



# Pakistan: Sindh Growth and Rural Revitalization Program - Subprogram 1

Project Name	Sindh Growth and Rural Revitalization Program - Subprogram 1		
Project Number	41545-013		
Country / Economy	Pakistan		
Project Status	Closed		
Project Type / Modality of Assistance	Loan Technical Assistance		
Source of Funding / Amount	Loan 2484-PAK: Sindh Growth and Rural Revitalization Program - Subprogram 1		
	Asian Development Fund	US\$ 100.00 million	
	TA 7201-PAK: Improving Private Sector Participation and Public Expenditure Management		
	Technical Assistance Special Fund	US\$ 800,000.00	
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Governance and capacity development Private sector development		
Sector / Subsector	Public sector management / Public expenditure and fiscal management		
Gender	No gender elements		
Description	<p>The Program aims to assist the GoS to promote broad based growth, and to particularly accelerate rural growth. It emphasizes the importance of policy and institutional reforms to attain inclusive growth through getting greater private sector investment, along with ensuring efficient public finances and systems - for growth and rural development. Three broad core policy areas (CPA) have been identified to:</p> <p>i. Expand the private sector participation in Sindh's economic activities and service delivery;</p> <p>ii. Improve value for money for public expenditure; and</p> <p>iii. Revitalize the rural economy.</p> <p>The Program will undertake a combination of Short (1 year), Medium (2-3 years), and Long-term (3-5 years) actions. Accordingly, the Program is a cluster which includes 3 sub-programs.</p> <p>Piggybacked TA - Enhancing private sector participation in public service delivery is a way of improving efficiency and effectiveness, as well as augmenting resources for public service delivery. This requires a mindset change, institutional realignments, and capacity building in contract design and risk management. The TA will provide national and international expertise to the Finance Department to support the establishment of the Public-Private Partnership (PPP) Unit and develop PPP policy and regulatory frameworks. Likewise, the TA will support the Planning and Development Department (P&amp;DD) and line agencies in improving the quality of public sector investments by enhanced prioritization, project management, M&amp;E, and medium-term planning. The TA will support the strengthening of governance structures, investment, policy, and legal frameworks for pension and other employee benefits.</p> <p>1.</p>		
Project Rationale and Linkage to Country/Regional Strategy	<p>The following factors were taken into account in determining the size of the loan: (i) the strength of the Program and its development impact, (ii) the financial, economic, and political costs associated with the implementation of the Program, and (iii) the overall development financing needs estimated by the Finance Department of the GoS.</p> <p>The primary driver in the Government's decision to seek the ADB's policy reform and financing support is to reduce rural-urban inequality and enhance the pace of growth, particularly in the rural areas through a set of targeted reforms and increased investment. The enhanced flow of funds to rural areas will enhance the productivity of agriculture, livestock, fisheries, rural infrastructure, rural health and education, and will be evidenced through their budgetary allocations. Additional supportive measures to be undertaken include the creation of mechanisms to bridge the viability gaps in critical areas to encourage private sector participation in infrastructure service delivery in a transparent manner.</p>		
Impact	Higher and sustained economic growth and reduced poverty and rural urban inequality in Sindh		
Project Outcome			
Description of Outcome	Larger private sector share in the provincial economy and more efficient public expenditure management		
Progress Toward Outcome	Loan was closed in 2012. Please refer to the program completion report for detailed results as monitored to date.		
Implementation Progress			
Description of Project Outputs	<p>1-a. PPP institutionalized</p> <p>1-b. Public sector enterprises divested or private management introduced</p> <p>2-a. Public sector investments prioritized, funded, and implemented as planned</p> <p>2-b. Off-budget pension and general provident fund management institutionalized with due diligence, and their administration improved</p> <p>3. Share of public spending on rural development increased, and private sector participation in rural economic activity and service delivery expanded</p>		
Status of Implementation Progress (Outputs, Activities, and Issues)	<p>Detailed status of program outputs are provided in the program completion report.</p> <p>Under the attached TA, two sets of workshops were held in Karachi for key departments that will be implementing PPPs in March and June 2011. PPP pipeline population continuing, as are technical and advisory support to the Government of Sindh.</p> <p>Various consultants had been engaged under TA 7201 to support implementation of subprogram 1 and 2, including in the areas of public financial management, market development and corporatization of SOEs, and contingent liability management. Advisory and technical support for public private partnerships continued through 2013.</p>		
Geographical Location			
Safeguard Categories			
Environment		C	

Involuntary Resettlement	C
Indigenous Peoples	C

### Summary of Environmental and Social Aspects

Environmental Aspects	none
Involuntary Resettlement	none
Indigenous Peoples	none

### Stakeholder Communication, Participation, and Consultation

During Project Design	Consulted government staff both in the provincial and district governments and other stakeholders from the private sector, academia and civil society organizations.
During Project Implementation	Regular consultations were held with Finance Department, P&DD, line departments that introduced institutional reforms and other key stakeholders.

### Business Opportunities

Consulting Services	N/A
Procurement	The loan proceeds will be used to finance the full exchange costs (excluding local duties and taxes) of items produced and procured in ADB member countries, excluding the items specified in a negative list of ineligible items (and imports financed by other bilateral and multilateral sources).

Responsible ADB Officer	Martin Endelman
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Public Management, Financial Sector and Trade Division, CWRD
Executing Agencies	Planning & Development Department, Sindh Mr. Aurangzeb Haque Sindh Secretariat Karachi, Pakistan

### Timetable

Concept Clearance	11 Sep 2007
Fact Finding	23 Jun 2008 to 04 Jul 2008
MRM	30 Jul 2008
Approval	11 Dec 2008
Last Review Mission	-
PDS Creation Date	28 Jan 2009
Last PDS Update	27 Mar 2014

## Loan 2484-PAK

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
11 Dec 2008	17 Dec 2008	26 Dec 2008	30 Apr 2009	-	22 Jan 2009

Financing Plan			Loan Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	100.20		Cumulative Contract Awards			
ADB	100.00		17 Jun 2022	100.23	0.00	100%
Counterpart	0.20		Cumulative Disbursements			
Cofinancing	0.00		17 Jun 2022	100.23	0.00	100%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	-	-	Satisfactory	-	Satisfactory

## TA 7201-PAK

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
11 Dec 2008	12 Feb 2009	12 Feb 2009	30 Jun 2010	31 Dec 2013	16 May 2014

Financing Plan/TA Utilization							Cumulative Disbursements	
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
800,000.00	0.00	0.00	0.00	0.00	0.00	800,000.00	17 Jun 2022	603,422.29

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	-	-	Satisfactory	-	Satisfactory

Project Page	<a href="https://www.adb.org/projects/41545-013/main">https://www.adb.org/projects/41545-013/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=41545-013">http://www.adb.org/forms/request-information-form?subject=41545-013</a>
Date Generated	06 June 2023

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