
Quarterly Progress and Oversight Report on the Civilian Assistance Program in Pakistan

As of March 31, 2013



Foreword

This is the thirteenth quarterly progress and oversight report on the U.S. Government's civilian assistance program in Pakistan. The U.S. Embassy in Pakistan requested quarterly reporting to inform stakeholders about progress achieved to date, problems encountered during program implementation, and actions taken to address them.

This report covers the period January 1 to March 31, 2013. The U.S. Embassy reported that, as of March 31, 2013, \$3.984 billion in civilian assistance funds for fiscal years 2010–2013 had been obligated and that \$3.571 billion had been spent since fiscal year 2010.

Program status information in this report is based on information provided by the departments and agencies working in Pakistan—the Departments of Agriculture, Commerce, Defense, and State and the U.S. Agency for International Development, U.S. Institute of Peace, and U.S. Trade and Development Agency. In most instances, this information has not been independently verified or audited. The information on program oversight comes from audits, reviews, and investigations performed by the Offices of Inspector General of the U.S. Agency for International Development and the Departments of Agriculture, Commerce, Defense, Homeland Security, Justice, and State, as well as by the Government Accountability Office.

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Executive Summary

The Enhanced Partnership with Pakistan Act of 2009, Public Law 111-73 (October 15, 2009), authorizes democratic, economic, and development assistance to Pakistan of up to \$1.5 billion per year from fiscal year (FY) 2010 through FY 2014, for a total of \$7.5 billion. The *Pakistan Assistance Strategy Report*, issued by the U.S. Department of State (DOS) in December 2009, guides the U.S. Government's civilian assistance program in Pakistan, which is designed to build trust and a long-term partnership between the two countries by strengthening mutual security, stability, and prosperity.

The U.S. Embassy reported that, as of March 31, 2013, \$3.984 billion in civilian assistance funds for FYs 2010–2013 had been obligated and that \$3.571 billion had been spent since FY 2010. These funds are intended to address the country's most critical infrastructure needs, help the Pakistani Government meet its citizens' basic needs and provide improved economic opportunities, and strengthen Pakistan's capacity to pursue economic and political reforms that reinforce stability.

Challenges to implementation of the civilian assistance program in Pakistan remain in every sector. Limited local technical capacity has affected the implementation of many assistance efforts. Many programs operate under difficult security conditions, and implementing partners and program participants have been subject to criticism and harassment for their association with U.S. Government efforts. Program staffing and events have been hampered by the denial of visas and visa extensions to U.S. Government employees and implementing partners, and project personnel have been kidnapped and killed in areas where security is lacking. Despite these challenges, implementation of assistance programs continued. May 2013 parliamentary elections held the promise of a historic, peaceful transfer of civilian power in Pakistan that, in turn, had the potential to produce changes in government priorities and the direction of assistance programs.

The U.S. Agency for International Development (USAID) continued to implement programs through Pakistani institutions, including national and provincial governments and nongovernmental organizations (NGOs). During FYs 2010, 2011, and 2012, USAID awarded \$2.211 billion to governmental and nongovernmental Pakistani institutions. From December 15, 2012, through March 31, 2013, USAID made awards to these groups totaling \$45.6 million. To overcome risks to its programs and improve monitoring and oversight of them, USAID continued to conduct preaward assessments of local implementing partners and hired independent monitors to report on project developments.

To protect USAID funds against waste and theft, USAID's Office of Inspector General (OIG) pursued hotline complaints and conducted investigations and audits. OIG investigative and audit findings regarding the recently concluded Pakistan Children's Television Project prompted USAID to issue a bill of collection to the former implementer of the program for more than \$1.5 million. OIG performance audits issued during the reporting period addressed the sustainability of assistance to the Jamshoro Thermal Power Plant and performance of the Gender Equity Program. OIG's audit of USAID's Jamshoro Thermal Power Plant Repair and Rehabilitation Project concluded that the benefits of U.S.

Government investments in the plant could not be sustained without policy reforms on the part of the Pakistani Government. Meanwhile, OIG found that USAID's Gender Equity Program had made progress in expanding women's access to justice, combating gender-based violence, and strengthening organizations that advocate women's rights, but noted that program grants designed to combat gender-based violence were too short to have a lasting effect on intended beneficiaries and that mission site visits were insufficient to verify reported results.

Background

The United States is Pakistan's largest reported source of bilateral development assistance and the largest contributor to Pakistan's leading providers of multilateral development assistance. U.S. civilian assistance to Pakistan is important to maintaining the long-term strategic partnership that the U.S. Government sought to forge with the Government of Pakistan and its citizens through the Enhanced Partnership with Pakistan Act of 2009, Public Law 111-73 (October 15, 2009). The act authorized \$1.5 billion per year for FYs 2010–2014, for a total of \$7.5 billion, in democratic, economic, and development assistance.

In 2009, DOS developed a strategy for providing civilian assistance to Pakistan.¹ The strategy's objectives include addressing the country's most critical infrastructure needs; helping the Pakistani Government meet basic needs and provide improved economic opportunities, especially in areas most vulnerable to extremism; and strengthening Pakistan's capacity to pursue economic and political reforms that reinforce stability. The strategy initially focused on high-impact, high-visibility infrastructure programs, the provision of humanitarian and social services, and improved governance and security. In 2011, USAID and DOS refined the strategy to focus assistance on energy, economic growth, stabilization, education, and health. Programs in these sectors incorporate crosscutting themes of good governance, gender equity, and greater transparency.² In addition to delivering civilian assistance in these sectors, the U.S. Government seeks to provide fast, effective humanitarian relief when called on for assistance.

Political and security conditions in Pakistan continued to complicate project design, implementation, and monitoring. U.S. Government personnel and implementing partners reported that delays in visa approvals and harassment by Pakistani officials hindered the progress of assistance programs. U.S. Government personnel are subject to security-related travel restrictions, and project activities are often delayed or cancelled because of security concerns. According to a database of incidents of violence against aid workers, 44 aid workers were killed in Pakistan, 21 wounded, and 35 abducted from October 2009 to December 2012.³

Since the ratification of the Enhanced Partnership with Pakistan Act, the U.S. Congress has appropriated \$3.531 billion in civilian assistance funding for Pakistan through four foreign operations accounts. As of March 31, 2013, the U.S. Embassy in Islamabad reported that U.S. Government agencies had obligated \$2.906 billion of this total (Table 1). Other assistance funds for Pakistan, such as International Disaster

¹ *Pakistan Assistance Strategy Report*, December 14, 2009.

² Office of the Special Representative for Afghanistan and Pakistan, *Status Report: Afghanistan and Pakistan Civilian Engagement*, November 2011.

³ Humanitarian Outcomes, *Aid Worker Security Database, 2009–12*, <https://aidworkersecurity.org/>, retrieved May 7, 2013.

Assistance, Food for Peace, Migration and Refugee Assistance (MRA), and Emergency Refugee and Migration Assistance (ERMA), are not designated for use in specific countries during the appropriations process. These other funds are not shown in Table I.

**Table I. Civilian Assistance to Pakistan by Fund and Agency for
Select Foreign Assistance Funds as of March 31, 2013
(\$ Million; Unaudited)**

Fund	Appropriated*				Agency	Obligated
	FY 2010	FY 2011	FY 2012	Total		FYs 2010–2013
Economic Support Fund (ESF)					Department of Commerce (DOC)	1.0
					Department of Defense (DOD)	10.0
					DOS	74.7
					Department of the Treasury (DOT)	0.1
					USAID	2,395.5
					Department of Agriculture (USDA)	30.2
					U.S. Institute of Peace (USIP)	3.0
					U.S. Trade and Development Agency (USTDA)	2.3
				Subtotal	2,516.8	
Global Health and Child Survival (GHCS)	29.7	28.4	–	58.1	USAID	54.7
International Narcotics and Law Enforcement (INCLE)	170.0	114.3	116.0	400.3	DOS	285.9
Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR)	23.9	24.8	20.8	69.5	DOS	49.0
Total	1,470.6	1,058.5	1,001.5	3,530.6		2,906.4

Source: DOS Office of Foreign Assistance Resources and U.S. Embassy Islamabad.

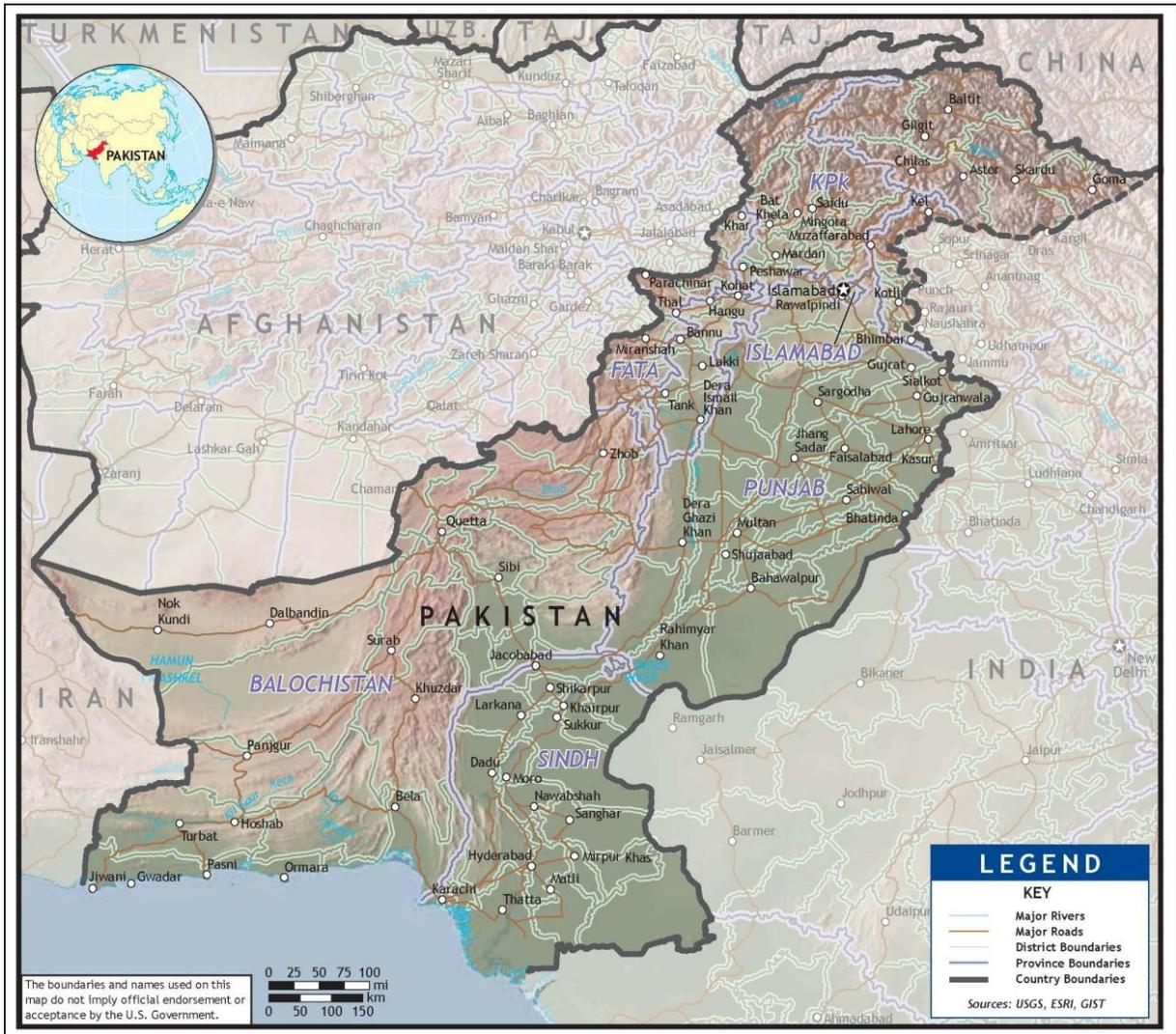
* Reported amounts are limited to funds that were designated for use in Pakistan during the appropriations process. Foreign operations appropriations for FY 2010 were provided in the Consolidated Appropriations Act, 2011, Public Law 111-117 (December 16, 2009), and the Supplemental Appropriations Act, 2010. Public Law 111-212 (July 29, 2010). Foreign operations appropriations for FY 2011 were provided in the Department of Defense and Full-Year Continuing Appropriations Act, 2011, Public Law 112-10 (April 15, 2011), and foreign operations appropriations for FY 2012 were provided in the Consolidated Appropriations Act, 2012, Public Law 112-74 (December 23, 2011). The latter act also provided the basis for rescissions that were applied to appropriations for Pakistan. These rescissions have been applied to the amounts reported in the table.

GHCS, INCLE, and NADR funds are each obligated for assistance activities in a single sector. GHCS funds support health sector activities, while INCLE and NADR funds support stabilization efforts. By contrast, ESF money is used in all components of the U.S. Government's civilian assistance program in Pakistan. All energy, economic growth, and education activities are funded through ESF, and ESF provides most of the funding for stabilization and health programs and those that support good governance, gender equity, and greater transparency. ESF also accounts for more than a quarter of U.S. humanitarian assistance obligations.

On March 26, 2013, the U.S. Congress passed an appropriation to continue to fund U.S. Government operations for FY 2013.⁴ The measure provides funding for civilian assistance programs but does not provide specific funding levels for civilian assistance to Pakistan.

⁴ Department of Defense, Military Construction and Veterans Affairs, and Full-Year Continuing Appropriations Act, 2013, Public Law 113-6 (March 26, 2013).

Map of Pakistan



Source: USAID Office of Transition Initiatives, Geographic Information Unit.

Program Status

The U.S. departments and agencies delivering development assistance in Pakistan are implementing programs in energy, economic growth, stabilization, education, and health; the crosscutting areas of governance, gender equity, and greater transparency; and humanitarian assistance. Table 2 and the sections that follow it provide information on the status of the programs in these areas.

The U.S. Embassy reported that, as of March 31, 2013, \$3.984 billion in civilian assistance funds from FYs 2010–2013 had been obligated and that \$3.571 billion in funding had been spent to support the civilian assistance strategy since FY 2010 (Table 2).

**Table 2. Civilian Assistance to Pakistan by Sector and Fund as of March 31, 2013
(\$ Million; Unaudited)**

Sector	Fund	Obligated*					Disbursed [†] FYs 2010–2012
		FY 2010	FY 2011	FY 2012	FY 2013	Total	
Energy	ESF	98.3	237.5	–	–	335.8	225.3
	Subtotal	98.3	237.5	–	–	335.8	225.3
Economic Growth [‡]	ESF	97.7	177.5	64.4	–	339.5	170.7
	Subtotal	97.7	177.5	64.4	–	339.5	170.7
Stabilization [‡]	ESF	258.7	152.6	241.7	–	653.0	504.7
	INCLE	166.0	114.4	4.0	1.5	285.9	151.6
	NADR	29.8	18.5	0.8	–	49.0	25.7
	Pakistan Counter- insurgency Fund (PCF) [§]	–	70.0	–	–	70.0	–
	Subtotal	454.5	355.5	246.5	1.5	1,057.9	682.0
Education	ESF	226.0	101.8	20.2	–	348.0	305.1
	Subtotal	226.0	101.8	20.2	–	348.0	305.1
Health	ESF	196.9	57.5	–	–	254.4	236.4
	GHCS	27.5	27.2	–	–	54.7	
	Subtotal	224.3	84.7	–	–	309.1	236.4

Sector	Fund	Obligated*				Total	Disbursed [†] FYs 2010–2012
		FY 2010	FY 2011	FY 2012	FY 2013		
Crosscutting Priorities**	Consular and Diplomatic Programs	7.0	9.5	25.6	1.5	43.5	22.1
	ESF	105.6	127.6	10.3	–	243.5	142.3
	Human Rights & Democracy Fund	2.1	–	0.2	–	2.3	2.2
	Subtotal	114.7	137.1	36.1	1.5	289.4	166.6
Humanitarian Assistance	DOD Overseas Humanitarian, Disaster, & Civic Aid	–	–	–	–	–	97.0
	ERMA	33.0	–	–	–	33.0	33.0
	ESF	334.7	–	8.0	–	342.7	684.9
	Food for Peace	96.9	115.1	68.1	60.1	340.1	340.1
	INCLE	–	–	–	–	–	3.9
	International Disaster Assistance	258.4	164.1	54.3	3.0	479.8	517.8
	MRA	57.0	33.5	14.9	3.0	108.4	107.8
Subtotal	780.0	312.7	145.3	66.1	1,304.0	1,784.6	
Total		1,995.4	1,406.7	512.5	69.1	3,983.6	3,570.7

Source: U.S. Embassy Islamabad.

Note: Numbers do not always sum to subtotals and totals because of rounding. A dash indicates a value of zero.

* Obligations are reported by the fiscal year in which funds were appropriated.

† Disbursement figures refer to funds disbursed in FYs 2010–2013 regardless of when the funds were appropriated or obligated. Some disbursements during this period were of funds appropriated before FY 2010. As a result, these figures cannot be used to determine how much of the obligated funding reported in this table remains unexpended.

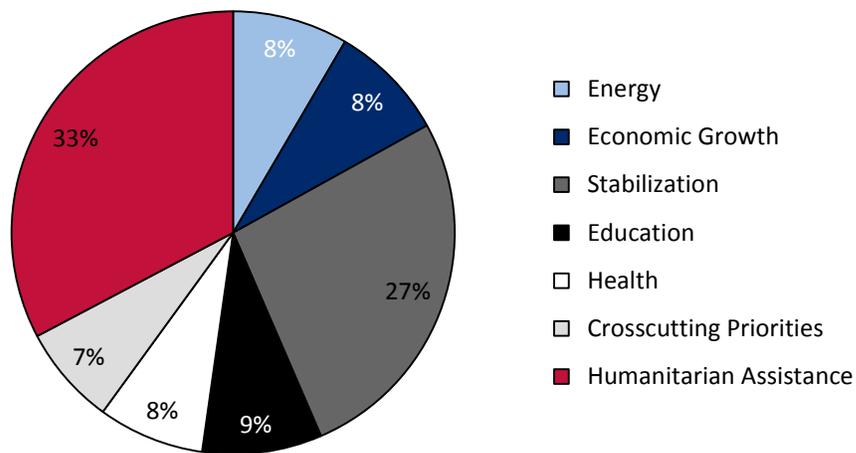
‡ The U.S. Embassy modified its approach for reporting on sector obligations and disbursements. As a result, obligations and disbursements that were reported under Economic Growth in past quarters are now reported under Stabilization.

§ DOD transferred PCF funds to USAID to support reconstruction work on the road between Peshawar and Torkham.

** In addition to funds from Consular and Diplomatic Programs, ESF, and the Human Rights and Democracy Fund, U.S. Government assistance to Pakistan for crosscutting priorities has been supported by less than \$100,000 in Development Assistance funding.

U.S. civilian assistance funds are not distributed evenly across sectors. As shown in Figure I, the U.S. Government has concentrated the largest share of its obligations since FY 2010 on humanitarian assistance.

Figure I. Distribution of Civilian Assistance Obligations by Sector as of March 31, 2013



Source: U.S. Embassy Islamabad.

Eight federal agencies have provided civilian assistance to Pakistan. Of these, USAID and DOS are the source of most related spending, accounting for 84 and 12 percent, respectively. Detailed information on the distribution of U.S. assistance funds by federal agency and office appears in Appendix I.

Energy

Pakistan's energy sector challenges are widely regarded as a major impediment to national development and have been the focus of significant public and political attention and debate in recent years.

Pakistan's per capita electricity consumption is among the lowest in Asia and is only about two-thirds of that of India. More than a third of Pakistanis do not have access to electricity. Problems with the quality of electrical service and difficulties obtaining a connection have suppressed consumption and access. The World Bank rates the time, cost, and procedural requirements for a business to obtain an electrical connection in Pakistan to be among the 15 worst in the world.

Pakistan's relatively low level of electricity demand frequently outstrips its supply. Electricity rationing commonly results in blackouts. These blackouts are a routine feature of daily life and sometimes extend for as long as 20 hours in rural areas. Frequent shortages of oil and gas for electricity generation and heating contribute to and compound the electricity shortfall.

The growth of domestic manufacturing has slowed because of energy shortages and the high costs of electricity and gas. According to Asian Development Bank estimates, Pakistan's unpredictable, severe power outages reduce economic growth by at least 2 percent a year.

The U.S. Government and other donors provide technical assistance to help the Pakistani Government develop appropriate energy pricing, regulatory, and privatization policies and assist in implementing Pakistan's energy reform plan. In addition, the United States aims to increase electricity generation, decrease transmission losses, and increase cost recovery by investing in selected energy infrastructure and capacity-building activities.

