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**Report No. P-5322-PAK**

**MEMORANDUM AND RECOMMENDATION  
OF THE  
PRESIDENT OF THE  
INTERNATIONAL DEVELOPMENT ASSOCIATION**

**TO THE  
EXECUTIVE DIRECTORS**

**ON A  
PROPOSED CREDIT  
OF SDR 96.4 MILLION**

**TO THE  
ISLAMIC REPUBLIC OF PAKISTAN**

**FOR A  
RURAL WATER SUPPLY AND SANITATION PROJECT**

**APRIL 4, 1991**

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### CURRENCY AND EQUIVALENT UNITS

Rupee (Rs) - 100 paisa  
US\$ 1.00 - Rs 21.00 (December 1989)  
Rs 1.00 - US\$ 0.0476

### ABBREVIATIONS

ADB	- Asian Development Bank
ADP	- Annual Development Program
AJK	- Azad Jammu and Kashmir
CIDA	- Canadian International Development Agency
ECNEC	- Executive Committee of the National Economic Council
FY	- Fiscal Year
GOAJK	- Government of Azad Jammu and Kashmir
GOB	- Government of Balochistan
GOP	- Government of Pakistan
GOS	- Government of Sindh
IDA	- International Development Association
LCB	- Local Competitive Bidding
MLGRD	- Ministry of Local Government and Rural Development
OAP	- Operational Action Plan
O&M	- Operations and Maintenance
PHED	- Public Health Engineering Department
PIRC	- Policy Investment Review Committee
RDD	- Rural Development Department
RWSS	- Rural Water Supply and Sanitation
SIP	- Strategic Investment Plan

### FISCAL YEAR

July 1 - June 30

ISLAMIC REPUBLIC OF PAKISTAN  
RURAL WATER SUPPLY AND SANITATION PROJECT  
CREDIT AND PROJECT SUMMARY

**Borrower:** Islamic Republic of Pakistan

**Beneficiary:** Azad Jammu & Kashmir  
Province of Balochistan  
Province of Sindh

**Amount:** SDR 96.4 million (US\$136.7 million)

**Terms:** Standard, with 35 years maturity.

**On-Lending Terms:** From the Government of Pakistan (GOP) to the Governments of Azad Jammu & Kashmir (GOAJK), Balochistan (GOB) and Sindh (GOS), on the same terms and conditions under which the Credit is received.

**Financing Plan:**

	<u>US\$ million</u>
Governments <sup>1/</sup>	US\$ 47.4 Million
Community	US\$ 10.1 Million
IDA	US\$ <u>136.7</u> Million
TOTAL	US\$ <u>194.2</u> Million

**Economic Rate of Return:** 14%

**Staff Appraisal Report:** Report No. 8345-PAK

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<sup>1/</sup> The Government of Azad Jammu and Kashmir, the Government of the Province of Balochistan, and the Government of the Province of Sindh.

**MEMORANDUM AND RECOMMENDATION OF THE PRESIDENT  
OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION  
TO THE EXECUTIVE DIRECTORS  
ON A PROPOSED CREDIT  
TO THE ISLAMIC REPUBLIC OF PAKISTAN  
FOR A RURAL WATER SUPPLY AND SANITATION PROJECT**

1. The following memorandum and recommendation on a proposed development credit to the Islamic Republic of Pakistan for SDR 96.4 (US\$136.7 million equivalent) is submitted for approval. The proposed credit would be on standard International Development Association (IDA) terms, with 35 years maturity, and help the Governments of Azad Jammu & Kashmir, Balochistan and Sindh finance the provision of drinking water and sanitation for rural communities.

2. **Background.** About 70% of Pakistan's population, currently estimated at 106 million, lives in rural areas. The rural population in general, and rural women in particular, are poor and deprived. Less than 40% have reasonable access to clean drinking water, and less than 5% have safe means of sanitation; diarrhea is the cause of death of over 300,000 children each year. Some 50% of rural drinking water is obtained through individual private means, mostly handpumps; the other half is from public sources. There is virtually no modern sanitation.

