in improving access to and quality of public service delivery, especially education. Moreover, under this initiative, the SDPI will train community representatives, school-teachers and local CSOs on social accountability tools.

Presently, SDPI is in community mobilization phase vis-à-vis project activities. Apart from community meetings, consultations with parents, teachers as well as public officials, which is an ongoing activity, the organization has organized two district level stakeholder meetings. The objective of these meetings was to formally introduce this project with all the stakeholders to share with them with goals and objectives of the project and to solicit their support for its implementation.

— Report by Fayyaz Yasin
Advocacy at SDPI

Regulating Global Mercury Uses and Releases Control-Intergovernmental Negotiating Committee
Fifth Meeting (INC-5) - Issues and Concerns for Pakistan
(07th January)

Speakers at a panel discussion said that the world deserves a zero Mercury now. The final round of international treaty negotiations (INC-5) on Mercury in Geneva in mid-January 2013, ‘Our World’s Last Chance’, would focus on a strong international action on reducing Mercury emissions, its trade and use.

Experts suggested that the technology is widely-available to manage mercury pollution from emissions controls to mercury-free alternatives for nearly all mercury-containing products and industrial processes. A political will is needed to make the necessary commitments to protect our children and future generations from mercury exposure.

Climate Change as National Security Threat
(21st January)

Declaring climate change a national security threat, experts at a seminar called upon the government to respond to climate change challenges by taking concrete policy actions. They said that climate change is a threat multiplier, which increases water, food and energy insecurities. Climate change has unleashed disasters, obstructed economic development, reduced capacity of governments and exacerbated internal and external conflicts. Experts demanded an apex environmental body at federal level as well as the increased role of parliamentary bodies to deal with ecological and environmental challenges in the country. They also urged media to play its due role in creating broader awareness on the subject.

Post-2015 Consultations on MDGs in Pakistan:
Purpose and the Process
(23rd January)

Speaking at a consultation on post-2015 MDGs development agenda, discussants said that Pakistan is not expected to meet most of the MDGs by 2015, and out of 16 targets and 33 indicators – it lags behind 25 indicators.

Experts concluded that social development is an unfinished agenda and it’s time to look at key challenges the world is facing today, and how can we shape the future. They said the post-2015, development paradigm must ensure inclusive social development, environmental sustainability, inclusive economic development, and peace and security. GDP growth rate in the country between 2000-2012 averaged 4.5 per cent but inequalities during the period increased from 0.27 to 0.29 (Gini-Coefficient), they said, adding that then there are regional disparities due to unequal resource distribution.

Rural Communities, Modernity and Space for an
Economy of Values: A Global Perspective
(24th January)

Analysts at a special lecture on Rural Community Values in the Process of Modernization said that both free market capitalism and communism have destroyed the traditional community values in the process of economic development. They proposed an alternative model of sustainable development on the basis of traditional rural values without alienating the side-effects of economic rationalism. They introduced “Econ-
omy of Values”, which they said builds communities’ existing strength, values and cooperative structure that could bring a decent prosperity to the countryside of global South. The specific features of this programme included a strategy for the enhancement of economic capabilities of communities and strengthening their cultural practices that come together in the “networks of political power”.

AAWAZ Baseline Studies Launch in Islamabad
(30th January)

Experts at the launch of baseline studies in Islamabad called for citizens’ empowerment and inclusion of marginalized groups in the democratic process for strengthening democracy in the country. One way of resolving governance issues in Pakistan is to enhance citizens’ voices to hold public authorities accountable. Analysts called upon the political parties to establish their research wings and collaborate with civil society organizations on issues of public interest. They also demanded special seats in parliament for workers and peasants to empower the marginalized communities. Further, they proposed a strategy for judiciary and media to play an effective role in reducing some of the ills at macro level.

AAWAZ Baseline Studies Launch in Peshawar
(01st February)

Experts at the launch of baseline studies in Peshawar discussed the provincial government’s four per cent share of GDP on education, which they said, is highest in the country. They also discussed the importance of education agenda for ANP government, which is considered essential for the socio-economic development. Besides constructing new schools, the provincial government has heavily invested on training and capacity building of teachers.

Sharing findings of the baseline study, the researchers said despite a clear-cut acknowledgment of women rights in the Constitution, women participation in political process is negligible. Public service delivery does not seem to be the priority agenda of public office-bearers. The study recommends identification of gaps in these mechanisms and calls for its improvement in accordance with the laws of the land and international commitments of the state.