USAID. USAID had eight energy programs under way during the reporting period (Table 3). USAID's programs seek to help the Pakistani Government supply hydropower by completing and rehabilitating dams and thermal power stations.

Table 3. USAID Energy Programs as of March 31, 2013 (Unaudited)

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Energy Policy Project	Provides technical and engineering support to USAID-funded infrastructure projects implemented by the Government of Pakistan	2/12	10/15	Advanced Engineering Associates International	33,336,559
Gomal Zam Dam Project	Increases hydropower capacity and builds transmission lines	1/11	9/13	Water and Power Development Authority (WAPDA)	40,000,000
Guddu Project	Repairs and maintains a thermal power station	5/10	12/13	Central Power Generation Company Limited	18,068,000
Jamshoro Project	Rehabilitates a thermal power station	5/10	3/14	Jamshoro Power Company Limited	18,360,000
Muzaffargarh Project	Rehabilitates a thermal power station	5/10	12/13	Northern Power Generation Company Limited	15,193,000

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Power Distribution Project	Improves the management capacity, financial systems, and billing and collection systems of power distribution companies	9/10	10/15	International Resources Group	124,000,000
Satpara Dam Project	Increases hydropower capacity by 17 megawatts	1/11	4/13	WAPDA	26,000,000
Tarbela Dam Project	Rehabilitates a hydropower station	4/10	12/13	WAPDA	16,500,000

Source: USAID/Pakistan.

As of March 31, 2013, USAID reported that it had added a total of 965 megawatts of capacity to Pakistan's electrical grid through generation or savings. USAID's goal was to add or save 900 megawatts by the end of December 2013, and it has already surpassed this goal. Additional megawatt capacity will be added by the end of the current fiscal year.

USAID also reported the following accomplishments in its portfolio of energy programs:

- Progress continued on six energy projects involving rehabilitation and construction of hydroelectric and thermal power plants that Secretary Clinton announced in October 2009 and July 2010. During the reporting period, cash reimbursements to the Government of Pakistan to support these activities continued. U.S. Government reimbursements for these projects total more than \$117 million.
- The Gomal Zam Dam Project will provide Pakistan with 17.4 megawatts of additional generation capacity. Project work on the main dam, powerhouse, and transmission line is complete. Work on a transmission line connection to the switchyard is under way. Once completed, this connection will enable the power plant to transmit electricity to South Waziristan.
- The Jamshoro Thermal Power Plant has increased its power generation capacity to 235 megawatts, exceeding the target of 150 megawatts.
- No additional power generation capacity was added to the Muzaffargarh plant since the previous quarter. However, this plant already exceeded its target for power-generating capacity by 5 megawatts and is expected to produce additional gains in the future.

- The Satpara Dam will add about 17.6 megawatts to Pakistan's electrical supply. Construction of the dam is complete. At the end of the reporting period, work on two of four remaining powerhouses was 90 percent complete, and the dam was generating 13.8 megawatts. Project work was expected to end by May 2013.
- The Power Distribution Project has saved 83.45 megawatts of energy flow in Pakistan's grid by introducing new technology and improving work practices in all nine government-owned distribution companies. Project work is expected to increase company revenues by \$33.7 million a year. During the quarter, a group of women from utility companies traveled to the United Arab Emirates to participate in a customer service and women-in-energy exchange program. This initiative is the first of its kind in which women employees, who make up less than 1 percent of the utility company workforce, were able to participate in an international exchange program.

USAID reported that, in the past few months, the generation companies at Guddu, Jamshoro, and Muzaffargarh faced challenges because of procurement problems. In response, USAID increased capacity building for thermal plant personnel in procurement, financial and human resources, and administrative management. USAID reported that its interventions have led to positive results, particularly for the Jamshoro and Muzaffargarh thermal power plants where USAID exceeded generating capacity targets. According to the Agency, however, the Guddu thermal power plant remains a challenge, and USAID continues to work with the plant's management to accelerate procurements. During the reporting period, a total of \$40.2 million was disbursed to the Government of Pakistan under these projects.

USAID also noted that work on Gomal Zam Dam slowed because of security conditions and delays in Pakistani Government payments to contractors. At the request of the Pakistani Government, USAID increased financing by \$5 million to expedite completion of the project.

Economic Growth

Over the past 3 years, Pakistan has experienced high inflation and relatively low or stagnant economic growth—stagflation. The combination of stagflation, falling exports, and multibillion-dollar repayments to the International Monetary Fund has reduced the value of the rupee, and these factors could contribute to balance-of-payments problems for Pakistan.

Sixty percent of Pakistanis live on \$2 or less a day, and more than one in five live on less than \$1.25 a day. Only half of Pakistanis over the age of 15 are employed, and the small businesses that provide the majority of new employment lack access to finance. Similarly, the agriculture sector, which accounts for 21 percent of Pakistan's gross domestic product and employs 44 percent of the labor force, is constrained by insufficient investment and policy limitations.

The U.S. Government's assistance program for Pakistan is designed to stimulate broad-based, inclusive economic growth, particularly in agriculture, trade, and entrepreneurship, through projects that support

policy reform, improve access to finance, improve trade conditions, assist in workforce development, increase agricultural productivity, and improve water management. DOC, USAID, USDA, and USTDA support programs under this category of assistance.

DOC. DOC has six programs and activities that support the Embassy's economic growth initiative.

- The Market Research Program aims to provide interested investors with information about promising sectors of Pakistan's economy.
- DOC prepares preliminary information memorandums to highlight projects with high potential for financial return.
- DOC sponsors investment promotion events and business exchanges between Pakistan and the United States under its Event Management Program. These exchanges include DOC-led Pakistani delegations to trade shows and industry conferences in the United States and to regional trade shows with many U.S. exhibitors.
- The Commercial Law Development Program provides technical assistance in commercial law to foreign governments and private sector representatives to support their economic development goals.
- The Business Training for Export Diversification Program promotes the expansion and diversification of Pakistani exports to the United States through training events and exchanges.
- DOC's Pakistan Special American Business Internship Training is designed to accelerate Pakistani export diversification and to connect Pakistani entrepreneurs with the business partners and suppliers they will need to help sustain Pakistan's economic growth.

USAID. USAID currently has ten programs and three transfers of funds to other agencies (Table 4) that contribute to agricultural and economic growth objectives. These programs support trade, development of provincial irrigation systems, and the production and sale of agricultural commodities, among other activities.

**Table 4. USAID Programs to Promote Economic Growth as of March 31, 2013
(Unaudited)**

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Agribusiness Project	Increases productivity, product quality, and competitiveness of agribusiness value chains*	11/11	11/16	Agribusiness Support Fund	27,300,000
Agriculture Policy Project	Strengthens policy analysis for food security and macroeconomic stability	7/11	7/15	International Food Policy Research Institute	20,800,000
Balochistan Agriculture Project	Helps improve livelihoods and food security	1/09	12/15	United Nations (UN) Food and Agriculture Organization	23,700,000
Dairy Project	Improves milk production and increases sales	7/11	7/14	Dairy and Rural Development Foundation	13,026,744
Entrepreneurs Project	Supports women's microenterprises in vulnerable areas	6/09	6/14	Mennonite Economic Development Associates	39,926,069
Firms Project	Assists small and medium-size enterprises in areas vulnerable to conflict to help them become internationally competitive	5/09	4/13	Chemonics	77,457,147
Gomal Zam Irrigation Project	Provides flood control and irrigation water to 191,000 acres to increase agricultural output	10/11	9/13	WAPDA	73,151,000

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Grain Storage Project	Provides technical expertise to establish public-private partnerships for managing, handling, and storing strategic grain reserves	4/11	6/13	International Finance Corporation	2,500,000
Satpara Irrigation Project	Provides flood control and irrigation water to 15,500 acres to increase agricultural output	3/12	3/17	Aga Khan Foundation	20,428,595
Trade Project	Improves customs procedures and the Pakistani Commercial Service to increase exports and trade at the Afghan border	6/09	6/13	Deloitte	37,298,193
Transfer to DOC	Provides business and legal capacity building and exchanges for Pakistani entrepreneurs and representatives of government ministries, universities, and legal and business institutions	2009	Reviewed annually	DOC	6,270,000
Transfer to USDA	Improves production and increases sales of commodities, enhances government research and extension work, and helps eradicate agricultural diseases	2009	Reviewed annually	USDA	63,000,000
Transfer to USTDA	Conducts feasibility studies and provides technical assistance in transportation, energy, information technology, and food security	2009	Reviewed annually	USTDA	8,000,000

Source: USAID/Pakistan.

* A value chain includes all activities required to produce a product or service and deliver it to the final customer. Value chains include activities such as production, marketing, and distribution.

As of March 31, 2013, USAID reported that 819,394 rural households had benefited directly from U.S. Government assistance. USAID also reported the following developments and achievements in its portfolio of economic growth and agricultural programs:

- The Agribusiness Project made progress toward establishing agribusinesses that will achieve the project's overarching objectives of generating employment and increasing the incomes of the project beneficiaries. During the reporting period, 7,451 rural households benefitted from the project's interventions. These interventions included the formation of 419 farmer enterprise groups, the provision of grants to 1,136 women who are starting agribusinesses, the establishment of 25 grape and 5 pomegranate orchards, and the awarding of grants for 54 milk chillers.
- The Balochistan Agriculture Project sent 15 Pakistani farmers, sheep raisers, and government officials to Australia for a study tour covering all aspects of the sheep and wool value chains—e.g., management of sheep, shearing, and equipment maintenance. The project also trained 32 farmers and extension workers on farm water management in Faisalabad for 10 days. In addition, project staff recruited 23 community development and marketing facilitators for the districts recently added to the project's implementation area, training them in social mobilization, marketing skills, and group capacity building.
- Dairy Project training in farm, livestock, and milk management and artificial insemination has produced more than 3,000 new jobs in rural Punjab since the project's launch in July 2011.
- The Entrepreneurs Project trained 9,130 producers in improved production practices during the quarter, bringing the total number of microenterprise owners assisted by this project to 49,344, 86 percent of whom are women. During the quarter, the project signed a memorandum of agreement with Shakarganj Food Products Limited, a large Pakistani food manufacturing company that produces a range of dairy products as well as fruit juice concentrates. The agreement combines financial investment by a nationally recognized processor with capacity building and technical support from the project. In addition, the agreement will help link project beneficiaries in Bahawalpur and surrounding areas to the milk cold chain to provide for higher levels of production, a steady market, and increased incomes.
- The Firms Project continues to provide support to more than 2,942 small- and medium-size enterprises (SMEs) in 11 sectors of the economy by improving access to technology, markets, and finance, and by developing business skills. During the quarter, the project was able to assist an additional 558 SMEs directly, bringing the total to 3,500. Sales for these SMEs rose by 50 percent to \$30 million. The project completed an analysis of the national policy, legal, and regulatory environment for SMEs, along with institutional assessments of Pakistan's Small and Medium

Enterprises Development Authority and Federal Board of Investment; the respective Government of Pakistan authorities approved the documents.

- Work by WAPDA on the Gomal Zam Irrigation Project was 80 percent complete at the end of the reporting period. WAPDA completed all work on barrage and flood protection works, while the canal lining, drainage work, and construction of allied structures—i.e., bridges, falls, regulators, and outlets—are in progress. The project agreement was amended to cover work on the Waran Canal, a recent addition to the project area, on which work is scheduled to begin in June.
- The implementing partner for the Grain Storage Project, the International Finance Corporation, conducted a market sounding exercise to gauge investor interest in a silos project and determined that bidding on it should take place after general elections. The International Finance Corporation is now in discussions with the Governments of Sindh and Punjab on restructuring the project and continues to engage with potential bidders to raise awareness and interest. The implementer planned to revise the bid documents and share them, as well as the grain storage concession agreement, with the two provincial governments by May.
- The Satpara Irrigation Project is developing farm irrigation infrastructure that will meet commercial standards for the horticultural and dairy industries operating on 15,500 acres of farm land in the Skardu area of Gilgit-Baltistan. During the quarter, the project completed 82 percent of its baseline survey. The project also facilitated the registration of 82 water users' associations with the provincial On-Farm Water Management Department, finalized its security plan, and approved a grant for a greenhouse.
- During the quarter, the Trade Project completed the deployment and installation of information and communications equipment and established power supply and Internet connectivity at eight customs stations along the Afghan trade corridor. The completion of these tasks will support the launch of a pilot Electronic Data Interchange system between the Afghan and Pakistani customs administrations. The project also held discussions with partners to develop an outreach campaign for Pakistan-India trade liberalization, while continuing research on the potential for intraindustry trade and bilateral investment with India.

USAID reported that security conditions and delayed visas posed challenges in implementing economic growth and agricultural programs. In late March 2012, a Balochistan Agriculture Project vehicle was attacked; two people associated with the project were killed, and a third was injured. In mid-August 2012, eight workers on the Gomal Zam Dam were kidnapped, and one was reportedly killed. Additionally, the USAID mission noted that obtaining long-term visas for expatriate implementers has been difficult.

USDA. USDA continues to manage agricultural capacity building and development programs with funding from USAID. These programs are designed to increase agricultural productivity and improve opportunities for international trade through technical exchanges, agricultural research, and control of

plant and animal diseases. USDA partners with international organizations and U.S. land grant universities that work with Pakistani Government agencies, universities, and agricultural research groups to implement program activities. USDA also continues to work with provincial government authorities and engage with the Ministry of National Food Security and Research.

USDA reported the following examples of progress and success for the quarter:

- Several noteworthy project developments took place under the Agricultural Information Services Project, designed to improve crop production reporting through remote sensing and field data.
 - The Food and Agriculture Organization, one of USDA’s implementing partners for the project, unveiled a new pilot Web site bridging the capacities of Pakistan’s space agency and Punjab and Sindh provincial crop-reporting services. The Web site is intended to enable viewers to use crop data to help understand production trends.
 - The University of Maryland is designing an agricultural monitoring system to enable the two Pakistani crop-reporting services, Pakistan’s space agency, and two universities to access satellite imagery and other data to make forecasts and estimates. Lists of hardware and software needed at the participating facilities were completed, and initial procurements and deliveries of equipment began during the reporting period.
 - Plans were made for staff members from the two crop-reporting services and the space agency to attend 2-week training at the University of Maryland on the agricultural monitoring system. In addition, staff from two universities will be mentored for 8 weeks at the University of Maryland on how to use the agricultural monitoring system to produce better yield models and assessments of crop conditions, important factors in making accurate production estimates and forecasts.
- The Aquaculture Project, which aims to advance Pakistan’s aquacultural productivity through the introduction of soy-based fish feed, also made strides.
 - An aquacultural expert provided by Kansas State University, one of USDA’s two implementing partners on the project, made a second trip to Pakistan in January to assess progress on the fish feed trials, meet with Pakistani fish farmers and a feed producer, and present feeding trial results to fish farmers and Pakistani officials. The best trial showed that fish raised on soy-based feed grew to twice the weight of other fish in half the time.
 - The project brought the second in a series of three delegations of fish farmers and feed producers from Pakistan to the United States. During the visit, U.S. experts demonstrated how high-quality feed made from soybean meal is manufactured, and the group was able to observe features of the entire supply chain needed in a functioning market.

- Twenty-five metric tons of soybean meal was shipped from the United States to Oryza Organics, a Pakistani feed company partnering with the American Soybean Association under this project to produce high-quality fish feed. An extruder to be used by Oryza in manufacturing the feed also arrived in Pakistan during the quarter.
- Under USDA's project to develop solutions to cotton leaf curl virus, a USDA cotton scientist visited Pakistani partner labs and reviewed progress on the development of biotechnology solutions to the virus. Project plans now call for genetic material from cotton varieties that tested resistant to cotton leaf curl virus in 2012 to be retested and a new set of varieties from the United States to be field-tested in Pakistan.
- USDA's project on Demonstrating and Disseminating Best Practices and Technologies in Watershed Rehabilitation and Irrigation Improvement to Help Rural Farmers added five new partner institutions from Sindh and Balochistan Provinces to the six already working under the project in Punjab and Khyber Pakhtunkhwa. In another move to extend the reach of the project, farmers and agricultural professionals from Balochistan were included in training activities in Punjab.
- In March, USDA scientists assessed field research in Pakistan conducted under the Wheat Productivity Enhancement Project. They noted that the Ayab Agricultural Research Institute is conducting field research on 25 acres. The Faisalabad-based institute's research trials focus on wheat strains proposed for release to farmers, as well as on those being assessed for rust resistance and drought and heat tolerance. USDA scientists also observed the evaluation of various lines or strains of wheat at the National Agricultural Research Council in Islamabad for yield potential and rust resistance and at the National Uniform Yield Trial for positive and negative traits. The project also reported accomplishments in other areas:
 - Three greenhouses have been completed at the Wheat Pathology Station in Muree, enabling Pakistani plant pathologists to segregate and maintain living cultures of the three primary wheat rust diseases.
 - New combines, planters, and stationary threshers purchased under the project were dedicated and presented to Pakistani scientists working with the program in Faisalabad, Islamabad, and Chokwal.
 - During the 2012-2013 wheat growing season, scientists throughout Pakistan participated in a National Rust Evaluation Survey. They sent rust samples to the lab in Muree, where pathologists determined the relative virulence of the rusts. This was the first survey to be conducted uniformly in Pakistan since the 1970s.
- USDA is also building capacity among Pakistani Government plant and animal health regulators through the Sanitary and Phytosanitary Distance Learning Project. The first workshop in an 18-month course to train plant health regulatory officials was held in February 2013, with more than

25 attendees from the Department of Plant Protection, provincial agriculture departments, and private industry.

USTDA. USTDA activities improve infrastructure in energy, transportation, and information technology and link Pakistani partners with U.S. exporters and American companies offering project solutions. USTDA measures the success of its activities both in terms of exports of U.S. goods and services and in terms of positive development effects in Pakistan.

USTDA works with Pakistani grantees in the public and private sectors to conduct feasibility studies and technical assistance activities. USTDA competitively selects U.S. contractors to perform expert assessments and reverse trade missions.⁵

During the reporting period, USTDA hosted eight senior Pakistani public and private sector bank representatives for a 12-day reverse trade mission to the United States. Consistent with Pakistan's efforts to modernize its banking sector and broaden access to financial services, the reverse trade mission highlighted U.S. technologies and solutions for secure and efficient banking, particularly relating to mobile and Internet banking, anti-money-laundering solutions, fraud analytics, and solutions for managing customer relationships. The delegates met with U.S. companies, banking and government organizations, commercial banks and financial institutions, and banking information technology and service providers.

Stabilization

The U.S. Government seeks to enhance stability in border areas and regions vulnerable to violent extremism. The U.S. Government supports the Government of Pakistan in the Federally Administered Tribal Areas (FATA) and Khyber Pakhtunkhwa through short-term development activities, long-term investments in infrastructure, and support for incremental improvements in governance. Stabilization activities are guided by the U.S. Government's strategy for stabilization of Pakistan and closely aligned with USAID's 2010 *Post-Crisis Needs Assessment for Khyber Pakhtunkhwa and FATA*. Activities include improving the responsiveness and effectiveness of the Pakistani Government in restoring citizen trust, stimulating employment and livelihood opportunities, ensuring the delivery of basic services, countering radicalization, and fostering reconciliation. DOS's Bureau of International Narcotics and Law Enforcement Affairs (INL) and the U.S. Embassy's Political Section (POL) and Regional Security Office (RSO) support assistance programs in this category, as do USAID and USIP.

INL. INL has seven programs in Pakistan that support improved security, legal reforms, and counternarcotics efforts. Aside from the limited direct assistance it provides to Pakistani NGOs to reduce demand for drugs, INL implements all of its projects in partnership with the Government of

⁵ Reverse trade missions are trade delegation visits to the United States that enable foreign delegates to observe the design, manufacture, demonstration, and operation of U.S. goods and services that could help the delegates achieve development goals.

Pakistan. Partners include the Ministry of Narcotics Control, the Ministry of Interior, the FATA Secretariat, Pakistani police, and other civilian law enforcement agencies.