3. Access to other physical and social infrastructure remains disproportionately low for the rural population. Rural housing quality is poor, with people and animals crowded together in primitive conditions. Only 30% of the rural compared to 70% of the urban population has access to electricity. Coverage of health and education facilities in rural areas is inadequate, and illiteracy rates, particularly for females, are high. Even in areas served by health facilities, utilization rates remain low because of the poor quality of service which in itself is a consequence of the shortage of funds.

4. The task of improving basic social and infrastructure services for the increased demand created by the rapidly growing population (currently about 2.5% p.a. in rural areas) is difficult and costly. The social sector agenda in the Seventh Five-Year Plan calls for accelerating the pace of socio-economic development and reducing rural/urban inequities, among other things through improving rural water supply and sanitation (RWSS); this would serve as a catalyst for improving the productivity and quality of life of the rural population. Government's determination to improve social conditions and in particular RWSS is reflected in the level of resources allocated to the sector; between 1983-84 and 1987-88, annual investment funding increased from 1.8% to 3.3% of the national Annual Development Program (ADP). Allocations are unlikely to grow beyond this level due to resource constraints, and a revised strategy involving greater self financing is required to meet the minimum targets for basic services in rural areas.

5. The recent Bank sector review (Report No. 7060-PAK) carried out jointly with the Canadian International Development Agency (CIDA) concluded that for sustained RWSS development, sector policy would require that (a) the

beneficiary community<sup>1/</sup> participate at all stages of scheme implementation; (b) an integrated development approach be adopted providing a balanced triad of improvements to water supply, sanitation and hygiene practices; and (c) the community be fully responsible for all costs of management, operations and maintenance (O&M) of RWSS schemes. The Federal and Provincial governments have decided to adopt this policy, and have with CIDA assistance prepared province-wide Strategic Investment Plans (SIPs) consisting of investment programs and specific mechanisms for implementing these policies. The SIPs envisage nationwide investment from 1991-1998 of about US\$1.22 billion at constant 1989 prices which include the projected levels of domestic resource availability and international donor assistance and would achieve an estimated 75% coverage of rural water supply, providing for an additional 30 million people. Sanitation coverage would increase from under 5% to about 10%.

6. Rationale for IDA Involvement. During the past 15 years, IDA has been a major source of support for Pakistan's urban infrastructure programs. IDA has not supported RWSS to date, but our sector work has been instrumental in defining the problems of providing rural water and sanitation services and identifying a basic policy framework for improvement. During formulation of the SIPs, IDA assisted government agencies in investment project preparation, and in mobilizing funds from other donors. GOP has requested IDA assistance to finance RWSS investments in Azad Jammu and Kashmir (AJK), Balochistan and Sindh, as these have the lower service levels and IDA support to these would generate complementary donor support to the other provinces. IDA's financial and technical support for the project and continued participation in a policy dialogue are important, particularly in the formative years, to enable the adoption of innovative and sustainable strategies.

7. Project Objective. The proposed project is designed to improve rural productivity and health, particularly of women and children, and reduce poverty and deprivation in AJK, and the provinces of Balochistan and Sindh, by increasing RWSS coverage and service levels. The proposed project would support an integrated, community-based strategy for RWSS, phasing in a sustainable, financially viable approach to community management and O&M, and progressively moderate the required level of provincial recurrent budgetary support.

8. Project Description. The proposed project would, over a nine year period, finance an investment program in AJK, Balochistan and Sindh comprising rehabilitation of existing and construction of new, community-managed, RWSS, supported by a program of institutional strengthening, policy reform and innovative resource mobilization measures whereby, in both project and non-project financed schemes, beneficiary communities would assume responsibility for system management, O&M. The project would comprise the following components: (a) construction of new, and rehabilitation of existing, water supply and waste water drainage schemes providing piped supplies to designated points using low cost technology at a basic service level; (b) institutional strengthening and

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<sup>1/</sup> The community could be a cluster of dwellings, family groups, settlements or villages supplied with water from a common source, and represented by an agreed and recognizable entity, such as a village development committee, a local leader, a headman, or an elected official.