Inter-Schools Essay Competition: prize distribution ceremony
(04th February)

The essay writing competition on “Sources of Chemicals like Mercury and their Impact on Environment and Health”, was organized in collaboration with Zero Mercury Working Group (ZMWG), to mark the global day of action against mercury production and its use.

The competition encouraged youth to reflect upon the issue of chemicals and their impact on environment and health. It was expected that the contest would lead
to increased awareness and garner greater support for the protection of environment. Around 40 schools in Rawalpindi and Islamabad participated in the competition where over 203 entries were submitted to the organizers.

AAWAZ Baseline Studies Launch in Lahore (06th February)

Speaking at the launching ceremony of baseline studies in Lahore, the experts have called for empowering citizens’ and inclusion of marginalized groups including women in the democratic process to strengthen democracy in Pakistan. AAWAZ is a five-year voice and accountability programme that seeks to strengthen democratic processes in Pakistan by making it more open, inclusive and accountable to citizens. Expressing their concern that majority of Pakistanis are unable to take effective part in democratic process, experts underlined the need to address widespread marginalization by ensuring greater political participation. The study also provides evidence that violence against women is considered socially acceptable.

Non-Traditional Security Threats: Global Governance System to Combat the Challenges (18th February)

Experts at a seminar have termed non-traditional security threats as the most serious threat to the world peace and stability and demanded a global governance system to address the emerging threat. They underscored that climate change is turning out to be the most fundamental non-traditional security threat for Pakistan and its impact can already be felt in the form of floods, droughts, cyclones and sea level rise in and around Pakistan. They stressed the need to introduce good governance in Pakistan to tackle bigger issues and also called for immediate restoration of the local governance system.

Coal Water Slurry: An effective way to overcome Energy Crisis (25th February)

Participants at a presentation said that Coal Water Slurry (CWS) is a promising alternative fuel oil as compared to the direct usage of coal in power plants for generation. There is a need to know the viability of using CWS and its economic and technical limitations and outcomes.

Experts suggested that the government should not only consider coal water slurry as an option but also put the same into operation.

Consultation on Indus River Basin: Report Launch (27th February)

Experts at the launch of a report, ‘Consultation on Indus River Basin’, called upon India and Pakistan to revisit ‘Indus Water Treaty’ to fulfil future water needs in both the countries. Indus basin is under extreme pressure where per capita water availability has decreased manifold and today’s changed scenarios, demand policy-makers to respond to overlapping socio-economic and environmental threats so as to ensure water availability and quality for millions of people dependent on Indus River Basin.

They said that effective management of the basin’s
per cent pledged support for the Pakistan Muslim League–Nawaz (PML-N) while 20.3 per cent indicated a preference for Pakistan Tehreek-e-Insaf (PTI). According to the survey, military is found to be the strongest institution in the country, and then comes judiciary and other power groups.

Anti-Corruption Strategy: A Civil Society Perspective
(20th March)

Speakers at a seminar said that accountability and strengthening of anti-corruption structures would lead to strengthening of democracy in Pakistan. Experts also announced the formal launch of a comprehensive anti-corruption programme by SDPI to rid Pakistan of this menace, which has robbed people and deprived them of their right of freedom, justice and prosperity for so many decades.

Female Education in Khyber Pakhtunkhwa
(25 March)

Sharing the findings of an impact assessment study, "Female Education in Khyber Pakhtunkhwa", the participants said that not only poverty but the social, cultural and administrative factors should also be addressed to improve girls’ education at various levels.

Moreover, stipend programme had a significant impact on female education where an increase of 7 per cent was observed in girls’ enrolment in secondary schools and 93 per cent of families availed the stipend program where around 35 per cent of girls might have dropped out in absence of stipend money.
THE 2012 GLOBAL GO TO THINK TANK RANKINGS

SDPI ranked 26th in Asia (excluding China, India, Japan, and Republic of Korea) by The 2012 Global Go To Think Tank Rankings. The ranking features a number of categories.

In the category of Top 70 Environment Think Tanks in the world, SDPI ranked 65th. (For details, visit http://www.gotothink-tank.com).

The Rankings’ primary objective is to recognize some of the world’s leading public policy think tanks and highlight the notable contributions these institutions are making to governments and civil societies worldwide.