INL reported the following developments in its current programs:

- *Aviation Program.* INL's 50th Squadron Air Wing provided air support to Pakistan Ministry of Interior agencies including the Pakistani police, to the Khyber Pakhtunkhwa and Baluchistan Frontier Corps and the Punjab and Sindh Rangers, and to the U.S. Embassy and several other agencies. The Air Wing flew 590 hours during the quarter. Air support was reduced this quarter because several aircraft were awaiting temporary deployment to Afghanistan. The aircraft are scheduled to return to Pakistan upon completion of maintenance activities.
- *Corrections Program.* INL's Corrections Program continues to focus on training senior prison staff. A third group of Khyber Pakhtunkhwa provincial prison department officials attended courses at the International Corrections Management Training Center in Colorado. The Training Center teaches international standards and best practices in prison administration, including security procedures, external threat management, emergency responses, prisoner classification and segregation, logistics, and riot control. In total, 23 Pakistani officials have now received training under the program. Senior Khyber Pakhtunkhwa officials told INL that the training has motivated the province to allocate almost \$50 million for prison infrastructure improvements. INL has now extended agreements to send senior prison staff from Sindh and Balochistan Provinces to future training sessions.
- *Counternarcotics Program.* The UN Office on Drugs and Crime (UNODC) released the results of an INL-funded comprehensive drug user survey, which reports that Pakistan's drug consumption problem is worsening. Drawing on survey data from the UN Population Fund and Pakistan's National Institute of Population Studies, UNODC estimated that 6.4 million people aged 15 to 64 (5.8 percent of the working-age population) had used illicit drugs within the past 12 months, and 4.1 million of them can be classified as drug addicts. The report calls for increased attention to Pakistan's drug treatment capacity, which currently serves only 1 percent of the country's addicts. To address this need, INL continued to fund the Colombo Plan's⁶ train-the-trainer program, which provided basic training to 30 Pakistani drug treatment specialists during the quarter. Meanwhile, INL also sponsored a UNODC-administered mass awareness campaign to spread antidrug messages to youth, parents, and teachers in six major cities of Khyber Pakhtunkhwa. This will be the country's first modern, mass awareness campaign against drugs.
- *Crop Control and Area Development, Border Security, and Infrastructure Program.* During this reporting period, two Frontier Corps border posts were completed in the Chitral District of Khyber Pakhtunkhwa while another border post was completed FATA's Khyber Agency. Construction of

⁶ The Colombo Plan is a regional intergovernmental organization that promotes economic and social development in Asia and the Pacific through technical cooperation and information sharing.

the Levy lines (headquarters and barracks) in FATA's Kurram Agency was 90 percent complete and on schedule for its June 2013 deadline. Work on the Frontier Corps portion of the Spina Thana operations center was also on schedule; construction of two Levy Force barracks at Spina Thana was 75 percent complete and expected to be finished by July 2013. The Javed Iqbal Police Lines (headquarters and barracks) in Mingora, Swat, was 90 percent complete and likewise expected to be finished by July 2013. By the end of the reporting period, work on another major police training facility, the Joint Police Training Center in Nowshera, was 42 percent complete and on schedule to meet the September 2013 deadline.

Half of the construction work on the Peshawar Southern Ring Road has been completed, and project work is expected to conclude in September 2013. Construction of 42 kilometers of the Kanju-Madyan Road in Swat was also under way during the quarter with a revised expected completion date of July 2013. Meanwhile, work on the 7-kilometer Mattani Bypass Road was delayed because of the sustained military operations and curfew in the surrounding areas of Bara. Construction of an additional 10 kilometers of road in the poppy-growing areas of Khyber Agency in FATA and the Torghar and Kohistan Districts in Khyber Pakhtunkhwa began during the quarter.

- *Police Assistance Program.* After Sindh police officials acknowledged that their police training programs needed fundamental restructuring, INL assisted them in forming a curriculum development team to address this problem. The nine-person team employed subject matter experts to draft Urdu-language training modules that will incorporate Pakistani law and address cultural sensitivities. During the quarter, one training module was completed and four others were developed in draft. The complete, ten-module curriculum will be taught at all Sindh training centers and the Sindh Police plan to use successful course completions as a basis for officer promotions. Once this initiative is completed in Sindh, INL plans to replicate it in other provinces.

The Police Assistance Program procures equipment for the Sindh Police to enhance its capacity for criminal investigative forensics. In 2013, the program signed a letter of agreement with the Sindh Police to provide it with commodities valued at \$8.1 million, including armored personnel carriers, anti-riot gear, and body armor. The program also delivered explosive detectors and night-vision equipment worth \$450,000. In addition, it established a partnership with the Australian Government to set up a forensics lab and provide Sindh police personnel with training by equipment vendors and subject matter experts.

- *International Criminal Investigative Training and Assistance Program (ICITAP) Training Program.* ICITAP trained 207 Pakistani police officers during the quarter, including 18 female officers. The program provided forensics instruction to 27 Anti-Terrorism Court judges, prosecutors, and investigators from across the country; the event was the first of its kind to bring judges, prosecutors, and police together into the same training program. The program also trained instructors at Pakistan's National Police Academy on the use of a firearms simulator. In addition, the program completed three rooms in the Islamabad police station to allow for more direct public access to the police. To

improve consistency in measuring and reporting on the effects of police training, the program held multinational meetings to standardize measurement and evaluation by donor nations.

- *Rule of Law.* After a 6-month gap due to the inability to obtain a Pakistani visa, a new Resident Legal Advisor arrived in late February 2013 to manage this program. The new advisor will conduct training and evaluation workshops and coordinate with international partners to assist with their efforts until U.S.-based trainers receive visas.

INL reported several program implementation challenges this quarter. Program staff noted that collaboration with Pakistan's Anti-Narcotics Force (ANF) under the Counternarcotics Program deteriorated. Although the ANF's Special Investigation Cell slightly increased Pakistan-based seizures and arrests, ANF senior leadership denied several INL requests to visit field offices, even though facilitating such visits is a written requirement of the funding agreement. These and other developments have prompted INL to reevaluate the ANF portion of its Counternarcotics Program.

Meanwhile, according to INL, the Rule of Law Program continued to face visa problems. Despite continuing local interest in the program on the part of judges and prosecutors, the program was unable to hold any training events during the reporting period because U.S.-based trainers were not issued visas to enter Pakistan.

Because of security concerns since September 2012, three American INL employees relocated from Peshawar to Islamabad. Meanwhile, INL's locally employed staff members are not permitted to work at the INL Peshawar office annex and are working from home. This situation has adversely affected project oversight in Khyber Pakhtunkhwa and FATA, which are a major focus of INL assistance in Pakistan. INL is working with U.S. Embassy officials to arrange for permanent workspace for its locally engaged personnel in Peshawar and is exploring other options for working through security restrictions in Peshawar.

POL. The U.S. Embassy's Political Section oversees implementation of the Export Control and Related Border Security Assistance Program (EXBS) in Pakistan.

EXBS is designed to help participating countries improve their strategic trade and border control systems. In Pakistan, EXBS assists the government in stemming the proliferation of weapons of mass destruction and their delivery systems and in preventing irresponsible transfers of conventional weapons.

Since 2004, Pakistan has made progress with EXBS assistance in strengthening its strategic trade controls through legal and regulatory reforms and the development of licensing capability. Building on these successes, EXBS aims to develop and expand the capacity of Pakistani law enforcement agencies to counter the proliferation of weapons of mass destruction and related materials.

Although Pakistan has made significant strides in adopting strategic trade control legislation, Pakistan's national control list omits several commodities and technologies controlled under multilateral export control regimes, and this remains a concern. EXBS therefore promotes Pakistan's adoption of a comprehensive national control list that includes all commodities covered under the control lists of the Nuclear Suppliers Group, Missile Technology Control Regime, Wassenaar Arrangement, and Australia Group.

Pakistani border security agencies have poor communications infrastructure, lack needed equipment, and face challenges in coordination across agency lines. Customs officer training is underdeveloped and depends on foreign support. Accordingly, while maintaining its focus on trade controls, EXBS plans to deliver more training and equipment to Pakistani customs agencies, especially the Federal Board of Revenue. In addition, the program will continue to support cross-border cooperation between Afghan and Pakistani agencies engaged in trade control regulation and enforcement. The Department of Homeland Security provides training in support of EXBS activities in these areas.

RSO. The Department of State's RSO contributes to improved counterterrorism capacity and legal institutions in Pakistan through its Antiterrorism Assistance Program (ATA). The program builds Pakistani law enforcement capacity to detect, deter and respond to terrorist threats, providing a range of tactical and investigative courses and support to officials from all of the country's provinces and the Frontier Corps. The program's focus in Pakistan is on building law enforcement capacity to secure land borders, build investigative skills and cooperation between police and prosecutors, and respond to terrorism incidents.

DOS reported that Pakistani officers are enthusiastic about participating in ATA courses, learning counterterrorism skills, and using those skills in their daily work. Officers trained by ATA in explosive detection have used their training in high-threat assignments. ATA assistance has also enabled authorities to expand institutional capacity to respond to threats.

Notwithstanding these successes, DOS reported that difficulties obtaining visas for instructors continued to hinder program implementation. The program is working to resolve these difficulties and noted some improvement in early 2013. ATA courses were, nevertheless, several months behind schedule at the end of the reporting period.

USAID. USAID had 13 stabilization programs and 2 related monitoring activities under way at the end of the quarter (Table 5). These programs provide cash transfers to compensate for housing damage, deliver vocational training, and fund improvements in roads and electricity generation.

Table 5. USAID Stabilization Programs as of March 31, 2013 (Unaudited)

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Benazir Income Support Program (BISP)*	Provides cash assistance to needy families	6/09	6/10	BISP, Government of Pakistan	160,000,000
Citizens' Damage Compensation Fund*	Provides cash assistance to flood-affected households	6/11	6/12	National Database and Registration Authority, Government of Pakistan	190,000,000
Conflict Victims Support Project	Provides medical, psycho-social, and livelihoods support to Pakistanis directly affected by violence in FATA and Khyber Pakhtunkhwa	4/12	4/15	International Relief and Development	24,545,806
FATA Child Health Project	Provides equipment and mobile health units, reconstructs facilities, and trains health-care providers	9/06	3/13	***	26,150,000
FATA / Khyber Pakhtunkhwa Health Program	Improves access to community-based integrated family planning and maternal and child health services	9/12	9/17	***	5,000,000
FATA Infrastructure Program	Improves roads; water infrastructure; and electricity generation, distribution, and transmission	12/09	12/14	FATA Secretariat	278,686,537

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
FATA Institutional Strengthening Project	Increases the FATA Secretariat's capacity in participatory planning, management, and oversight of stabilization and development activities	8/11	9/16	***	14,298,085
Khyber Pakhtunkhwa, FATA, and Balochistan Multi-Donor Trust Fund[†]	Provides grants for the restoration of damaged infrastructure and disrupted services, improvement of government services, and maintenance of community livelihoods	7/10	12/15	World Bank	25,000,000
Khyber Pakhtunkhwa Reconstruction Program	Supports the reconstruction and recovery of conflict-affected districts and increases capacity for management and oversight of stabilization and development activities	3/10	12/14	Government of Khyber Pakhtunkhwa's Provincial Reconstruction, Rehabilitation and Settlement Authority (PaRRSA)	130,683,047
Malakand and FATA Housing Support Program*	Provides housing damage assistance through a cash transfer	6/10	9/12	PaRRSA	65,000,000
Monitoring and Evaluation – FATA	Supports monitoring and verification of USAID investments in road and electricity infrastructure	12/09	12/14	***	6,436,537
Monitoring and Evaluation – Malakand	Supports monitoring and verification of USAID investments in small-scale infrastructure	4/10	12/14	***	6,260,000

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Pakistan Transition Initiative	Supports conditions for stability and development in conflict-prone and other priority areas of Pakistan	11/07	9/15	International Organization for Migration, Creative Associates International, Internews, BEFARe	264,576,547
Peshawar-Torkham Road	Funds the reconstruction of the Peshawar-Torkham Highway in Khyber Pakhtunkhwa	9/12	9/14	***	70,000,000
Radio Transmitters in FATA and Khyber Pakhtunkhwa Project	Provides radio transmitters	6/10	4/13	***	8,656,471

Source: USAID/Pakistan.

Note: A triple asterisk (***) indicates the name of a USAID implementing partner withheld for security reasons.

* USAID has fully disbursed assistance dollars to BISP, the Citizens' Damage Compensation Fund, and the Housing Support Program but continues to monitor rupee disbursements to beneficiaries.

† USAID has also fully disbursed assistance dollars to the Multi-Donor Trust Fund for Khyber Pakhtunkhwa, FATA, and Balochistan but continues to monitor project implementation activities.

As of March 31, 2013, USAID reported that 587 kilometers of road had been constructed or repaired with U.S. Government assistance. USAID also reported the following program developments in its stabilization portfolio for the quarter:

- The Conflict Victims Support Project is designed to assist approximately 4,500 families affected by conflict-related violence in FATA and Khyber Pakhtunkhwa. Project agreements were signed with the FATA Secretariat and the Planning and Development Department of the Government of Khyber Pakhtunkhwa, and the project established five community advisory committees, including one to assist female victims. The advisory committees promote local ownership of project activities and engage communities in verifying the eligibility of beneficiaries. The project implemented a database to track project beneficiaries. Major accomplishments to date include:
 - Identifying 2,549 potential beneficiaries, of whom 623 met eligibility criteria.

- Providing training to transfer employable skills to 325 beneficiaries through two vocational training institutes. The project also identified 236 orphans and children of conflict-affected families to receive educational scholarships.
 - Performing a capacity assessment of 100 training institutions, 12 of which were placed on a short list to deliver vocational training to project beneficiaries.
 - Initiating activities with three major hospitals in Peshawar for the provision of in-kind support to strengthen their emergency ward capacity.
 - Launching an outreach campaign through interaction with institutions in 15 targeted communities. The project distributed more than 2,000 leaflets in areas with a high concentration of conflict victims, and the project call center has received more than 1,050 calls from conflict-affected areas since it opened in November 2012.
- The FATA Child Health Project was extended through March 2013 to allow for installation of additional solar power systems. The project worked to increase the use of key health services and instill behaviors that support the health and development of children. During the quarter, the project reached:
 - 1,992,255 children and mothers through 15,823 Health, Immunization, and Nutrition Days at the health facility and community level.
 - 96,532 people through 891 medical camps at mobile health units.
 - 405,763 people through 40,954 awareness-raising sessions.
 - 8,236 health-care providers through 488 training sessions.

In addition, the project reported the following achievements:

- Reconstructing 12 community health centers and 1 civil hospital.
- Renovating 126 health facilities.
- Providing five mobile health units and three ambulances to extend health services to communities in Bajaur, Mohmand, and South Waziristan Agencies.
- Establishing immunization cold rooms at the FATA Directorate of Health Services and Civil Hospital in Jamrud, Khyber Agency.

- Providing three vaccine cold chain vehicles to transport vaccines from immunization cold rooms to Agency headquarter hospitals.
 - Providing solar refrigerators to 60 health facilities
 - Converting nine reconstructed health facilities and one immunization cold room to solar energy systems.
 - Providing equipment and furniture to 260 health facilities.
- The FATA / Khyber Pakhtunkhwa Health Program signed memorandums of understanding with the Khyber Pakhtunkhwa Health Department and the FATA Secretariat. Both government entities endorsed project work plans, and the project established offices in Dir Upper, Dir Lower, Shangla, and Malakand Districts. In addition, the project trained 30 female health supervisors in Mohmand and Bajaur Agencies and conducted training sessions on integrated management of neonatal and childhood illness in Peshawar and Swat for a total of 47 health-care providers.
 - The FATA Infrastructure Program completed 18 kilometers of road during the reporting period, including 8 kilometers of the Wana-Makin Road, 6 kilometers of the Bannu-Miran Shah Road, and 4 kilometers of the Tank-Dera Ismail Khan Road. Work on the Barang Road progressed with the conclusion of efforts to rehabilitate a retaining wall, and the first 9-kilometer section of the Peshawar-Torkham Highway rehabilitation project was reported as 15 percent complete. Meanwhile, the Jandola-Sararogha Bridges were completed, and preparatory work for the reconstruction of the Silay Patay Bridge advanced.
 - The FATA Institutional Strengthening Project reported several accomplishments:
 - Completing a performance management road map for the Health Directorate that explains goals, outcomes, outputs, and the performance indicators required for implementation of the FATA monitoring and evaluation framework.
 - Starting work on performance monitoring software that will address service delivery and development project performance monitoring requirements.
 - Airing radio programs on FATA Secretariat’s development initiatives 6 days a week since February 2013, and preparing a video documentary on development initiatives in Bajaur Agency.
 - Developing and deploying a management information system to enhance the transparency and efficiency of FATA Secretariat income supplements funded through religious taxes (*zakat*).
 - Developing an Agency Development Plan for South Waziristan to inform future USAID activities.

- Completing the first draft of the Work Force Development Study for Khyber Pakhtunkhwa and FATA.
 - Submitting a study on strengthening the Women’s Empowerment Wing with recommendations for related action to the FATA Secretariat.
 - Organizing a visit by FATA local government officials to Punjab government institutions in March that enabled the officials to gain first-hand knowledge of local best practices and systems and to learn about resulting development and service achievements.
- In March, the Khyber Pakhtunkhwa Reconstruction Program completed the reconstruction of three schools in Swat District and provided supplies and furniture to four others. The Amandara and Munda Headworks neared its conclusion, and work on the Khwazakhela Bridge reached 45 percent completion. Implementation began on water and sanitation works in Buner District, and USAID engineers started reviewing designs for water and sanitation projects in Swat District. Meanwhile, construction work continued on five health facilities.
 - The Malakand and FATA Housing Support Program compensates beneficiaries whose houses were damaged during the militancy and ensuing military operations that concluded in 2009. To date, 16,850 households have received compensation. Out of the total amount authorized for disbursement to beneficiaries by USAID, at the end of the reporting period PaRRSA had a balance of \$1.2 million. This amount was expected to be disbursed to beneficiaries by April. PaRRSA was expected to seek authorization for disbursements to remaining beneficiaries in Malakand and FATA during the following quarter. All beneficiary disbursements under the program are projected to be completed by September 2013.
 - The Pakistan Transition Initiative continues to achieve results through its media program. The initiative has supported Pakhtunkhwa Radio Peshawar (PRP) and four other government-owned stations in the region to improve the quality of their content and better meet the interests of listeners. Last quarter, PRP launched a “Fix It” program that aims to bring people and the government together to identify and address community issues. The new program is modeled on a popular community-based program aired by independent and community radio stations in Afghanistan; PRP managers and producers learned about it during a cross-border study trip sponsored by the initiative in May 2012. The Pakistan Transition Initiative has also formed partnerships with three local university journalism departments to build their capacity. These partnerships contributed to the recent nationwide adoption of a new journalism curriculum by Pakistan’s Higher Education Commission (HEC).
 - The Peshawar-Torkham Road (a section of National Highway N-5) is under construction, and work is on schedule for this USAID-funded activity. More than 15 percent of Section 1 of the road was completed, and work began on Section 2.

- The Pakistan Broadcasting Corporation released funds for power connections at the two transmitter sites under the Radio Transmitters for Pakistan Project, and the Dera Ismail Khan site is preparing for transmitter testing and commissioning. The project is on track for completion next quarter.

USIP. USIP supports stabilization in Pakistan by promoting religious tolerance and peaceful interfaith dialogue while countering extremist messages. USIP is working to accomplish these objectives through a 2½-year program with three components: (1) a grant program to build the capacity of civil society to counter extremism and promote peace and religious tolerance, (2) content analysis and mapping of local media outlets and the extent to which they broadcast or publish extremist or counter extremist messages, and (3) policy research on and analysis of religious intolerance and extremism.

USIP grantees remain active in creating programs on education, consensus building, conflict resolution, and other topics. This quarter, a grantee organized six media forums across the country, generating debate on tolerance and extremism in the media. Another produced an average of 20 live radio shows per month on six radio stations; these programs created interactive sessions with youth, women, political leaders, and elders. Grantees have also hosted a range of training events aimed at teachers, youth leaders, law enforcement trainers, and community reporters for one grantee's radio program.

Also during the quarter, USIP issued a special report with recommendations for those seeking to build an effective communications strategy to counter extremist messages in Pakistan. In addition, USIP recently commissioned a study on the nexus between terrorism and criminal activity. The study will be based on law enforcement data on crimes connected to terrorists or their organizations.

Education

Pakistan's education system faces serious challenges. According to the UN Educational, Scientific, and Cultural Organization's 2012 *Education for All Global Monitoring Report*, Pakistan ranks 113 out of 120 countries on the Education for All Development Index. Pakistan's school system is beset by chronic underfinancing, poor quality, and corruption, resulting in some of the worst and most inequitable results on education indicators in South Asia.

Less than three-quarters of school-age children are enrolled in primary school, and Pakistan is host to the world's second largest population of out-of-school children (5.1 million). Children who do attend school encounter teachers who are ill prepared for the job and poorly equipped classrooms. Primary school teachers face classrooms with an average of 40 students, almost twice the world average. Only 45 percent of children complete Grade 5; of those, less than half can read a simple sentence. Thirty percent of adults in Pakistan are illiterate.