training to enhance agency and community implementation and O&M capacity; (c) latrine construction materials with related health education and promotion; (d) water resources and sanitation studies, and future investment program preparation; and (e) a phased program of private sector support including training of small contractors, pilot and flexible support to women's income generating activities (comprising training, technical assistance and information dissemination within communities), and technical guidance to handpump manufacturers. Due to low rural income levels, there would be no recovery of capital costs. O&M cost recovery would be accomplished by transferring system management and recurrent cost financing to beneficiary communities, levying direct charges in Balochistan townships, and levying earmarked indirect charges in Sindh through land and sugar-cane cess enhancements, and surcharges on cotton and paddy fees. This would introduce a degree of income distribution in favor of landless beneficiaries. In AJK, the long-standing policy of community-based O&M for RWSS would be maintained. The total cost of the project is estimated at US\$194.2 million equivalent, with a foreign exchange component of US\$40.9 million equivalent (21%). To expedite project start-up, US\$11.2 million equivalent (8% of the Credit amount) will be provided in the proposed Credit for the retroactive financing of eligible expenditures for civil works, materials, incremental staff, vehicles, equipment, consultancy services and training incurred after appraisal and before Credit effectiveness. A breakdown of costs and the financing plan are shown in Schedule A. Amounts and methods of procurement and of disbursements, and the disbursement schedule are shown in Schedule B. A timetable of key project processing events and the status of Bank Group operations in Pakistan are given in Schedules C and D, respectively. The Staff Appraisal Report No. 8345-P&K dated April 4, 1991 is attached.

9. Agreed Actions. GOP and the Governments of AJK, Balochistan and Sindh have agreed to the following actions: (a) AJK would maintain a policy, and Sindh and Balochistan would each, with effect from July 1, 1991, apply a policy, satisfactory to IDA, of (i) providing grants from government resources to finance a proportion of the capital cost of communal facilities only under RWSS schemes, and (ii) requiring management and financial responsibility for the operation and maintenance of completed RWSS schemes to be assumed by the communities served by such schemes; (b) project implementation would be carried out in accordance with an Operational Action Plan (OAP) satisfactory to IDA, which would be reviewed annually and updated in consultation with IDA; (c) a memorandum of understanding would be entered into for agreement between each community and the concerned sector agency whereby for a basic level of service the community agrees to undertake and pay for management and O&M, and the Provincial/State government agrees to provide: (i) construction materials (AJK); (ii) the system (Balochistan); and (iii) the system and a contribution of cess and fee revenues to cover O&M costs (Sindh); (d) in order to enhance inter-governmental coordination and long term sector development, a Policy Investment Review Committee (PIRC) has been created within the Ministry of Local Government and Rural Development (MLGRD); (e) terms and conditions of funds flow, counterpart financing, and the passing on of funds would be acceptable to IDA, and counterpart funds would be available; (f) land acquisition procedures are underway; and (g) standard requirements would be met for: project executing agencies to remain adequately staffed throughout project implementation; progress reports on the project; satisfactory basic accounting arrangements to be in place and arrangements for annual audits; administration of the Special Accounts; use

of Statements of Expenditure; preparation of a mid-term review; preparation of a Project Completion Report; and the use of IDA Procurement Guidelines and satisfactory Local Competitive Bidding (LCB) procedures.

10. GOP and the Governments of AJK, Balochistan and Sindh have completed the following, pursuant to the policy referred to in para. 9(a) above: (a) instructions have been given to line departments that (except in the case of Balochistan rural township schemes discussed below) O&M responsibilities would be transferred to, or remain with, scheme beneficiaries, according to a timetable set out in the OAP; (b) arrangements have been made: (i) to pay all Public Health Engineering Department's (PHED's) outstanding dues in respect of electricity for water supply schemes (Balochistan and Sindh); and (ii) to avoid public sector RWSS power liabilities in future; (c) for the province of Balochistan, arrangements have been made to increase all township water tariffs to Rs. 50 per month for standard house connections and Rs. 250 per month for commercial/ industrial connections effective July 1, 1990, and to revise such tariffs at least triennially by an amount equivalent to at least an annual real increase of 5%; and (d) for the Province of Sindh, arrangements have been made to levy an incremental annual cess on cultivated land of Rs. 1.50 per acre for non-irrigated land, Rs. 3.00 per acre for land with non-perennial irrigation and Rs. 6.40 per acre for land with perennial irrigation, effective November 29, 1990, to increase from late February 1991 the sugar-cane cess and paddy and cotton fees, and to revise such cess and fee rates at least triennially and to set them to recover all estimated O&M costs for a basic level of service. The proposed arrangements have been tailored to the specific affordability constraints of the beneficiaries.