In higher education, Pakistan remains far behind most of its neighbors in terms of quality, access, and capacity. Institutions of higher learning in Pakistan lack productivity-enhancing technologies, and university graduates are not always prepared to lead the country's growth. In 2011, only 7.8 percent of

17- to 23-year-olds in Pakistan had access to higher education. This is a significantly smaller proportion than in Nepal (10 percent) and similar to rates in sub-Saharan Africa.

The United States aims to improve access to high-quality education through its assistance to provincial governments and universities. Assistance includes repairing and rebuilding schools and colleges, providing teaching and learning materials, renovating and building teacher education facilities, improving teacher preparation, strengthening the reading skills of primary-grade students, improving provincial and district management and policies, developing financial aid programs for university scholarships, supporting faculty exchanges in applied research in key disciplines, and fostering effective civil society involvement in education. In addition, USAID and the U.S. Embassy's Public Affairs Section (PAS) support programs that promote faculty and student exchanges, U.S. university scholarships, and U.S.-Pakistan university partnerships.

PAS. PAS focuses on maintaining academic and professional exchange programs and expanding in-country English instruction and alumni programs. PAS exchange programs are largely implemented through U.S.-based, nonprofit institutions, but related outreach and recruitment activities are conducted in association with Pakistani Government entities, the media, educational institutions, and NGOs. The U.S. Educational Foundation in Pakistan (i.e., the Fulbright Commission), in particular, is heavily engaged in the recruitment and selection of participants for academic and professional programs and provides support for program alumni.

PAS opened the application season for the Fulbright Master's and Ph.D. Program's 2014-2015 academic year and set May 15, 2013, as the due date. PAS and the U.S. Educational Foundation in Pakistan led information sessions about the program throughout Pakistan and appeared on television and radio talk shows to discuss the application process and raise awareness of the program opportunity.

An evaluation of the Fulbright program is under way. Management Systems International (MSI), the contractor hired to complete the evaluation, finished collecting data from Fulbright alumni, employers of scholars, HEC, and the Fulbright Commission through a series of meetings, online surveys, and phone calls. MSI was expected to complete its report by late April.

PAS continues to develop relationships with universities throughout Pakistan that connect U.S. and Pakistani institutions. Collaborating with U.S. and Pakistani partner institutions enables PAS to extend its reach to key audiences and promote academic and cultural exchanges in the liberal arts and humanities. During the reporting period, PAS established relationships with four new Pakistani universities: the Kinnaird College for Women, the National Academy for Performing Arts in Karachi, the University of Azad in Jammu and Kashmir, and the University of Karachi. PAS subsequently solicited bids from U.S. universities for exchange programs with these universities in American literature, music, applied linguistics, and public administration. PAS is also developing partnership opportunities with the Indus Valley School of Art and Architecture, Lahore College for Women, and the National College of Arts.

PAS reported that program participants and partners continued to face harassment during the reporting period. According to PAS, domestic security agencies harassed Pakistani citizens who participated in

PAS exchanges, organizations that implemented PAS programs, and attendees at PAS-sponsored events. Representatives from domestic security agencies regularly follow PAS personnel to meetings with implementing partners and stay until meetings are finished to question partner organization representatives. PAS is concerned that such sustained harassment could harm its programs in the long run.

USAID. At the end of the reporting period, USAID had six education programs and projects under way and one transfer of funds to another agency (Table 6). These programs focused on improvements in basic and higher education by providing training for teachers, scholarships for students and professors, and support for reconstruction and renovation of schools.

Table 6. USAID Education Programs as of March 31, 2013 (Unaudited)

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Earthquake-Damaged Schools Reconstruction Program	Reconstructs earthquake-damaged schools	10/06	4/13	CDM Constructors Inc. (CDM)	147,454,624
Merit and Needs-Based Scholarship Program	Provides bachelor's and master's degree scholarships	6/04	3/20	HEC	13,223,605
Sindh Basic Education Program	Supports early grade reading, provides technical assistance, and supports reconstruction of schools	9/11	9/16	Sindh Department of Education	113,576,111
Teacher Education Project	Provides preservice education for teachers	5/11	9/13	Educational Development Center	39,800,000
United States-Pakistan Science and Technology Cooperative Program	Provides opportunities for cooperation between Pakistan and the United States in science and technology	9/05	7/18	National Academy of Sciences	12,502,034
Women's Hostel Project	Supports construction of a 360-bed women's dormitory at Forman Christian College	7/11	8/14	Forman Christian College	6,000,000

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Transfer to PAS – Fulbright Scholar Program	Provides scholarships to Pakistani graduate students to study at U.S. universities	9/04	Reviewed annually	PAS and United States Educational Foundation in Pakistan	171,000,000

Source: USAID/Pakistan.

As of March 31, 2013, USAID reported that U.S. Government-supported education programs had strengthened the skills of 8,223 educators since October 2010. USAID also reported the following education project developments during the quarter:

- USAID assisted HEC in developing a Government of Pakistan project paper for the expansion of the Merit and Needs-Based Scholarship Program through 2020. The project paper includes plans to offer more than 2,300 full scholarships to economically disadvantaged young people—at least 50 percent of whom will be women—for bachelor’s or master’s degrees at Pakistan’s top universities.
- USAID worked with the Sindh Department of Education to map schools in seven target districts in Sindh and five target towns in Karachi for school consolidation and construction under the Sindh Basic Education Program. School mapping and data collection were completed, and the program shared results and data with government officials, donors, and civil society during a workshop. Further, the program set up a Web portal so that the public and other donors have access to information on schools in these districts.
- The Teacher Education Project continued to emphasize capacity development and training. During the reporting period, the project organized 89 training workshops, assisted 13 universities in developing strategic plans, and helped 38 teacher training colleges prepare plans to improve infrastructure and build capacity. These plans will serve as the basis for needs-based grants under the program. In addition, the project awarded 540 scholarships for 2-year and 4-year degree programs throughout the country.
- USAID is in the process of building 16 state-of-the-art schools of education at Pakistani universities. USAID funds the design of the buildings to meet specifications developed by participating universities in consultation with the Teacher Education Project. Construction continued on six facilities, while a contractor was selected for a seventh building. Meanwhile, project participants selected a Pakistani firm for construction of the remaining ten schools of education.
- The National Academy of Sciences held Pakistan’s first national symposium on technology transfer for economic development in January and early February under the United States-Pakistan Science and Technology Cooperative Program. More than 180 researchers participated.

Health

Pakistan struggles with the equitable provision of basic health services to its rapidly growing population. Poor access to essential services increases the risk that women and children will die from preventable diseases and suffer from high morbidity, while limited access to contraceptives contributes to the nation's high fertility rate. According to the World Health Organization, Pakistan has the highest rate of stillbirths and the second-highest rates of newborn, infant, and child mortality in the region. A higher proportion of Pakistani women die during childbirth than in any other country in the region except Afghanistan and Laos.

Health sector responsibilities were transferred to the provinces following the enactment of the 18th Amendment to Pakistan's Constitution in 2010. However, according to USAID, the transfer was initiated without adequate planning or strategic dialogue. The provinces have limited financial and human resources with which to address additional health-care functions, and remaining federal responsibilities are fragmented and uncoordinated. A lack of federal and provincial leadership and ongoing disagreements over financial responsibilities have hampered some basic primary and preventive health services.

Pakistan has the fourth-highest maternal mortality ratio in Asia, and fewer than four in ten births are attended by skilled health personnel. More than three in ten children in Pakistan are underweight. Pakistan is one of three countries where polio is still endemic, and the Afghanistan-Pakistan border areas are regarded as the greatest challenge to polio eradication globally.

The U.S. Government supports the Government of Pakistan and Pakistan's private and nonprofit sectors in accelerating progress toward child and maternal health goals by expanding high-quality, cost-effective maternal, newborn, and child health services and increasing health service demand and access among the nation's poor. The health program portfolio seeks to improve access to and quality of essential family planning and maternal and child health services through public sector capacity building, public and private sector service delivery, and the establishment of public-private partnerships.

USAID. During the reporting period, USAID had seven programs and one transfer of funds to another agency to support health services in Pakistan (Table 7). These programs focus on improving maternal and child health, family planning, and polio eradication. USAID works to strengthen health systems through policy reform, technical assistance, human resource development, improvements to public sector procurements of contraceptive commodities and other key health supplies, and enhancements to logistics and supply chain management systems. USAID also continues to dedicate significant resources to support Pakistan's Emergency Polio Eradication Program.

Table 7. USAID Health Programs as of March 31, 2013 (Unaudited)

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Demographic and Health Survey	Supports a survey to collect data on national health indicators	1/11	12/15	Macro International Inc.	3,700,000
Health Care Management Project	Assists with the devolution of public health responsibilities from federal to provincial ministries	1/11	3/13	John Snow Inc.	3,000,000
Health Services Academy Support Project	Develops institutional capacity in public health training and research	7/08	3/13	Health Services Academy	7,247,527
Jacobabad Civil Hospital Project	Hospital renovation	10/10	10/13	CDM	11,049,000
Jinnah Post-Graduate Medical Center Project	Reconstruction of an extension to the obstetrics and gynecology/fistula ward	10/10	10/13	CDM	5,629,069
Maternal and Child Health Program	Provides an integrated program of health services to save lives of women, infants, and children	5/12	5/17	John Snow Inc., Population Services International / Greenstar, Jhpiego, and Marie Stopes International	208,044,068
Polio Vaccination Program	Provides support for national polio eradication efforts through national campaigns, disease surveillance, and communications	1/03	Reviewed annually	UN Children's Fund (UNICEF) and the World Health Organization	24,370,271

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Transfer to the Centers for Disease Control and Prevention (CDC) – Field Epidemiology and Laboratory Training Program	Provides training to epidemiologists	8/05	11/14	CDC, U.S. Department of Health and Human Services	6,783,494

Source: USAID/Pakistan.

As of March 31, 2013, USAID reported that five polio immunization campaigns had been completed with U.S. Government support since the start of FY 2013. USAID also reported the following health program developments this quarter:

- With technical and operational assistance from USAID implementing partners, the Pakistani Government conducted one national and four subnational polio immunization campaigns since the beginning of FY 2013 in 163 districts, agencies, and towns. In total, 32.7 million children were vaccinated during these campaigns. These intensified polio immunization efforts may have contributed to a reduction in cases, as the number of new cases in Pakistan dropped from 198 in 2011 to 58 in 2012. Only five cases have been detected in 2013.
- A groundbreaking ceremony for the Jacobabad Hospital took place on February 15, following the selection of a contractor for the project.
- Several components of the Maternal and Child Health Program made headway during the quarter:
 - USAID began cultivating key relationships within Sindh Province’s Department of Health. In addition to inviting senior Health Department leaders to join the second partners’ meeting of the Quarterly Maternal and Child Health Program in Karachi, USAID facilitated in-depth briefings between its partners and senior Health Department officials to solicit feedback on planned activities and identify areas for collaboration.
 - The health communications component led a workshop with key stakeholders on the 5-year behavior-change communication strategy, which they are currently drafting. The program also conducted consultations with key stakeholders to develop creative concepts for messages on breast-feeding and birth spacing.

- Health commodity orders were placed in January following provincial, regional, and private sector consultations for FY 2013 contraceptive commodity forecasting and procurement. Commodity shipments began to arrive in-country during the reporting period.
- To prevent contraceptive stock-outs in the wake of political uncertainty surrounding the upcoming elections, the project successfully developed countrywide contraceptive distribution and transportation plans. With Pakistani Government approval, the central warehouse began supplying 6 to 9 months of stock to all 143 districts of Pakistan with the in-country transportation assistance of the program's commercial partner, the United Parcel Service.

USAID continued to report major challenges to polio eradication efforts. In light of the December 2012 killing of polio eradication workers, the National Polio Program increased security, assigning police to accompany vaccinators on their rounds. In January and February, two police officers protecting polio teams in the Swabi and Mardan Districts of Khyber Pakhtunkhwa were shot and killed. Despite the killings, campaigns continued in both districts. Following delayed payments of polio workers by the World Health Organization, however, part of a planned polio campaign in Quetta was not completed in late March.

Crosscutting Priorities: Good Governance, Gender Equity, and Greater Transparency

The crosscutting priorities of U.S. Government assistance—improved governance, gender equity, and greater transparency—are integrated, as appropriate, into programs in the sectors discussed in the previous sections of this report. The U.S. Government also supports programs focused exclusively on these areas. DOS's Bureau of Democracy, Human Rights, and Labor (DRL), the Embassy's PAS, and USAID support programs in this category of assistance.

DRL. DRL supports ten projects that strengthen human rights, support democratic institutions, promote fair labor standards, and encourage interfaith dialogue (Table 8).

Table 8. DRL Human Rights and Democracy Programs as of March 31, 2013 (Unaudited)

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Balochistan Initiative	Supports human rights initiatives in Balochistan through small grants	10/11	9/13	Consulate Karachi	500,000
Documenting Human Rights Abuses	Monitors, documents, and analyzes reports of human rights abuses by security forces	9/12	3/15	International Commission of Jurists	1,300,000

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Empowering Home-Based Women Workers	Advocates for the rights of home-based workers, strengthens cooperatives, and builds their capacities	9/11	1/14	International Catholic Migration Commission	682,186
Ensuring the Protection of Human Rights Defenders and Journalists	Increases the capacity, sustainability, and geographic reach of local organizations that protect human rights workers and journalists	9/11	9/13	Freedom House	792,080
Ethnic and Religious Minorities School Curriculum	Supports development of enhanced madrasa teaching materials and a university madrasa teacher training certificate course	9/11	3/13	International Center for Religion and Diplomacy	410,000*
Promoting Media Transparency on National Security Issues	Increases skills of journalists and civil society groups; works with media outlets to reach broader audiences	9/11	9/13	Internews	1,229,700
Promoting Peaceful Co-Existence	Promotes peaceful coexistence, mutual understanding, and respect among religious minorities and the Muslim majority in Pakistan	1/11	12/14	Church World Service	648,543
Protecting Human Rights While Countering Terrorism	Enhances the role of the legal profession and the justice sector in protecting and strengthening human rights and the rule of law in national security	7/12	6/14	American Bar Association Rule of Law Initiative	990,099

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Strengthening Women Parliamentarians for Effective Government	Increases the capacity of elected women parliamentarians by bolstering engagement in decision making at the provincial levels	9/11	9/13	Search for Common Ground	909,000
Strengthening Worker and Trade Union Rights	Builds organizational and management capacity of trade unions and workers' organizations in collective bargaining, dues collection, recruitment, and other areas	4/09	9/13	Solidarity Center	1,095,049

Source: DRL.

* This program operates in both Pakistan and Saudi Arabia. The funding figure provided is for the Pakistan component of the program.

DRL provided the following information regarding program developments during the quarter:

- DRL's Strengthening Women Parliamentarians for Effective Government Program completed all of the training events planned under the grant. In total, 165 women politicians, including 75 members of provincial assemblies and 90 councillors, have been trained under the program. Meanwhile, the first of a series of women's leadership forums was held with participants from Punjab and Balochistan, and a radio talk show campaign on women's role in learning in leadership was launched.
- Local partners under the Ensuring the Protection of Human Rights Defenders and Journalists grant undertook several activities to help protect human rights workers and journalists. One partner completed a visual mapping of support services for human rights advocates in high-risk areas, performed monitoring of the media coverage of human rights issues, held a workshop on the physical and digital security of advocates for human rights, and prepared for upcoming security workshops and workshops on maintaining and leveraging human rights organizations' relationships with police and the media. The partner is also working with police and local networks to recruit participants for roundtable discussions and conducting needs assessments for their regional partners' physical security. The other partner under the project conducted baseline surveys on the security of news organizations and press clubs in conflict areas, began drafting a security handbook for news organizations, and prepared standard operating procedures for conducting security evaluations. Since February this partner has also been distributing monthly threat bulletins highlighting the most recent threats of violence against journalists.

- The Promoting Peaceful Co-Existence grant implemented two training events for 47 religious and community leaders on interfaith harmony in Punjab and Sindh. The training sessions heightened awareness of religious intolerance, and participants from different religious groups discussed the constraints that prevent them from establishing peaceful relations with those of other religious faiths. Participants stressed the need to organize interfaith dialogue among followers of different religions. Another event in Faisalabad, which brought together religious and youth leaders, recognized the importance of including interfaith harmony in academic curricula and activities. DRL's implementing partner for the project also organized two visits for religious and community leaders to a district in Punjab with a large Sikh population with the aim of educating participants about peace and tolerance in Sikhism.
- Under the Strengthening Worker and Trade Union Rights Project, the implementing partner initiated trainings for local union executive boards of affiliates of the Pakistan Workers Federation and the Muttahida Labour Federation. DRL's partner conducted five 2-day trainings and one 1-day training for 162 participants from ten affiliates in Karachi, Sukkur, and Lahore. These sessions focused on reforms to dues collection procedures to increase income. Increased income will enable local unions to better serve their members at the plant level and make it possible for higher-level structures of the federation to respond to affiliates' needs in a professional manner. Executive board members of the union said that they found the program informative, realistic, and very much needed given the current problems the labor movement faces.

DRL cited several challenges in implementing its programs in Pakistan: (1) ensuring that programs stay on track and participants remain engaged as the country prepares for the national elections; (2) addressing organizational and participant safety when implementing project activities at a time of increasing violence throughout the country; and (3) adjusting project timelines in response to security-related instability (exemplified by targeted killings, bomb blasts, and sectarian violence). Worsening security conditions in Sindh Province, for example, led to the postponement of a DRL-sponsored networking summit for women and prompted the Strengthening Worker and Trade Union Rights Project to shift program activities away from the area.

PAS. As part of the U.S. Embassy's strategic communication efforts, PAS's English Language Access Program provides English instruction to over 4,900 Pakistani students between the ages of 14 and 18. To strengthen the impact and expand the reach of English-language programs, PAS is also focusing on programs to support teachers of English in Pakistan. In January, PAS launched a new English Access program with the National University of Modern Languages. In March, the Embassy is supporting one English-language trainer to provide professional development services to English teachers in Islamabad, Karachi, Lahore, Mansehra, and Multan.

Applications for the Community College Initiative Program doubled over the previous year. And, after holding in-person interviews in January 2013, the Fulbright Commission completed the selection process for the program's 2013-2014 participants.

A record number of applications were also received for the 2013-14 Global Undergraduate exchange program. Interviews of shortlisted candidates were held in March 2013, and the 200 program participants were to be selected next quarter.

In January, PAS sponsored a reunion for alumni of the Study of the U.S. Institute for Student Leaders. One hundred alumni from all over Pakistan met in Islamabad for 3 days to reconnect, learn about the Embassy’s alumni programs and resources, and brainstorm ideas for the Embassy’s alumni small grants program. PAS also made selections for the summer 2013 programs.

In February, PAS sponsored a media summit with 80 alumni of the U.S.-Pakistan Professional Partnership in Journalism. Trainers from the International Center for Journalists, the U.S. partner for this program, led workshops and panel discussions on conflict-sensitive reporting, ethics, and social media. A core group of 13 alumni then attended a 3-day workshop to become media trainers in their communities. The application process for the next group of journalists to participate in this professional exchange program opened in February, with applications due in late March.

USAID. USAID has ten programs and projects designed to improve governance, gender equity, and transparency (Table 9). In addition, USAID transfers funds to PAS to support exchanges, and funds a contract to enhance the Agency’s project monitoring and evaluation. USAID’s projects in this category of assistance include a hotline for the public to register complaints, support to organizations that oppose domestic violence and gender discrimination, and broad civil society support. In addition to its ongoing programs, USAID was planning a program to monitor national elections in May.

Table 9. USAID Good Governance, Gender Equity, and Transparency Programs as of March 31, 2013 (Unaudited)

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Anti-Fraud Hotline Project / Anti-Corruption Project	Allows citizens to report waste, fraud, and abuse of U.S. Government funds through a free hotline	1/09	9/15	Transparency International—Pakistan	2,650,000
Assessment and Strengthening Program	Conducts preaward assessments and develops the capacity of Pakistani organizations to manage assistance funds	10/10	10/15	Rural Support Programmes Network, Lahore University of Management Sciences, and Associates in Development	20,100,000

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Citizens' Voice Project	Makes small grants to civil society organizations for advocacy projects that support citizen participation in energy, economic growth, education, health, and stabilization	5/11	5/16	Trust for Democratic Education and Accountability	14,250,000
Election Support Program	Assesses the current electoral environment	10/12	9/13	National Democratic Institute	1,400,000
Gender Equity Program	Makes small grants to organizations opposing domestic violence and gender discrimination	8/10	8/15	Aurat Foundation	18,618,429
Independent Monitoring and Evaluation Contract	Provides mission-wide support for monitoring, evaluation, and the PakInfo system	6/11	6/16	Management Systems International	22,000,000
Municipal Services Program, Sindh and Khyber Pakhtunkhwa	Improves delivery of basic municipal services including water in Jacobabad and Peshawar	7/10	7/15	Provincial governments' planning and development departments	116,765,826
Political Parties Development Project	Improves the transparency and accountability of Pakistani political parties to their constituents	7/11	7/13	National Democratic Institute	7,498,790
Public Communications Project	Expands USAID public communications to increase the transparency of USAID efforts	11/11	11/14	Interflow	14,500,000

Name	Description	Start Date	End Date	Implementing Partner	Funding (\$)
Small Grants and U.S. Ambassador's Fund Program	Makes small awards for community initiatives that support U.S. foreign assistance objectives	8/10	8/15	National Rural Support Programme	21,500,000
Training for Pakistan	Provides short- and long-term training and study tours	9/11	5/13	Institute of International Education	6,561,354
Transfer to PAS – Exchanges / Strategic Communications	Conducts exchange programs and in-country English language instruction that support strategic communications objectives	7/05	2015	DOS Bureau of Educational and Cultural Affairs	45,190,000

Source: USAID/Pakistan.

As of March 31, 2013, USAID reported that 403 grants have been awarded locally to NGOs since the inception of its civil society support programs in 2010.

USAID also provided the following information on recent developments associated with its governance and gender-equity assistance programs:

- The Citizens' Voice Project has made a total of 123 grants valued at \$7.82 million to Pakistani organizations across the country. Grants have addressed municipal services, legislative governance, water rights, education, energy, justice sector reforms, mobilizing female voters, and electoral education. Several grants during the quarter went to efforts to increase access and turnout for Pakistan's general election in May.
- The Gender Equity Program has awarded 154 grants valued at more than \$7.7 million to Pakistani organizations. Grants have supported an array of activities that address access to justice, women's rights, prevention of gender-based violence, gender sensitization for youth and media, and economic empowerment. This quarter, the program organized various activities across the country through the Pakistan Gender Coalition for Pakistani Women and International Women's Day. The program also published five studies on gender-based violence covering domestic violence, sexual harassment, social and legal response to rape, customary practices leading to gender-based violence, and internal trafficking of women and girls in Pakistan. The program continued to provide support for computerized national identity card registration and succeeded in registering approximately 20,000 women. In addition, the program opened its seventh grants cycle for which it had received more

than 500 applications by the end of the quarter. The program plans to award 60 grants as part of this cycle.

- USAID’s Small Grants Program has made 43 awards for a total of \$10.5 million to fund unique and innovative projects that support core development objectives in energy, economic growth, stabilization, health, education, good governance, gender equity, and public communication. An additional 78 awards totaling \$7.2 million have been executed under the U.S. Ambassador’s Fund Program. Communities have praised these investments, noting that they have responded to some of the most urgent community priorities in domestic energy supply, water and sanitation, basic education, and agriculture.⁷
- The Municipal Services Program aims to strengthen the capacity of provincial governments in Sindh and Khyber Pakhtunkhwa and improve the management of key municipal services, especially in water and sanitation, through infrastructure upgrades and operational reforms to better address citizens’ basic needs. The program also seeks to strengthen grassroots citizen engagement, particularly of women, in the decision-making processes.
 - The Municipal Services Program continued to make progress in Khyber Pakhtunkhwa during the quarter. Work continued on the implementation of quick-start activities. A total of 34,665 meters of drains were cleared in targeted communities, 40 tube well pumps were completed, and the repair of two pump houses was under way. Tenders for the procurement of solid waste management equipment, machinery, and vehicles for use in two communities were awarded, and manufacturing was in progress at the end of the quarter. The program also continued to work on the master plan for Peshawar water, sanitation, and solid waste management during the quarter. In addition, a \$1.3 million project implementation letter for capacity building support to the Urban Policy Unit, a think tank for the provincial government, was signed.
 - The Municipal Services Program also made headway in Sindh Province. The program steering committee approved the municipal infrastructure that will be financed by USAID in Jacobabad. USAID’s architect and engineering contractor helped draft Government of Sindh planning documents required for the government to acquire additional funds to complete Jacobabad’s outer drainage network, and was in the process of submitting detailed design and contract documents for construction work.

USAID continued to note challenges to program implementation in this area. According to USAID, some conservative cultural attitudes and practices limit inclusiveness in public decision making, and elements of the government have not always been willing to accept citizen input on policy matters. In

⁷ The previous quarterly report reflected the number of recommended and approved grant applications under the Small Grants and Ambassador’s Fund Program as well as the number of signed grants. This quarter, the report includes only signed grants.

addition, local NGOs often lack the capacity and experience to perform effective policy advocacy. Moreover, increasing militancy and security threats impede project implementation in remote rural areas.

Humanitarian Assistance

The U.S. Government continues to provide humanitarian assistance in Pakistan as the country grapples with both man-made and natural crises. Ongoing military operations and militant activity that began in August 2008 have resulted in a sizable internal displacement in Khyber Pakhtunkhwa and FATA. Fighting in the Tirah Valley of Khyber Agency since January 2013 has displaced 43,000 people. With the help of UN agencies and the international community, Pakistan continues to recover from 2010, 2011, and 2012 floods, while also strengthening crisis planning and implementing risk-reduction methods to decrease the devastation of future floods. The country also hosts some 1.66 million registered Afghan refugees, as well as approximately 1 million unregistered Afghans residing in Pakistan as economic migrants. The first wave of refugees arrived in 1979, leading to one of the largest and most protracted refugee situations in the world.

DOS's Bureau of Population, Refugees, and Migration (PRM) and USAID manage and coordinate humanitarian assistance programs and activities in Pakistan on behalf of the U.S. Government.

PRM. PRM's main goals in Pakistan are to meet humanitarian assistance needs, maintain safe spaces for refugees, support durable solutions for Afghan refugees and migrants, and advance the sustainability of PRM services.

The UN High Commissioner for Refugees (UNHCR) is PRM's primary partner in assisting Afghan refugees in Pakistan. UNHCR provides protection and essential services to refugees and oversees their repatriation to Afghanistan. Since 2002, nearly 3.8 million Afghan refugees have returned to Afghanistan through UNHCR's voluntary repatriation centers in Pakistan. With PRM support, UNHCR and the International Committee of the Red Cross also provide protection and assistance to people in Pakistan affected by conflict and natural disaster.

In addition, PRM works with ten NGOs in Pakistan to provide Afghan refugees and host-community members with primary education, maternal and child health care, and livelihood and skills development, as well as to prevent and respond to gender-based violence (Table 10).

Table 10. PRM Humanitarian Assistance Programs as of March 31, 2013 (Unaudited)*

Name	Description	Start Date	End Date	Funding (\$)
Community-Based Comprehensive Health Services and Livelihoods Opportunities for Afghan Refugees and Host Communities in Balochistan Refugee Camps	Provides services to refugees and host community members in and around three refugee settlements in the Pishin and Quetta Districts of Balochistan	9/12	8/13	919,852
Education, Skills, and Protection for Afghan Refugees and Host Communities Program	Provides primary education, skills development activities, and gender-based violence response services to Afghans and host community members in semi-urban Quetta, Balochistan	9/12	9/13	367,602
Improving Livelihood Opportunities for Afghan and Local Communities through Imparting Skills in Demand Driven Trades	Improves livelihood opportunities for Afghan refugees and local youth through skills training and job placement	9/12	8/13	235,411
Integrated Afghan Refugee Assistance Program	Supports seven government health facilities in Balochistan's Quetta District to provide quality maternal and child health care and health education to Afghan refugees and members of the host community	9/12	8/13	900,000
Mansehra Health, Vocational Training, and Market Development Program	Provide basic health services and improve skills of 300 Afghan refugee men and women in Barari, Ichrian, and Khaki refugee villages in Mansehra District of Khyber Pakhtunkhwa	7/12	6/13	592,725

Name	Description	Start Date	End Date	Funding (\$)
Primary Healthcare, Repatriation and Gender-Based Violence Support for Afghan Refugees in Khyber Pakhtunkhwa	Provides primary and reproductive health care, and health and hygiene information. Prevents and responds to gender-based violence for Afghan refugees and host community members in seven refugee villages and one urban area of the Peshawar, Swabi, and Buner Districts of Khyber Pakhtunkhwa.	5/12	4/13	900,000
Skills Training and Income Generation for Urban Afghan Refugees Residing in Rawalpindi/Islamabad and Peshawar	Provides skills training and job placement services to Afghan refugee men and women in Rawalpindi/Islamabad and Peshawar.	7/12	6/13	599,957
Strengthening of Community-Based Healthcare Services for Afghan Refugees and Building a Bridge to Better Quality Facility Services Through Capacity Building	Builds the capacity of and increases access to community-based health care for Afghan refugees by training health workers to reduce maternal mortality rates in the Swabi, Mardan, Nowshera, and Charsadda Districts of Khyber Pakhtunkhwa.	9/12	9/13	443,567
Strengthening Existing Learning Structures of Marginalized Afghan and Minority Children in Quetta	Provides primary school education to refugee children in urban Quetta and helps assess their nutritional and basic health-care needs.	2/12	7/13	301,315
Strengthening Livelihood System of Afghan and Pakistani Communities	Provides skill training and improved breeds of poultry and livestock to Afghan refugees and their host communities in the Lower Dir District of Khyber Pakhtunkhwa.	9/12	9/13	312,548

Source: PRM, U.S. Embassy Islamabad.

* The names of PRM's implementing partners are withheld for security reasons.

PRM reported the following program developments during the quarter:

- PRM issued a 6-month cost extension for the Strengthening Existing Learning Structures of Marginalized Afghan and Minority Children Project in Quetta. The project provides educational and

nutritional services to 2,500 Afghan refugee children, has helped establish six parent-teacher associations, and sponsored school structure improvements.

- Under the Primary Healthcare, Repatriation and Gender-Based Violence Support for Afghan Refugees in Khyber Pakhtunkhwa Program, 80 Afghan refugee women from refugee camps and 20 host-community women were provided with poultry-rearing kits consisting of hens, a rooster, simple coops, starter feed, and training in chicken rearing. On average, the women, who were selected in close coordination with local *jirgas* (or assemblies of elders), were able to double their incomes by selling eggs. Some of the women reported that they have used their new income to pay school fees for their children.

USAID. USAID's Office of Food for Peace (FFP) and Office of U.S. Foreign Disaster Assistance (OFDA) provide humanitarian assistance in response to complex emergencies⁸ and natural disasters in Pakistan. Both offices manage their programs from Washington, D.C., but have assigned technical experts to Pakistan to coordinate activities with the USAID mission's technical and provincial offices. These experts provide links with other providers of humanitarian assistance in Pakistan and advise the mission on emergency conditions and USAID's options for responding to them.

From 2003 to March 2013, FFP provided \$651 million to Pakistan to address food needs in complex emergencies and disaster response. FFP has contributed to the food security of internally displaced persons (IDPs) in Khyber Pakhtunkhwa and FATA since 2009 and to those throughout Pakistan who were affected by the 2010, 2011, and 2012 floods. FFP provides in-kind and cash assistance.

FFP channels the bulk of its assistance through the UN World Food Programme (WFP). WFP provides food rations to IDPs while they are away from home and for 6 months after their return. It provides supplementary food for malnourished children and for pregnant and lactating mothers. WFP also provides rehabilitation and reconstruction assistance in the form of food rations and cash payments for workers on projects to rehabilitate community infrastructure.

As of March 31, 2013, USAID reported the following examples of program developments and achievements in FFP humanitarian assistance programs:

- During the quarter, FFP provided \$30 million in additional funding to WFP for its new Protracted Relief and Recovery Operation. These funds will cover the cost of program operations, provide approximately 23,000 metric tons of commodities to meet the basic food requirements of people displaced by conflict and security operations, contribute to community infrastructure repair, and address malnutrition of young children and pregnant and lactating women. The new effort, which combines support for conflict-displaced people with a residual caseload of flood survivors, reached

⁸ Complex emergencies are humanitarian crises in areas where there has been a breakdown of authority as a result of internal or external conflict.

between 940,000 and 1.6 million IDPs with a monthly family food ration during the quarter. The effort is expected to continue through 2015.

- In response to an appeal from WFP/Pakistan, the Government of Pakistan authorized the release of 75,000 metric tons of wheat from its reserves to WFP for relief assistance to the IDPs in Khyber Pakhtunkhwa and FATA. These wheat reserves are being released, processed, and distributed with financial assistance from Australia, Belgium, and the United Kingdom's Department for International Development, as well as with multilateral funds from WFP. This donation covers most of the cereal needs for the relief program for the rest of 2013, thereby reducing the need for additional FFP contributions. USAID/Pakistan expressed its intent to contribute \$8 million to the operational costs of this wheat donation, covering about 35 percent of the total funds requirement.

USAID's OFDA responds to humanitarian needs in Pakistan that result from natural and man-made disasters.

Heavy monsoon rains that began in late August 2012 triggered flooding that affected 4.8 million people, resulted in 430 deaths, and damaged or destroyed more than 402,000 houses, according to Pakistan's National Disaster Management Authority. Although the Government of Pakistan did not formally appeal for humanitarian assistance, it requested that humanitarian organizations distribute emergency relief items in coordination with local authorities. In response, the U.S. Government issued a disaster declaration on October 5, 2012, to address the flooding in Sindh, Balochistan, and Punjab Provinces. During the reporting period, OFDA continued providing support for shelter, water, sanitation and hygiene activities, as well as for critical nonfood items, such as winterization kits.

Meanwhile, OFDA continued its humanitarian response strategy of supporting conflict-affected populations—particularly newly displaced people in Khyber Pakhtunkhwa and FATA—and helping communities affected by floods over the past 3 years recover from the devastation. As a result of fighting starting in early 2013, families have been ordered to leave FATA's Tirah Valley, and the FATA Disaster Management Authority reports that 43,000 individuals have been displaced. For newly displaced individuals, OFDA has focused on health and water, sanitation, and hygiene assistance; for IDPs returning home, it prioritizes economic recovery and agricultural support. OFDA also works with disaster-prone communities to reduce their vulnerability through community-based initiatives to manage disaster risk.

During the quarter, OFDA provided nearly \$5.7 million in additional funding to the UN and NGOs to meet priority humanitarian needs and aid the economic recovery of people displaced by conflict or flooding. Total OFDA assistance to Pakistan amounted to nearly \$29.7 million in FY 2012, and OFDA provided approximately \$9.1 million through the second quarter of FY 2013. This assistance builds on the nearly \$432 million in emergency relief funding provided by OFDA over the previous 10 years.

Twelve OFDA programs were active in Pakistan at the end of the reporting period (Table 11). One OFDA-funded program that provided support to an NGO in Pakistan concluded during the reporting period.

**Table 11. USAID OFDA Humanitarian Assistance Programs as of March 31, 2013
(Unaudited)**

Name	Description	Start Date	End Date	Funding* (\$)
Community-Based Disaster Risk Management Program	Improves the capacity and strategies of poor and vulnerable populations and key stakeholders in Sindh, Punjab, and Khyber Pakhtunkhwa Provinces to manage disaster risk through sustainable preparedness and mitigation measures	7/11	6/13	1,342,678
Community-Based Disaster Risk Management Program in Sindh	Targets improvements in the capacity and strategies of poor and vulnerable populations and key stakeholders in Sindh Province to manage disaster risk through sustainable preparedness and mitigation measures	9/12	9/13	1,399,962
Disease Early Warning and Response System Support	Supports the World Health Organization's Disease Early Warning and Response System, which gathers and analyzes national health data to enable detection and response to epidemic-prone diseases and reduce resulting disease transmission and death	7/12	12/13	4,200,000
Facilitating Economic Recovery for Off-Camp Vulnerable IDP Families	Provides economic recovery assistance to vulnerable IDPs who have been displaced from FATA since 2012 and are residing in host communities in Khyber Pakhtunkhwa	7/12	4/13	2,400,000
Logistics Support for Response to 2012 Floods	Provides logistics support to flood-affected regions	11/12	4/13	100,000

Name	Description	Start Date	End Date	Funding* (\$)
Office for the Coordination of Humanitarian Affairs (OCHA) Support	Provides support to the UN's OCHA for humanitarian assistance coordination and information management activities	1/12	12/13	500,000
Providing Shelter Rehabilitation and Cluster Support	Rehabilitates damaged shelters and provides training on building weather-resistant structures for people affected by flooding and complex emergencies; helps OCHA develop common strategies and promote information sharing and coordination among international relief agencies responsible for shelter activities	5/12	7/14	5,700,000
Responding to Pakistan's Internally Displaced (RAPID)	In FATA and Khyber Pakhtunkhwa, provides speedy, targeted grants to partners with the capacity, local knowledge, and access required to meet the needs of flood victims and IDPs, host communities, and returnees	8/09	9/13	6,682,000
Shelter and Settlement Support in Sindh	Supports the provision of transitional shelter to members of flood-affected households in Sindh Province	12/12	6/13	1,199,360
Supporting Conflict-Displaced People in FATA and Khyber Pakhtunkhwa	Provides conflict-displaced individuals and members of host communities in FATA with access to safe drinking water as well as with exposure to improved sanitation and environmental health and hygiene practices to reduce the risk of waterborne disease	7/12	5/13	600,000
UNICEF Support	Supports UNICEF's provision of water, sanitation, and hygiene assistance in response to floods and complex emergencies	12/12	12/13	2,500,000

Name	Description	Start Date	End Date	Funding* (\$)
Water, Sanitation, and Hygiene Support for Flood-Affected Households	Provides water, sanitation, and hygiene assistance in Sindh Province's flood-affected districts of Jacobabad, Kashmor, and Shikarpur	12/12	6/13	1,000,000

Source: OFDA.

Note: This table omits the names of OFDA's implementing partners for security reasons.

* Figures exclude funding from FY 2011 and prior years.

USAID provided the following examples of program developments and achievements in OFDA humanitarian assistance programs during the reporting period:

- OFDA continued to provide support to a rapid-response fund known as RAPID to address the needs of IDPs, their host communities, and returnees in Pakistan. Since establishing the fund in 2009, OFDA has awarded more than \$30 million to support more than 100 activities that benefit an estimated 2.6 million conflict- and flood-affected people. In FY 2013, the RAPID fund has granted about 20 subawards to local NGOs countrywide to assist affected populations by providing emergency shelter and sanitation facilities, as well as by addressing basic health needs. Subaward recipients receive up to \$350,000 per award for assistance activities.
- In early 2013, OFDA provided additional funding to OCHA to improve humanitarian coordination and information management in Pakistan. This support will help ensure appropriate and timely delivery of humanitarian assistance to populations affected by conflict and floods.
- OFDA continues to work closely with the Shelter and Water, Sanitation, and Hygiene cluster leads (the International Organization for Migration and UNICEF, respectively) to coordinate, develop, and implement activities that aim to respond to two concurrent disasters—the 2012 floods and the complex emergency.
- OFDA continues to support conflict-affected populations in FATA and Khyber Pakhtunkhwa, focusing on families living outside of camps and their host communities through programs that aim to restore livelihoods and ensure access to potable water and sanitation facilities. In addition, Islamabad-based OFDA staff members continue to investigate reports of increased displacement in FATA's Tirah Valley.
- An ongoing OFDA-supported shelter and settlements project in Sindh Province employs design methods to help ensure shelters are more resistant to disaster—by, for example, constructing houses on locally procured raised plinths anchored 2 feet underground. In February, an OFDA field

officer held technical meetings with the grantee’s engineers to review the program’s methods for ensuring the quality of designs and materials, as well as receive local input into the intervention.

Assistance to Pakistani Institutions

To ensure greater responsiveness and increase the sustainability of civilian programs, the U.S. Government plans to continue to implement programs through Pakistani institutions, including national and provincial governments and NGOs, when feasible.⁹ The purpose of this focus is to:

- Align programs with locally identified priorities.
- Build Pakistanis’ sense of ownership of programs.
- Build Pakistani institutional and leadership capacity for better fiscal management.
- Promote decentralization to engage provincial and local partners and beneficiaries more actively.
- Deliver on-budget assistance¹⁰ to promote transparency, harmonization, and better budget planning by the Government of Pakistan.
- Reduce costs.

USAID awarded more than \$2.211 billion to Pakistani institutions between FY 2010 and FY 2012. As of March 31, 2013, USAID had made approximately \$45.6 million in awards to Pakistani institutions during FY 2013 (Table 12). Awards made by USAID fall into one of the following three categories: direct funding for government projects, awards to nonprofit Pakistani organizations, and awards to Pakistani for-profit entities.

Table 12. USAID Assistance to Pakistani Institutions in FY 2013* (Unaudited)

Implementing Partner, Project	Number of Awards	Value (\$) of Subobligations
Direct Funding for Government Projects	2	3,273,997

⁹ The Enhanced Partnership with Pakistan Act of 2009 encourages appropriate use of Pakistani firms and NGOs to implement the programs authorized under Title I of the act (Section 101(c)(3)) codified at Title 22 U.S.C. 8411(c)(3).

¹⁰ Delivering U.S. assistance through Pakistan’s own budgetary, spending, and accounting systems as much as possible is expected to help Pakistan’s Government meet the fiscal targets required by the International Monetary Fund and raise Pakistanis’ awareness of where U.S. funds are going and how they harmonize with resources from the Government of Pakistan and other donors. On-budget assistance should also help reduce disruptions in implementation by enabling federal and provincial governments to improve budgeting and cash-flow management.

Implementing Partner, Project	Number of Awards	Value (\$) of Subobligations
Government of Khyber Pakhtunkhwa's Local Government and Rural Development Department, Municipal Services Program	1	1,839,050
Health Services Academy, Developing & Strengthening Capacity in Public Health & Research	1	1,434,947
Awards to Pakistani Nonprofit Organizations	5	28,973,704
Agribusiness Support Fund, Agribusiness Project	1	17,000,000
Trust for Democratic Education and Accountability, Citizen's Voice Project	1	4,250,000
Dairy and Rural Development Foundation, Dairy Project	1	4,273,704
Lahore University of Management Sciences, Assessment and Strengthening Program	1	2,000,000
Rural Support Programmes Network, Assessment and Strengthening Program	1	1,450,000
Awards to Pakistani For-Profit Entities	7	13,320,818
Interflow Communications, Public Communications Project	1	8,989,616
National Development Consultants (Pvt.) Ltd., Assessment and evaluation services for Peshawar Master Plan, Municipal Services Program	1	4,035,743
Associates in Development (Pvt.) Ltd., Monitoring and evaluation services for projects in FATA and Khyber Pakhtunkhwa	1	650,000
AGES Consultants, Monitoring and evaluation services	1	500,000
BAFARe/Pakistan, Monitoring and evaluation services	1	100,000
KPMG Taseer Hadi & Co., Accelerated capacity building - PaRRSA	1	(946,502)
Keychain Films, Relief to Flood Affected Communities of Punjab and Sindh	1	(8,039)
Total	14	45,568,519

Source: USAID/Pakistan.

* Awards made to Pakistani institutions from October 1 to March 31, 2013.

Prior to disbursing funds, USAID's Office of Financial Management performs preaward assessments of all prospective partner organizations. The assessments examine organizational and management structure, accounting and financial management systems, internal controls, technical capabilities, and quality assurance capabilities, as well as organizations' policies, procedures, and practices for effective and

efficient management of USAID/Pakistan resources. Through the end of March 2013, USAID had completed 202 preaward assessments.

USAID also works to strengthen the capacity of Pakistani institutions to manage and oversee project activities. USAID has sponsored 104 activities to build institutional capacity under the Assessment and Strengthening Program and completed four research studies on streamlining project management units. Courses offered under the program are designed for government, civil society, and local private sector participants at all levels. The program offers participating organizations training courses on financial management, procurement management, human resources and administrative management, and monitoring and evaluation. The USAID mission is also working with the Office of the Auditor General (Pakistan's Supreme Audit Institution) to strengthen its capacity to provide audits required under government-to-government agreements.

Staffing

The U.S. Mission in Pakistan—including USAID and Embassy components—increased its staff size in Islamabad, Lahore, and Karachi but experienced a decrease in staffing at the regional office in Peshawar.

As shown in Table 13, USAID reported a total of 258 staff (57 U.S. direct hires and 201 others) as of March 31, 2013. USAID mission management did not fill all vacancies during the past few quarters because of limited availability of office facilities for these personnel. With the mission’s move to a new building last September, USAID has expanded recruitment to fulfill its responsibilities without relying on temporary-duty employees or on support from Washington, D.C. According to the *Pakistan Assistance Strategy Report*, USAID, as the lead and largest manager of assistance funds among U.S. Government agencies, will need to increase its project management, financial management, and procurement staff significantly. With an FY 2013 target of 310 staff, USAID/Pakistan remained understaffed by 52 positions.

Table 13. USAID Staffing in Pakistan as of March 31, 2013

Category	Islamabad	Peshawar*	Lahore	Karachi	Total	Change From Dec 31, 2012
U.S. direct hires	50	4	3	0	57	+1
U.S. personal services contractors	17	3	1	2	23	-
Third-country nationals	10	1	0	0	11	-1
Foreign Service Nationals (Pakistani staff)	121	20	12	11	164	+8
Eligible family members	3	0	0	0	3	-
Long-term temporary-duty staff [†]	0	0	0	0	0	-
Total Staff	201	28	16	13	258	+8
Staff Target 2013					310	
Staff Shortfall					52	

Source: USAID/Pakistan.

* Includes staff members assigned to Peshawar but currently residing in Islamabad.

† USAID/Pakistan counts individuals who have been in Pakistan for a year or more occupying vacant positions toward its total positions.

PAS personnel in Pakistan work in offices in Islamabad, Karachi, Lahore, and Peshawar. In total, PAS had 28 U.S. direct hires and 56 Pakistani staff members as of March 31, 2013. As of that date, INL-Pakistan had 9 U.S. direct hires, 1 U.S. personal services contractor, 5 third-party contractors, and 65 Pakistani staff. USIP has one employee based in Pakistan.

Risks and Mitigation Strategies

U.S. Government agencies and oversight entities have identified risks that could jeopardize the U.S. Government's assistance program in Pakistan and developed corresponding mitigation strategies. The following challenges facing the civilian assistance program remained pertinent during this quarter:

- *Political risks.* Pakistan continued to experience political, economic, and security-related turmoil. Such instability limits progress by the Government of Pakistan and the U.S. Government in delivering an effective assistance program. An interim government was in place in Pakistan during the reporting period, limiting major government decisions and delaying the start of new programs and projects. May 2013 parliamentary elections may produce changes in government priorities and affect the direction of assistance programs.
- *Operating restrictions.* Implementation and monitoring of U.S. Government-supported projects have been hindered by strict Government of Pakistan rules regarding travel outside of Islamabad and provincial capitals. Visits to some areas require from several days' to 3 weeks' prior notification and sometimes the approval of the Ministry of Foreign Affairs; these restrictions delay and often lead to the cancellation of site visits. Difficulty obtaining visas and visa renewals continues to hamper recruitment and lower staff morale. Further, local authorities continue to harass U.S. Government and Embassy personnel, especially local staff members.
- *Resistance to reform.* Entrenched interests sometimes resist policy reforms needed to transform the economy. The effective governance, accountability, and financial solvency of energy sector institutions are critical to economic reform. Political interference continues to undermine the decision-making ability of power company managers and regulatory officials. According to USAID, if Pakistan does not implement fundamental reforms, assistance from the United States and other donors will have limited long-term benefits. In the energy sector, the Chairman of WAPDA has been appointed as the coordinator for all power sector enterprises including generation and transmission companies, for better "coordination and administration (control)." This is counter to the basic requirements of the energy sector reform process initiated nearly 20 years ago and may have an adverse effect on USAID efforts including those to prepare a model distribution company for privatization.
- *Vulnerability to natural disasters.* Flood damage has delayed implementation of projects in affected areas. Because Pakistan is prone to natural disasters such as flooding, this is a regular risk. To help Pakistan address this risk, USAID supports programs in water storage and management, including the surface water management program for Balochistan and Gomal Zam Dam that contributes to flood mitigation efforts. OFDA also has ongoing efforts to strengthen Pakistan's ability to respond to disasters and reduce related risks.

- *Leadership turnover.* High levels of staff and leadership turnover within the Government of Pakistan and the U.S. Government affect planning, coordination, and implementation of programs. Senior managers at power companies and senior government officials at the Ministry of Water and Power are usually political appointees who spend less than 2 years in their positions. A recent analysis of transfers and postings at the Ministry of Water and Power based on data from the last 5 years revealed that the average tenure of a Minister was approximately 18 months, and that of a Federal Secretary 11 months. The devolution of federal programs for health, education, and agriculture to provinces with insufficient guidance on the expected roles and responsibilities of the federal, provincial, and district governments has also complicated project implementation. High U.S. Government staff turnover also limits the efficiency and effectiveness of assistance programs.
- *Adverse environmental impact.* Some development projects have the potential to degrade the natural or physical environment. USAID/Pakistan conducts environmental assessments before disbursing funds for projects and takes steps to mitigate any risks identified before continuing with project activities.
- *Limited institutional capacity.* In FATA, Khyber Pakhtunkhwa, Sindh, and Balochistan, where there is limited institutional capacity and insufficient staff with experience in financial and procurement management, extra effort is made to mitigate the risk of resources being lost through inefficiency, theft, or general lack of capacity to handle large amounts of funding. Several major U.S. Government programs are designed to increase the institutional capacity of Pakistani institutions in these areas. USAID/Pakistan's Population Health and Nutrition Office, for example, implements a number of programs, including support for the Health Services Academy, to strengthen health-care institutions and human capital.
- *Inadequate financial management in Government of Pakistan institutions.* The U.S. Government and the Government of Pakistan have collaborated to introduce special accounts for budget support provided by the United States to address financial challenges and maintain accountability. However, financial management, accountability, and reporting challenges continue. USAID is providing targeted financial management assistance to key Government of Pakistan institutions and collaborates with other donors through the Working Group on Public Financial Management.
- *Security risks.* Security concerns continue to reduce the ability of U.S. Government personnel to conduct direct monitoring and evaluation in conflict-affected areas, particularly Peshawar, FATA, Khyber Pakhtunkhwa, and Balochistan, and to engage Pakistani officials in project design. In March 2012, a Balochistan Agriculture Project vehicle was attacked; two people associated with the project were killed, and a third was injured. In August, eight local WAPDA staff members working on the Gomal Zam Dam Project were kidnapped, and one was reportedly killed. In December, nine polio-eradication workers were killed because they were involved in vaccination drives. Project implementation continues in the face of these security threats.

As described above, security conditions present an ongoing challenge for civilians providing assistance in certain vulnerable areas, and they challenge the U.S. Government's ability to monitor and evaluate programs. USAID is meeting the challenge through an independent monitoring and evaluation contract. Services provided under the contract include routine monitoring, training on entering project performance data, mapping using a geographic information system, and conducting evaluations and assessments. The integrity of the data provided by USAID/Pakistan's implementing partners, which serves as the basis for annual performance reporting, is also verified under the contract. Additionally, USAID's Office of Afghanistan and Pakistan Affairs, in conjunction with USAID/Pakistan, has developed a database, PakInfo, that includes indicators USAID uses to measure the progress of its programs, as well as the indicators each implementing partner uses to track progress.

This performance reporting takes place within a larger framework designed to ensure that broader U.S. strategic and operational objectives are met. USAID mission achievement is measured against performance indicators and targets identified in the mission's results framework and performance management plan. The results framework defines mission objectives and desired intermediate results in each of the focus sectors for assistance to Pakistan, and the performance management plan explains how the mission will collect data on and measure progress in these areas.

To reduce fiduciary risks, USAID has hired accounting firms to conduct preaward assessments to ensure that potential recipients of USAID assistance meet U.S. transparency and accountability standards. These assessments identify and document potential recipients' weaknesses and areas for improvement. USAID then works with partners to build capacity and mitigate risks. In addition, USAID increasingly uses fixed-amount reimbursable agreements for assistance programs implemented through Pakistani institutions. These agreements require milestones to be achieved and independently verified before payments are processed.

USAID has also established an Assessment and Strengthening Program to build the institutional capacity of local Pakistani organizations. The program helps identify, address, and validate responses to institutional capacity weaknesses in public sector, civil society, and for-profit institutions. It enables USAID/Pakistan to work with a wide range of local implementing partners and host-government institutions in an effective, transparent, efficient, and responsive manner without having to resort to consultancies or support arrangements provided on a project-by-project basis.

The capacity-building process focuses on specific organizational needs identified through preaward assessments and on national development objectives and requirements. Efforts include developing dedicated project management units in the government, improving policies and procedures, reviewing and strengthening organizational structures, ensuring adequate internal controls, improving financial management and procurement processes, increasing employee skills through on-the-job technical assistance, and providing relevant tools and products for carrying out government functions.

In addition to these program strategies, the OIGs for USAID and DOS have taken the following steps to ensure that U.S. Government funds are protected against waste and theft:

- *Maintaining an in-country oversight presence.* As of March 31, 2013, USAID OIG had 14 permanent staff in Islamabad (9 U.S. direct hires and 5 Foreign Service National employees), supplemented by a staff member on temporary duty. To support its Pakistan oversight portfolio, DOS OIG had two U.S. direct hires and one U.S. personal services contractor on staff in Islamabad at the end of the reporting period.
- *Expanding the use of independent Pakistani public accounting firms to conduct financial audits of funds provided to Pakistani NGOs.* As of December 31, 2012, USAID OIG had a roster of 28 eligible audit firms in Pakistan to call on. Since the passage of the Enhanced Partnership with Pakistan Act on October 15, 2009, USAID OIG has nearly doubled the size of this roster.
- *Providing training to NGOs, government organizations, and USAID contracting and agreement officers' representatives and financial analysts.* During FY 2012, USAID OIG provided training on the standards and requirements for financial audits of U.S. Government funds to 73 participants from NGOs, 13 government officials, and 19 USAID staff members.
- *Helping the Office of the Auditor General conduct financial audits.* USAID OIG helps the office conduct financial audits of funds provided by USAID/Pakistan to Pakistani Government entities by providing support during the audit process. USAID OIG also reviews the final reports to ensure that the audits were performed in accordance with its *Guidelines for Financial Audits Contracted by Foreign Recipients*. The Office of the Auditor General completed two financial audits of USAID-funded activities this quarter.
- *Working with Pakistan's National Accountability Bureau.¹¹* USAID OIG established a working relationship with the National Accountability Bureau in early 2010 and continues to coordinate efforts and collaborate on investigations.
- *Collaborating with USAID/Pakistan to establish and maintain the Anti-Fraud Hotline in Pakistan.* As the only one of its kind in Pakistan, the hotline provides a unique and useful tool for Pakistani citizens to provide feedback to USAID, its implementing partners, and the Government of Pakistan. This quarter, the hotline received 378 complaints through various channels—e-mail, Internet, facsimile, mail, and in person. These complaints relate to projects funded by USAID, the Pakistani Government, and international organizations.
- *Providing fraud awareness briefings and expanding investigative coverage.* USAID OIG investigators also conduct fraud awareness briefings to alert participants—employees, contractors, and grantees—to fraudulent practices and schemes and to provide guidance on how to report fraud. During the quarter, OIG special agents in Pakistan conducted nine fraud awareness briefings for 329 attendees.

¹¹ The National Accountability Bureau is the primary law enforcement agency in Pakistan responsible for investigating white-collar crime and public corruption. It is Pakistan's only law enforcement agency authorized to conduct investigations in FATA.

- *Coordinating audits and investigations with other U.S. agencies.* USAID OIG coordinates audit and investigative work with other OIGs, the Government Accountability Office (GAO), and law enforcement agencies including the Federal Bureau of Investigation's International Corruption Unit, the National Procurement Task Force, the Financial Crimes Enforcement Network, and the U.S. Embassy's Legal Attaché Office to eliminate duplication and maximize efficient use of government resources.

Oversight Status

Because U.S. civilian assistance programs and activities in Pakistan are implemented by several agencies, more than one oversight organization has the authority to conduct related audits, reviews, inspections, and investigations. The OIGs for DOS and USAID, along with GAO, reported that they had conducted Pakistan-related work during the quarter; the OIGs for DOC, DOD, the Department of Homeland Security, the Department of Justice, and USDA reported that they did not undertake any oversight activities specific to Pakistan during the reporting period and had no planned audit work pertaining to Pakistan.

Department of State Office of Inspector General

Work Completed

DOS OIG did not complete any audits or evaluations related to Pakistan from January 1 to March 31, 2013.

Work Under Way

As of March 31, 2013, DOS OIG had one audit and one evaluation under way:

- **Audit of the Administration and Oversight of the Pakistan National Police Training and Mentoring Program.** This audit will evaluate whether INL is efficiently and effectively managing the Pakistan Law Enforcement Reform Program and whether INL is achieving intended and sustainable results through each component of the program.
- **Evaluation of the Emergency Action Plan for Embassy Islamabad.** DOS OIG will evaluate Embassy Islamabad's formulation of a comprehensive Emergency Action Plan, the completeness of associated documentation, and the general knowledge and preparedness of all mission personnel.

Work Planned

In addition to those under way, DOS OIG plans to conduct two audits of Pakistan-related programs and activities during the remainder of FY 2013:

- **Audit of the Administration and Oversight of the Pakistan Counterinsurgency Capability Fund.** This audit will determine whether DOS's administration and oversight of the Pakistan Counterinsurgency Capability Fund are effective.

- **Audit of the Bureau of International Narcotics and Law Enforcement Affairs' Judicial Reform Programs in Pakistan.** This audit will determine whether INL's administration and oversight of its judicial reform programs in Pakistan are effective and whether the programs are achieving stated program objectives.

Investigative Work

During the reporting period, DOS OIG closed one case relating to Pakistan. One other case was ongoing as of March 31, 2013. In addition, DOS OIG referred several entities to DOS for possible debarment pursuant to an investigation in Pakistan. Action on those referrals was pending at the end of the reporting period.

USAID Office of Inspector General

USAID OIG has strengthened its focus on Pakistan since USAID reopened its Pakistan mission in 2002. In recent years, OIG has covered a wide array of USAID programs in Pakistan, for relief and stabilization, reconstruction, sustainable development, education, and health care. USAID OIG's oversight activities include performance audits and reviews, financial audits, and investigations.

Since the start of FY 2010, USAID OIG has issued 60 Pakistan-based financial audits and agreed-upon procedures reports and 22 performance audits and reviews of Pakistan-related assistance efforts. These reports have made 148 recommendations for improvements to USAID programs and activities. Performance audits conducted since FY 2010 have noted the need for improvements in a range of management and performance areas. More than half of OIG performance audits have identified contract or project management deficiencies, approximately four in ten have found internal control weaknesses, and about one in three have noted noncompliance with relevant procedures or regulations. Financial audits overseen by OIG since FY 2010 have covered \$635.2 million in expenditures. OIG audits during this period have identified approximately \$25.3 million in sustained questioned costs and funds to be put to better use.

Work Completed

From January 1 to March 31, 2013, USAID OIG completed two performance audits and two financial audits USAID programs in Pakistan. In addition, USAID OIG completed a quality control review of a financial audit.

- **Audit of USAID/Pakistan's Design for Sustainability in the Jamshoro Thermal Power Station Repair and Rehabilitation Project (Report No. G-391-13-001-P, January 17, 2013).** USAID/Pakistan is assisting the Government of Pakistan in improving the energy sector with the Jamshoro Thermal Power Station Repair and Rehabilitation Project and two other thermal energy projects in Guddu and Muzaffargarh. Jamshoro is owned by the Government of Pakistan and

is one of the major power stations connected to the national electricity grid. In 2010, USAID/Pakistan entered into an agreement with the Government of Pakistan to provide \$18.4 million to repair and rehabilitate the Jamshoro Thermal Power Station by purchasing new equipment. By 2012, USAID/Pakistan amended the agreement to increase funding to \$19.3 million. USAID/Pakistan hired a U.S.-based engineering contractor, Advanced Engineering Associates International Inc., to implement the project. In addition, the mission tasked a local organization, Associates in Development, to help improve policies and procedures and to train power station employees on the new procedures.

The power station managers have shown their commitment to completing the project and achieving its goals. As of November 2012, the power station had procured USAID-funded equipment, including the drain valves, and \$2 million worth of equipment with its own resources. Notwithstanding USAID's efforts, without Government of Pakistan's policy reforms, this project will not achieve sustainability. Factors beyond the mission's control, such as a lack of Government of Pakistan policy reforms relating to energy subsidies and the purchase of a less expensive energy supply, will affect the financial sustainability of the power station after the project is completed.

The Government of Pakistan subsidizes the power sector, of which Jamshoro and other thermal plants are part. From 2008 to 2012, the power station's total revenue was \$1.4 million, while it cost approximately \$1.5 million to operate the plant. The government subsidized the shortfall. The power station now uses more expensive furnace oil instead of natural gas to generate power, and the cost of energy production for the plant has tripled since the switch. Furnace oil is also harder on the equipment. A power station official noted that with natural gas, one piece of very expensive equipment required replacement every 7 years. However, after using furnace oil continuously for the last 2 years, the station had to replace this piece of equipment after about 18 months. The overall wear and tear on equipment has caused the plant to generate less than its original 850-megawatt capacity, further increasing costs and diminishing investment in plant maintenance.

In addition, according to the monitoring plan, the power plant was to increase output by 50 megawatts by September 2012 and by 150 megawatts by June 2013. However, it did not achieve its interim target because of several factors, including delays in shipping and a fire that damaged the plant's cooling tower. Moreover, many substantial activities remained. No draft manuals on accounting and financial management, internal audit, human resources, and information technology had been provided to the power station for review and comment, and no training had been conducted on updated policies and procedures.

The report made three recommendations to address these issues.

Audit of USAID/Pakistan's Gender Equity Program Implemented by the Aurat Foundation (Report No. G-391-13-002-P, March 28, 2013). In August 2010, USAID/Pakistan and the Aurat Foundation, a local nongovernmental organization, signed a \$40 million cooperative agreement to implement the Gender Equity Program. The goal of the program is to facilitate behavioral change—in particular, to encourage citizens' participation in social change and

governance at all levels; enable women to acquire control over their lives through greater access to information, resources, and institutions; and improve attitudes and behavior toward women. The program is to award approximately 400 grants of varying amounts over a 5-year period to government entities and NGOs to achieve its goal. As of January 2013, USAID/Pakistan had obligated approximately \$19 million and spent \$11 million for the program's activities.

OIG found that USAID/Pakistan's Gender Equity Program has made progress on all three objectives reviewed: expanding women's access to justice, combating gender-based violence, and strengthening organizations that advocate women's rights. As of November 2012, the implementer had awarded approximately 150 grants to organizations throughout the country. Of these, 110 (73 percent) were awarded under the objective of combating gender-based violence. In addition, the program funded research with the National Commission for the Status of Women to strengthen the Government of Pakistan's policy on gender equity. The program also awarded grants to support gender studies in public universities across the country, creating a network for sharing knowledge, research, and experiences. Further, program grants supported 152 young female lawyers gaining practical experience defending women's legal rights.

However, OIG found several weaknesses that still need to be addressed. Program grants designed to combat gender-based violence were too short to have a lasting effect on the intended beneficiaries, and their budgets were too small. Because grants were small and of short duration, the work suffered. For instance, a grantee celebrating Pakistani Women's Day in Sindh Province was able to reach only 600 people out of tens of thousands of potential beneficiaries.

Another issue concerned site visits. Mission officials made only 11 site visits, a majority of which occurred after OIG began auditing this program. Of the 11 site visits reported by the mission, only 3 were documented. Given that the site visits involved only 9 of the more than 150 subgrants made over the past 2½ years, the site visits covered less than 10 percent of the subgrantees. Consequently, the mission has not verified progress but has relied on the results reported by the prime implementer.

The report made two recommendations to address these issues.

- **Financial Audit of USAID Funds Managed by the Health Services Academy Under Grant Agreement No. 391-IL-08-01111-00, for the Period July 1, 2009, to June 30, 2010 (Report No. G-391-13-016-R, February 22, 2013).** This audit covered \$383,050 in revenues and costs under the Health Services Academy grant agreement. Auditors questioned \$4,596 in costs associated with noncompetitive procurements and also identified several weaknesses in internal control and instances of noncompliance. OIG made three recommendations to address these matters.
- **Financial Audit of USAID Funds Managed by the Dairy Rural Development Foundation Under Cooperative Agreement No. 391-A-00-11-01206-00, for the Year Ended June 30,**

2012 (Report No. G-391-13-017-R, March 8, 2013). The audit covered revenues of \$2,671,787 and costs of \$2,641,936, and did not identify any questioned costs. Auditors did, however, find one material instance of noncompliance relating to the more than 5-month delay in providing a required annual report, and OIG made one recommendation to address this issue.

- **Quality Control Review of the Audit Report and Documentation for the Financial Audit Conducted by Horwath Hussain Chaudhury & Co. of USAID Funds Managed by the Dairy Rural Development Foundation Under Cooperative Agreement No. 391-A-00-11-01206-00, for the Year Ended June 30, 2012 (Report No. G-391-13-001-Q, March 8, 2013).** OIG found that the audit work generally complied with relevant requirements except those related to full documentation, the audit firm's continuing education program, and external quality control reviews. The audit firm, however, indicated its willingness to participate in training programs that would enable it to meet requirements for a satisfactory continuing education program and volunteered to be part of a future peer review in Pakistan.

Work Under Way

As of March 31, 2013, USAID OIG had three performance audits, one performance review, seven financial audits, and two financial reviews in progress:

- **Audit of USAID/Pakistan's Monitoring and Evaluation Program.** This audit will determine whether USAID/Pakistan is using results from its monitoring and evaluation program to manage its portfolio.
- **Audit of USAID/Pakistan's Agribusiness Project.** This audit will determine whether the project is effectively monitoring farmers' incomes and whether employment opportunities have increased as a result of the development of agricultural value chains.
- **Audit of USAID/Pakistan's Small Grants and Ambassador's Fund Program.** This audit will determine whether this initiative has resulted in community-based projects that meet community needs.
- **Review of USAID/Pakistan's International Training Practices.** This review will determine whether USAID/Pakistan complied with its mission training policy.
- **Financial Audit of USAID Funds Managed by the Provincial Reconstruction, Rehabilitation, and Settlement Authority Under Cash Transfer Grant Agreement No. 391-011 for the Malakand Reconstruction and Recovery Program Assistance—Housing Program for the Year 2011-2012.**
- **Financial Audit of USAID Resources Managed by Associates in Development (Private) Limited Under the Assessment and Strengthening Program, Cooperative Agreement**

No. 391-A-00-1101203-00, and Monitoring and Evaluation Project, Contract No. 391-C-00-10-01138-00, for the Year Ended June 30, 2012.

- **Financial Audit of USAID Funds Managed by Lahore University of Management Sciences Under the Assessment and Strengthening Program, Cooperative Agreement No. 391-A-00-11-01202-00, and the Merit and Needs-Based Scholarship Program, Grant Agreement No. 391-G-00-04-01023-00, for the Year Ended June 30, 2012.**
- **Financial Audit of USAID Funds Managed by Transparency International-Pakistan Under the Anti-Corruption Program Pakistan II Program, Cooperative Agreement No. 391-A-00-09-01117-00, for the Project Ended December 31 2011, and the Anti-Fraud Hotline, Cooperative Agreement No. 391-A-00-10-01194-00, for the Year Ended June 30, 2012.**
- **Financial Audit of USAID Funds Managed by the National Rural Support Programme Under the Pakistan Private Small Grants and Ambassador's Fund, Contract No. 391-C-00-10-01189-00, for the Year Ended June 30, 2012.**
- **Closeout Financial Audit of Accelerated Capacity Building – School Rehabilitation and Construction Program Implemented by KPMG Taseer Hadi & Co. and Associates in Development.**
- **Financial Audit of USAID Funds Managed by the Health Services Academy Under Grant Agreement No. 391-IL-08-01111-00, for the Period July 1, 2011, to June 30, 2012.**
- **Financial Review of USAID Funds Managed by the Education Development Center Inc. Under Cooperative Agreement No. 391-A-11-00001, for the Period April 5 to December 31, 2011.**
- **Financial Review of USAID Resources (Local Costs) Managed by the American Institutes for Research Under Cooperative Agreement No. 391-A-00-08-01100-00, for the Period July 1, 2010, to December 31, 2011.**

Work Planned

In addition to those completed and under way, USAID OIG plans to conduct six performance audits during the remainder of FY 2013:

- **Audit of USAID/Pakistan's FATA Secretariat Capacity Building Program—Phase II.** This audit will determine whether the program is improving the capacity of governmental institutions to govern through training, automating processes, and developing management and financial systems.

- **Audit of USAID/Pakistan’s Smallholder Dairy Project.** This audit will determine whether the project is strengthening the skills of dairy farmers and livestock workers to expand yields, improve breeding interventions, and increase incomes.
- **Audit of USAID/Pakistan’s Government-to-Government Assistance.** This audit will determine whether this is an effective development mechanism.
- **Audit of USAID/Pakistan’s Entrepreneurs Project.** This will be a follow-up audit to determine whether the project has succeeded in increasing the incomes of 75,000 microenterprise owners, and whether USAID has taken effective corrective actions in response to the recommendations of a previous OIG audit of the program.
- **Audit of USAID/Pakistan’s Power Distribution Improvement Program.** This audit will determine whether the program is improving the operational and financial performance of the eight electric power distribution companies in Pakistan by reducing losses, increasing revenues, and improving service.
- **Audit of the Sindh Basic Education Program.** This audit will determine whether the program is achieving its goals of increasing and sustaining student enrollment in targeted areas.

Investigative Work and the Anti-Fraud Hotline

As of March 31, 2013, USAID OIG had 39 open investigations pertaining to Pakistan. OIG investigators closed one case during the quarter.

In January 2013, USAID/Pakistan issued a bill for collection to the Rafi Peer Theater Workshop, a local Pakistani NGO that implemented the Pakistan Children’s Television Project, which was terminated in September 2012. An audit conducted as part of an OIG investigation into irregularities in procurements by the project identified \$2,030,417 in potentially disallowable costs. Based on the audit findings and input from the Theater Workshop, USAID/Pakistan disallowed \$1,598,014, and issued a bill for collection in that amount. Rafi Peer Theater Workshop did not meet the deadline to repay the funds and had not otherwise responded to USAID/Pakistan by the end of the reporting period. In addition, the Pakistani NGO refused to return video production equipment purchased as part of the project.

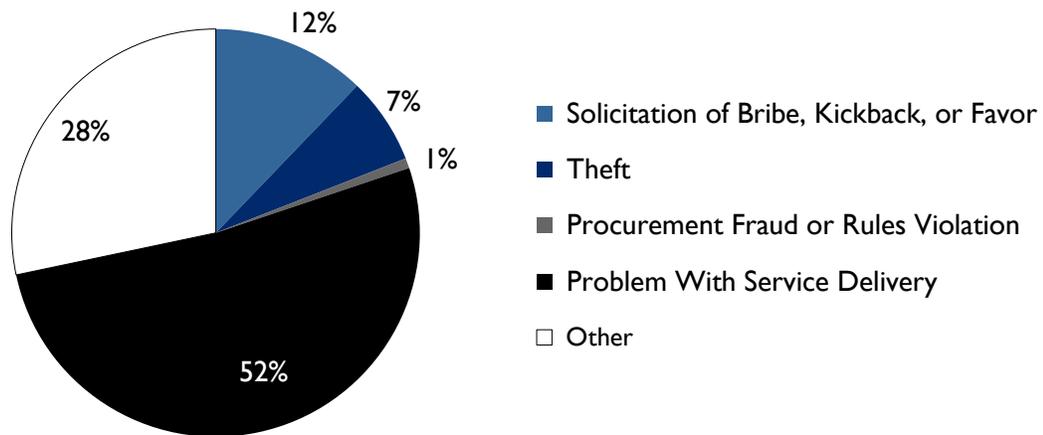
Outreach. USAID OIG continued to work to reinforce fraud reporting and investigation in Pakistan through outreach efforts. During the reporting period, OIG conducted nine fraud awareness briefings for 329 participants. Investigative outreach efforts this quarter focused on employees of USAID, its implementing partners, local NGOs, and Pakistani Government officials.

Anti-Fraud Hotline. USAID OIG also continued to work closely with the hotline to vet and investigate incoming complaints. This quarter, the hotline received 378 complaints.

Consistent with patterns of reporting in previous quarters, most hotline complaints originated from Sindh Province. During this quarter, total complaints were distributed across Pakistan’s regions as follows: Sindh 224 (59 percent), Balochistan 58 (15 percent), Punjab 55 (15 percent), and Khyber Pakhtunkhwa 28 (7 percent). Other areas of Pakistan combined to account for 3 percent of complaints.

As shown in Figure 2, slightly more than half of complaints received during the reporting period related to service delivery.

Figure 2. Distribution of Hotline Complaints by Type



Source: Transparency International–Pakistan.

Since its introduction in February 2011, the Anti-Fraud Hotline has been widely advertised on television, radio, newspaper, and billboards. As the only one of its kind in Pakistan, the hotline has received a significant volume of complaints related to programs implemented by other agencies. USAID OIG refers these complaints to the appropriate agency for further review and investigation. From January 1 to March 31, 2013, OIG referred 80 hotline complaints to outside entities, including WFP, the World Health Organization, UNICEF, the UN Development Programme, the European Commission Humanitarian Aid and Civil Protection / European Anti-Fraud Office, Pakistan’s BISP, Save the Children, the Marie Stopes Society, and the National Rural Support Programme.

Government Accountability Office

GAO continues to assist congressional clients by conducting oversight of U.S. efforts in Pakistan. GAO had two ongoing Pakistan-related engagements during this reporting period. GAO’s plans for additional Pakistan-related work are subject to congressional interests and requests.

Work Under Way

As of March 31, 2013, GAO had two ongoing engagements concerning Pakistan:

- **Pakistan Visa Delays.** In FYs 2002 through 2012, Pakistan received more than \$26 billion in U.S. funding and reimbursements, including training provided to Pakistani officials. Much of this training is provided by U.S. officials who require visas to travel to Pakistan to deliver technical assistance and training. GAO evaluated (1) the extent to which U.S. officials experience delays in obtaining Pakistani visas and the effects of these delays and (2) steps U.S. agencies have taken to address Pakistani visa delays.
- **U.S. High-Threat Training.** Recent attacks on U.S. embassies have highlighted the dangers faced by U.S. civilian personnel assigned to overseas diplomatic posts to manage U.S. efforts. To help safeguard these personnel, DOS has established a requirement for Foreign Affairs Counter Threat (FACT) training for personnel assigned permanently or temporarily to certain high-threat posts, including Pakistan. GAO is evaluating (1) the extent to which permanently assigned U.S. civilian personnel at posts requiring FACT training complied with or obtained waivers from this requirement, (2) the extent to which temporarily assigned U.S. civilian personnel at posts requiring FACT training complied with or obtained waivers from the requirement, and (3) whether U.S. agencies have controls in place to ensure compliance with the FACT training requirement.

Appendix I—Distribution of U.S. Assistance by Agency

The following table provides information on the obligation and disbursement of assistance by federal agencies and offices from FY 2010 through March 31, 2013.

Civilian Assistance to Pakistan by Sector, Agency, and Fund as of March 31, 2013 (\$ Million; Unaudited)

Managing Agency or Office	Fund	Obligated*					Disbursed FYs 2010–2013 [†]
		FY 2010	FY 2011	FY 2012	FY 2013	Total	
Energy							
USAID	ESF	98.3	237.5	–	–	335.8	225.3
Subtotal		98.3	237.5	–	–	335.8	225.3
Economic Growth							
DOC	ESF	–	1.0	–	–	1.0	3.1
DOT	ESF	0.1	–	–	–	0.1	0.1
USAID	ESF	78.6	164.1	63.1	–	305.8	142.6
USDA	ESF	18.9	10.0	1.3	–	30.2	20.9
USTDA	ESF	–	2.3	–	–	2.3	4.0
Subtotal		97.7	177.5	64.4	–	339.5	170.7
Stabilization							
DOD	ESF	10.0	–	–	–	10.0	1.0
DOS OIG	ESF	–	2.0	–	–	2.0	2.0
Economic Section, U.S. Embassy	NADR	12.7	6.8	–	–	19.5	–
INL, DOS	ESF	–	–	–	–	–	19.7
	INCLE	166.0	114.4	4.0	1.5	285.9	151.6
Office of the Special Representative for Afghanistan and Pakistan, DOS	ESF	–	–	–	–	–	1.0
POL, U.S. Embassy	NADR	1.6	1.8	0.8	–	4.2	1.1

Managing Agency or Office	Fund	Obligated*					Total	Disbursed FYs 2010–2013 [†]
		FY 2010	FY 2011	FY 2012	FY 2013			
RSO, U.S. Embassy	NADR	15.4	10.0	–	–	25.4	24.6	
USAID	ESF	248.7	150.6	241.7	–	641.0	480.9	
	PCF	–	70.0	–	–	70.0	–	
Subtotal		454.5	355.5	246.5	1.5	1,057.9	682.0	
Education								
PAS, U.S. Embassy	ESF	19.5	19.5	19.5	–	58.5	62.2	
USAID	ESF	206.5	82.3	0.7	–	289.5	242.9	
Subtotal		226.0	101.8	20.2	–	348.0	305.1	
Health								
USAID	ESF / GHCS	224.3	84.7	–	–	309.1	236.4	
Subtotal		224.3	84.7	–	–	309.1	236.4	
Crosscutting Priorities: Good Governance, Gender Equity, and Greater Transparency								
DRL, DOS [‡]	ESF	5.0	–	–	–	5.0	1.9	
	Human Rights & Democracy Fund [§]	2.1	–	0.2	–	2.3	2.2	
PAS	Consular and Diplomatic Programs	7.0	9.5	25.6	1.5	43.5	22.1	
	ESF	–	9.2	–	–	9.2	11.2	
USAID	ESF	97.6	118.4	10.3	–	226.3	127.3	
USIP	ESF	3.0	–	–	–	3.0	2.0	
Subtotal		114.7	137.1	36.1	1.5	289.4	166.6	
Humanitarian Assistance								
DOD	Overseas Humanitarian, Disaster, & Civic Aid	–	–	–	–	–	97.0	
INL	INCLE	–	–	–	–	–	3.9	

Managing Agency or Office	Fund	Obligated*					Total	Disbursed FYs 2010–2013 [†]
		FY 2010	FY 2011	FY 2012	FY 2013			
PRM, DOS**	ERMA	33.0	–	–	–	33.0	33.0	
	MRA	57.0	33.5	14.9	3.0	108.4	107.8	
USAID	ESF	334.7	–	8.0	–	342.7	684.9	
	Food for Peace	96.9	115.1	68.1	60.1	340.1	340.1	
	International Disaster Assistance	258.4	164.1	54.3	3.0	479.8	517.8	
Subtotal		780.0	312.7	145.3	66.1	1,304.0	1,784.6	
Total		1,995.4	1,406.7	512.5	69.1	3,983.6	3,570.7	

Source: U.S. Embassy Islamabad.

Note: Numbers do not always sum to subtotals and totals because of rounding. A dash indicates a value of zero.

* Obligations are reported by the fiscal year in which funds were appropriated.

† Disbursement figures refer to funds disbursed in FYs 2010–2013 regardless of when they were appropriated or obligated. Some disbursements this period were of funds appropriated before FY 2010. As a result, these figures cannot be used to determine how much of the obligated funding reported in this table remains unexpended.

‡ In addition to funds from ESF and the Human Rights and Democracy Fund, DRL assistance to Pakistan for crosscutting priorities has been supported by less than \$100,000 in Development Assistance funding.

§ DRL has provided additional assistance to Pakistan as part of a grant program that also funds activities in Saudi Arabia. Because the level of funding provided for activities in Pakistan in particular is not available, funds associated with the grant program are not included in this table.

** In addition to these funds, PRM provides funding to assist Afghan refugees in the region, including those in Pakistan. PRM obligated \$257.4 million in FY 2010–2013 funds and disbursed \$232.2 million from October 1, 2009, to March 31, 2013, for this regional effort.

Appendix II—Completed Oversight Reports

The following table lists oversight reports completed since the passage of the Enhanced Partnership with Pakistan Act, October 15, 2009.

Oversight Reports Completed as of March 31, 2013

Agency	Report Number	Report Date	Report Title
<i>FY 2013 Reports</i>			
USAID	G-391-13-002-P	3/28/13	Audit of USAID/Pakistan's Gender Equity Program Implemented by the Aurat Foundation
USAID	G-391-13-001-Q	3/8/13	Quality Control Review of the Audit Report and Documentation for the Financial Audit Conducted by Horwath Hussain Chaudhury & Co. of USAID Funds Managed by the Dairy Rural Development Foundation Under Cooperative Agreement No. 391-A-00-11-01206-00, for the Year Ended June 30, 2012
USAID	G-391-13-017-R	3/8/13	Financial Audit of Funds Managed by Dairy Rural Development Foundation Under Cooperative Agreement No. 391-A-00-11-01206-00, for the Year Ended June 30, 2012
USAID	G-391-13-016-R	2/22/13	Financial Audit of Funds Managed by Managed by the Health Services Academy Under Grant Agreement No. 391-IL-08-01111-00, for the Period July 1, 2009, to June 30, 2010
USAID	G-391-13-001-P	1/17/13	Audit of USAID/Pakistan's Design for Sustainability in the Jamshoro Thermal Power Station Repair and Rehabilitation Project
DOS	AUD-MERO-13-18	12/31/12	Compliance Followup Review of Department of State Internal Controls Over the J. William Fulbright Scholarship Fund in Pakistan
USAID	G-391-13-002-O	12/21/12	Financial Procedures Review of USAID/Pakistan Resources Managed by Save the Children Under the Improved Child Health in the Federally Administered Tribal Areas Program
USAID	G-391-13-015-R	12/18/12	Financial Audit of USAID Funds Managed by the FATA Secretariat for the Reactivation and Rehabilitation of Damaged Transformers and 33-Kilovolt High-Tension and 11-Kilovolt Low-Tension Lines for the Year Ended June 30, 2011

Agency	Report Number	Report Date	Report Title
USAID	G-391-13-014-R	12/18/12	Financial Audit of USAID Funds Managed by the FATA Secretariat for the Kaur-Gomal-Tanai-Wana Road for the Year Ended June 30, 2011
USAID	G-391-13-013-R	12/18/12	Financial Audit of USAID Funds Managed by the FATA Secretariat Under Program Assistance Agreement No. 391-AAG-011-SWA-TANK for the Year Ended June 30, 2011
USAID	G-391-13-012-R	12/18/12	Financial Audit of USAID Funds Managed by the FATA Secretariat Under Program Assistance Agreement No. 391-SWA-FARA-001-00 for the Year Ended June 30, 2011
USAID	G-391-13-011-R	12/5/12	Financial Audit of USAID Funds Managed by the Water and Power Development Authority Under Program Assistance Agreement No. 391-PEPA-ENR-SATPARA-PIL-001 for the Year Ended June 30, 2011
USAID	G-391-13-010-R	12/3/12	Financial Audit of USAID Funds Managed by the Water and Power Development Authority Under Program Assistance Agreement No. 391-TDR-FARA-002-00 for the Year Ended June 30, 2011
USAID	G-391-13-009-R	12/3/12	Financial Audit of USAID Funds Managed by the Water and Power Development Authority Under Program Assistance Agreement No. 391-PEPA-ENR-GOMAL-PIL-001 for the Year Ended June 30, 2011
USAID	G-391-13-008-R	11/15/12	Financial Audit of USAID Funds Managed by Jamshoro Power Company Limited for the Year Ended June 30, 2011
USAID	G-391-13-007-R	11/8/12	Financial Audit of the Malakand Reconstruction and Recovery Program Managed by the Provincial Disaster Management Authority / Provincial Relief, Rehabilitation and Settlement Authority, for the Year Ended June 30, 2011
USAID	G-391-13-006-R	11/1/12	Financial Audit of the USAID Funds Managed by the Northern Power Generation Company for the Period May 20, 2010, to June 30, 2011
USAID	G-391-13-005-R	10/31/12	Financial Audit of the USAID Cash Transfer Managed by the Higher Education Commission for the Period September 30, 2009, to June 30, 2010
USAID	G-391-13-001-O	10/24/12	Agreed-Upon Procedures Review of USAID/Pakistan Resources Managed by the Rural Support Programs Network Under the Sindh Agricultural Recovery Project

Agency	Report Number	Report Date	Report Title
USAID	G-391-13-004-R	10/4/12	Financial Audit of the Small Grants and Ambassador's Fund Program, Subaward Managed by the Rural Support Programmes Network, for the Period August 31, 2010, to June 30, 2011
USAID	G-391-13-003-R	10/3/12	Financial Audit of the Assessment and Strengthening Program for Civil Society Organizations Managed by the Rural Support Programmes Network, for the Period October 12, 2010, to June 30, 2011
USAID	G-391-13-002-R	10/3/12	Closeout Financial Audit of the Emergency Relief Items to Communities Affected by Floods in Pakistan Program Managed by the Rural Support Programmes Network, for the Period August 13 to November 15, 2010
USAID	G-391-13-001-R	10/2/12	Financial Audit of USAID Resources Managed by the Rural Support Programmes Network as a Subrecipient of the Population Council Under the Family Advancement for Life and Health Program, for the Year Ended June 30, 2011
<i>FY 2012 Reports</i>			
DOS	AUD-MERO-12-46	9/30/12	Evaluation of the Local Guard Force Contract for Embassy Islamabad and Consulates General Karachi, Lahore, and Peshawar
DOS	ISP-I-12-49	9/30/12	Support for Department Employees Serving in Afghanistan, Iraq, and Pakistan
USAID	G-391-12-009-P	9/30/12	Audit of USAID/Pakistan's Assessment and Strengthening Program
DOD	DODIG-2012-135	9/27/12	Mi-17 Overhauls Had Significant Cost Overruns and Schedule Delays
USDA	50601-0001-16	9/27/12	Section 632(a) Transfer of Funds for Pakistan from USAID to USDA
USAID	G-391-12-019-R	9/26/12	Financial Audit of the Emergency Relief and Early Recovery for Flood Affectees Across Pakistan Program Managed by the Rural Support Programmes Network, for the Period October 15, 2010, to June 30, 2011
USAID	G-391-12-018-R	9/25/12	Financial Audit of USAID Funds Managed by the Higher Education Commission Under the Merit and Needs-Based Scholarship Program, for the Year Ended June 30, 2011

Agency	Report Number	Report Date	Report Title
USAID	G-391-12-017-R	9/13/12	Closeout Financial Audit of the Aga Khan University's Flood Response Program and National Nutrition Survey Supplement Program, for the Period January 1, 2011, to February 29, 2012
USAID	G-391-12-008-P	8/24/12	Audit of USAID/Pakistan's Gomal Zam Multipurpose Dam Project
USAID	G-391-12-007-P	8/16/12	Audit of USAID/Pakistan's Reconstruction Program in Earthquake-Affected Areas
USAID	G-391-12-001-O	7/31/12	Report on Agreed-Upon Forensic Procedures Performed on Procurement Costs Incurred by Rafi Peer Theatre Workshop to Implement the Pakistan Children Television Project, for the Period May 7, 2010, to May 31, 2012
USAID	G-391-12-016-R	7/20/12	Closeout Financial Audit of the Pakistan Competitiveness Support Fund for the Period July 1, 2011, to March 31, 2011
GAO	GAO-12-907-T	7/12/12	U.S. Agencies Face Challenges Countering the Use of Improvised Explosive Devices in the Afghanistan/Pakistan Region
USAID	G-391-12-015-R	7/12/12	Financial Audit of USAID Resources Managed by Khushhali Bank Limited, for the Year Ended December 31, 2011
USAID	G-391-12-014-R	7/10/12	Closeout Financial Audit of USAID Resources Managed by the Pakistan Poverty Alleviation Fund, for the Period August 12, 2010, to June 30, 2011
USAID	G-391-12-001-S	6/18/12	Review of USAID/Pakistan's Cost Estimates for Shipping and Storage
USAID	G-391-12-013-R	6/12/12	Financial Audit of the Gender Equity Program Managed by the Aurat Publication and Information Service Foundation, for the Period August 15, 2010, to June 30, 2011
USAID	G-391-12-003-Q	6/12/12	Quality Control Review of the Audit Report and Audit Documentation for the Financial Audit Conducted by Ernst & Young Ford Rhodes Sidat Hyder of the Gender Equity Program, Managed by Aurat Publication and Information Service Foundation, for the Period August 15, 2010, to June 30, 2011
DOS	ISP-C-12-28A	5/24/12	Compliance Followup Review of Embassy Islamabad and Constituent Posts, Pakistan

Agency	Report Number	Report Date	Report Title
USAID	G-391-12-006-P	5/21/12	Audit of USAID/Pakistan's Support to the Benazir Income Support Program
GAO	GAO-12-614	5/15/12	State Should Enhance Its Performance Measures for Assessing Efforts in Pakistan to Counter Improvised Explosive Devices
USAID	G-391-12-012-R	5/10/12	Financial Audit of the USAID/Pakistan Grant Agreement Managed by the Health Service Academy, for the Period July 1, 2010, to June 30, 2011
DOS	AUD/MERO-12-29	4/30/12	Evaluation of the Antiterrorism Assistance Program for Countries Under the Bureaus of Near Eastern Affairs and South and Central Asian Affairs
USAID	G-391-12-011-R	4/24/12	Financial Audit of Projects Managed by Lahore University of Management Sciences: the Foreign Recipient Contracted Assessment and Strengthening Program and Subrecipient Contracted Merit and Needs-Based Scholarship Program, for the Year Ended June 30, 2011
USAID	G-391-12-005-P	4/20/12	Audit of USAID/Pakistan's Entrepreneurs Project
USAID	G-391-12-010-R	4/17/12	Financial Audit of the Pakistan Children's Television Project Managed by the Rafi Peer Theatre Workshop, for the Period May 7, 2010, to June 30, 2011
USAID	G-391-12-009-R	4/17/12	Financial Audit of the Monitoring and Evaluation Project and Assessment and Strengthening Program Managed by Associates in Development (Private) Limited, for the Period January 1, 2010, to June 30, 2011
USAID	G-391-12-008-R	4/3/12	Financial Audit of the USAID Resources Managed by National Rural Support Programme, for the Period July 1, 2010, to June 30, 2011
USAID	G-391-12-002-Q	4/3/12	Quality Control Review of the Audit Report and Audit Documentation for the Financial Audit Conducted by Avas Hyder Liaqut Nauman of Anti-Corruption Program Pakistan and the Anti-Fraud Hotline Program Managed by Transparency International-Pakistan, for the Year Ended June 30, 2011
USAID	G-391-12-001-N	3/20/12	Financial Audit of USAID/Pakistan's Rupee Trust Fund for the Period October 1, 2009, to September 30, 2011
USAID	G-391-12-004-P	3/16/12	Audit of USAID/Pakistan's Pre-Service Teacher Education Program

Agency	Report Number	Report Date	Report Title
USAID	G-391-12-007-R	3/6/12	Financial Audit of the Pakistan Competitiveness Support Fund for the Period July 1, 2010, to June 30, 2011
USAID	G-391-12-006-R	2/24/12	Financial Audit of Budgetary Support Managed by the Economic Affairs Division of the Government of Pakistan for the Period June 8, 2009, to June 15, 2011
USAID	G-391-12-001-Q	2/17/12	Quality Control Review of the Financial Audit Conducted by the Directorate General Audit, Federal Government, Department of the Auditor General of Pakistan, of the Merit and Needs-Based Scholarship Project Managed by the Higher Education Commission, for the Period July 2, 2004, to June 30, 2010
USAID	G-391-12-005-R	2/17/12	Financial Audit of the Merit and Needs-Based Scholarship Project Managed by the Higher Education Commission for the Period July 2, 2004, to June 30, 2010
USAID	G-391-12-003-P	2/3/12	Audit of USAID's Pakistan Transition Initiative Program
USAID	G-391-12-004-R	1/13/12	Financial Audit of Anti-Corruption Program Pakistan and Anti-Fraud Hotline Pakistan Managed by Transparency International–Pakistan for the Year Ended June 30, 2011
USAID	G-391-12-003-R	1/6/12	Financial Audit of the Aga Khan University Flood Response Program for the Period August 30, 2010, to December 31, 2010
GAO	NA	11/29/11	Pakistan: Assessment of State's Justification to Support Its Certification of Pakistan's Cooperation (Classified)
USAID	G-391-12-002-P	11/23/11	Audit of USAID/Pakistan's Energy Efficiency and Capacity Program
USAID	G-391-12-001-P	11/3/11	Audit of USAID/Pakistan's Firms Project
USAID	G-391-12-002-R	11/3/11	Financial Audit of Budgetary Support to the Government of Pakistan, USAID/Pakistan Program Assistance Agreement No. 391-005-ES-07, Managed by the Ministry of Finance, for the Year Ended June 30, 2008
USAID	G-391-12-001-R	10/26/11	Financial Audit of Budgetary Support Managed by the Benazir Income Support Program for the Period From September 30, 2009, to March 31, 2011

Agency	Report Number	Report Date	Report Title
<i>FY 2011 Reports</i>			
USAID	G-391-11-005-R	9/21/11	Financial Audit of the Business Revitalization Program Managed by Khushhali Bank for the Period February 6, 2010, to December 31, 2010
GAO	GAO-11-860SU	9/20/11	Combating Terrorism: Pakistan Counterinsurgency Funds Disbursed, but Human Rights Vetting Process Can Be Enhanced
USAID	G-391-11-006-P	8/29/11	Audit of USAID/Pakistan's Community Rehabilitation Infrastructure Support Program
GAO	GAO-11-786R	7/19/11	Pakistan Assistance: Relatively Little of the \$3 Billion in Requested Assistance Is Subject to State's Certification of Pakistan's Progress on Nonproliferation and Counterterrorism Issues
DOS	ISP-I-11-47	6/30/11	Inspection of the Bureau of South and Central Asian Affairs
DOS	ISP-I-11-48	6/30/11	Inspection of the Office of the Special Representative for Afghanistan and Pakistan
USAID	G-391-11-003-Q	6/23/11	Quality Control Review of the Audit Report and Audit Documentation for the Financial Audit Conducted by A.F. Ferguson, of the Forman Christian College, for the Period July 1, 2009 to March 31, 2010
USAID	G-391-11-004-R	6/23/11	Closeout Financial Audit of the Forman Christian College for the Development of a 4-Year Bachelor Degree Program and Strengthening Programs in Basic Science and Information Technology, for the Period July 1, 2009, to March 31, 2010
USAID	G-391-11-005-P	6/20/11	Audit of USAID/Pakistan's Road Rehabilitation and Reconstruction Activities Under the Quick Impact Projects in South Waziristan
USAID	G-391-11-001-N	5/26/11	Financial Audit of USAID/Pakistan's Rupee Trust Fund for the Period October 1 2006, to September 30, 2009
USAID	G-391-11-002-Q	5/10/11	Quality Control Review of the Audit Report and Audit Documentation for the Financial Audit Conducted by Nasir Javaid Maqsood Imran of the Pakistan Competitiveness Support Fund for the Period July 1, 2009, to June 30, 2010
USAID	G-391-11-003-R	5/10/11	Financial Audit of the Pakistan Competitiveness Support Fund for the Period July 1, 2009, to June 30, 2010

Agency	Report Number	Report Date	Report Title
USAID	G-391-11-004-P	5/6/11	Audit of USAID/Pakistan's Management of Preaward Assessments
USAID	G-391-11-001-Q	4/8/11	Quality Control Review of the Audit Report and Audit Documentation for Financial Audits Conducted by Khalid Majid Rahman Sarfraz Rahim Iqbal Rafiq of the Interactive Teaching and Learning Project Managed by Children's Global Network Pakistan Limited, for the Period July 1, 2008, to February 26, 2010
USAID	G-391-11-002-R	4/8/11	Closeout Financial Audit of the Interactive Teaching and Learning Project, and Financial Audit of the Links to Learning Education Support to Pakistan Program Subaward Managed by Children's Global Network Pakistan Limited, for the Period July 1, 2008, to February 26, 2010
GAO	GAO-11-310R	2/17/11	Department of State's Report to Congress and U.S. Oversight of Civilian Assistance to Pakistan Can Be Further Enhanced
GAO	GAO-11-156R	2/15/11	Accountability for U.S. Equipment Provided to Pakistan Security Forces in the Western Frontier Needs to Be Improved
USAID	G-391-11-003-P	1/24/11	Audit of USAID/Pakistan's Flood Relief Efforts as Administered by Local Nongovernmental Organizations
DOS	MERO-I-11-01	1/18/11	The Bureau of Population, Refugees and Migration's Internally Displaced Persons Program in Pakistan
USAID	G-391-11-001-R	12/30/10	Closeout Financial Audit of Khushhali Bank Limited Under the Developing Non-Bankable Territories for Financial Services Program, for the Period January 1, 2009, to September 30, 2009
USAID	G-391-11-002-P	12/10/10	Audit of USAID/Pakistan's Livelihood Development Program for the Upper Region of the Federally Administered Tribal Areas
USAID	G-391-11-001-P	12/10/10	Audit of USAID/Pakistan's Livelihood Development Program for the Lower Region of the Federally Administered Tribal Areas
USAID	G-391-11-001-D	11/8/10	Financial Audit of the Costs Incurred by Research Triangle Institute Under the Education Sector Reform Assistance Program's School Enhancement Program Component, for the Period December 4, 2002, to September 30, 2007

Agency	Report Number	Report Date	Report Title
<i>FY 2010 Reports</i>			
USAID	5-391-10-012-P	8/31/10	Audit of USAID/Pakistan's Family Advancement for Life and Health Program
USAID	G-391-10-001-R	8/4/10	Financial Audit of the Pakistan Competitiveness Support Fund for the Period February 3, 2006, to June 30, 2009
USAID	5-391-10-010-P	6/28/10	Audit of USAID/Pakistan's Primary Healthcare Revitalization, Integration and Decentralization in Earthquake-Affected Areas Project
USAID	5-391-10-001-S	6/28/10	Review of USAID's Internally Displaced Persons Programs in Pakistan
DOS	ISP-I-10-64	6/30/10	Inspection of Embassy Islamabad, Pakistan
USAID	5-391-10-033-R	5/18/10	Financial Audit of USAID Funds Managed by Forman Christian College, Lahore, for the Period July 1, 2007, to June 30, 2009
USAID	5-391-10-029-R	4/30/10	Financial Audit of USAID Funds Managed by Khushhali Bank for the Year Ended December 31, 2008
GAO	GAO-10-289	4/15/10	Combating Terrorism: Planning and Documentation of U.S. Development Assistance in Pakistan's Federally Administered Tribal Areas Need to Be Improved
USAID	5-391-10-026-R	3/24/10	Closeout Financial Audit of USAID Funds Managed by Greenstar Social Marketing Pakistan (Guarantee) Limited, for the Period July 1 to December 31, 2007
DOS	MERO-A-10-03	3/30/10	The Bureau of International Narcotics and Law Enforcement Affairs Air Wing Program in Afghanistan and Pakistan, Performance Audit
USAID	5-391-10-020-R	2/11/10	Closeout Financial Audit of USAID Funds Managed by Aga Khan University—Examination Board, for the Year Ended December 31, 2007
USAID	5-391-10-005-P	1/28/10	Audit of USAID/Pakistan's Capacity Building for the Federally Administered Tribal Areas Development Program
USAID	5-391-10-012-R	12/22/09	Financial Audit of USAID Funds Managed by Children's Global Network Pakistan Limited, for the Year Ended June 30, 2008

Agency	Report Number	Report Date	Report Title
DOS	MERO-A-10-02	12/23/09	Status of the Bureau of International Narcotics and Law Enforcement Affairs Counternarcotics Programs in Afghanistan, Performance Audit
DOS	MERO-A-10-01	11/09	Effectiveness and Efficiency of the Bureau of International Narcotics and Law Enforcement Affairs Counternarcotics Programs in Pakistan, Performance Audit

Appendix III—Abbreviations

ANF	Anti-Narcotics Force
ATA	Antiterrorism Assistance Program
BISP	Benazir Income Support Program
CDC	Centers for Disease Control and Prevention, U.S. Department of Health and Human Services
DOC	U.S. Department of Commerce
DOD	U.S. Department of Defense
DOS	U.S. Department of State
DOT	U.S. Department of the Treasury
DRL	Bureau of Democracy, Human Rights, and Labor, U.S. Department of State
ERMA	Emergency Refugee and Migration Assistance
ESF	Economic Support Fund
EXBS	Export Control and Related Border Security Assistance Program
FACT	Foreign Affairs Counter Threat
FATA	Federally Administered Tribal Areas
FFP	Food for Peace
FY	fiscal year
GAO	Government Accountability Office
GHCS	Global Health and Child Survival
HEC	Higher Education Commission

ICITAP	International Criminal Investigative Training Assistance Program
IDP	internally displaced person
INCLE	International Narcotics and Law Enforcement
INL	Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State
MRA	Migration and Refugee Assistance
MSI	Management Systems International
NADR	Nonproliferation, Anti-terrorism, Demining, and Related Programs
NGO	nongovernmental organization
OCHA	UN Office for the Coordination of Humanitarian Affairs
OFDA	U.S. Office of Foreign Disaster Assistance, U.S. Agency for International Development
OIG	Office of Inspector General
PaRRSA	Provincial Reconstruction, Rehabilitation and Settlement Authority
PAS	Public Affairs Section (U.S. Embassy Islamabad)
PCF	Pakistan Counterinsurgency Fund
POL	Political Section (U.S. Embassy Islamabad)
PRM	Bureau of Population, Refugees, and Migration, U.S. Department of State
PRP	Pakhtunkhwa Radio Peshawar
RAPID	Responding to Pakistan's Internally Displaced
RSO	Regional Security Office (U.S. Embassy Islamabad)
SMEs	small- and medium-size enterprises
UN	United Nations

UNHCR	UN High Commissioner for Refugees
UNICEF	UN Children's Fund
UNODC	UN Office on Drugs and Crime
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USIP	U.S. Institute of Peace
USTDA	U.S. Trade and Development Agency
WAPDA	Water and Power Development Authority
WFP	World Food Programme