11. The agreed conditions of effectiveness of the IDA Credit are: (i) approval by the Executive Committee of the National Economic Council (ECNEC) of the project PC-1 documents; and (ii) appointment, subject to credit effectiveness, of the main technical assistance Advisory Consultants.

12. Benefits. The principal beneficiaries would be rural women and children. The quantifiable benefit of the proposed project would be the value of time savings arising from better access to improved water supplies. Time and energy saved in water collection would be spent on productive activities including improved child care. By improving hygiene practices and sanitation, the project would also yield substantial health benefits, reducing disease and infant mortality. Benefits which are not quantifiable would be derived from the overall improvements in rural productivity and the quality of life. The internal economic rate of return of the proposed Project is about 14% p.a. based on a conservative valuation of the incremental time savings.

13. Risks. The technical aspects of the project are straightforward and do not present significant risk. The main project risks are: (a) that the requirement for the communities to accept responsibility for and finance the O&M of schemes may be slow to materialize; (b) the limited experience of Government line agencies in working directly with villagers, and the need for continual community orientation; (c) the possible slow release of funds by the governments due to the dispersed nature of the investments; (d) the shortage of qualified government staff to undertake work on individual projects to implement an expanded RWSS program; and (e) the limited ability of the respective agencies

to achieve cost recovery targets. In addition, the project would be the Bank Group's first lending operation with the concerned agencies, implying possible start-up delays as agencies become familiar with Bank lending procedures. The project addresses these risks by providing the following measures and resources: (a) emphasis on management, technical support and training for all implementing agencies; (b) training for politicians, community leaders and scheme personnel; (c) community relations cells within the executing agencies; (d) hygiene education programs; (e) advance consultancy services for priority designs, materials specifications and documentation to maintain project momentum; (f) assistance to agencies in procurement procedures; (g) financial management support; and (h) use of community agreements, which are to be in place before implementing schemes. Further, that the community-based policy for O&M is firmly established and effective in AJK, demonstrates that with appropriate monitoring, guidance and political will, the adoption of the proposed O&M policies under the project does not pose an unreasonable risk.

14. Part of the proposed project (less than 25% in total) would be carried out in AJK, an area over which India and Pakistan have been in dispute since 1947. By including finance for this component in the proposed Credit, IDA does not intend thereby to prejudice the determination of the claims of the parties.

15. Recommendation. I am satisfied that the proposed Credit would comply with the Articles of Agreement of the Association and recommend that the Executive Directors approve the proposed Credit.

Barber B. Conable  
President

Attachments

Washington D.C.  
April 4, 1991



ISLAMIC REPUBLIC OF PAKISTAN

RURAL WATER SUPPLY AND SANITATION PROJECT

ESTIMATED COSTS AND FINANCING PLAN

<u>Estimated Costs:</u> <sup>4a</sup>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>
	------(US\$ Million)-----		
Land	3.5	-	3.5
Civil Works	72.6	-	72.6
Materials, Equipment and Vehicles	28.1	14.2	42.3
Consulting Services, Technical Assistance and Training,	9.5	19.4	28.9
Incremental Staff Costs	<u>6.0</u>	<u>        </u>	<u>6.0</u>
Base Costs	<u>119.7</u>	<u>33.6</u>	<u>153.3</u>
Physical Contingencies	9.4	1.7	11.1
Price Contingencies	<u>24.2</u>	<u>5.6</u>	<u>29.8</u>
Total Project Costs	<u>153.3</u>	<u>40.9</u>	<u>194.2</u>

<u>Financing Plan:</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>
	------(US\$ Million)-----		
Governments <sup>4b</sup>	47.4	0.0	47.4
Community	10.1	0.0	10.1
IDA	<u>95.8</u>	<u>40.9</u>	<u>136.7</u>
Total	<u>153.3</u>	<u>40.9</u>	<u>194.2</u>

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<sup>4a</sup> Inclusive of taxes and duties, which are estimated at US\$21.6 million.

<sup>4b</sup> The Government of Azad Jammu & Kashmir, the Government of the Province of Balochistan, and the Government of the Province of Sindh.

**ISLAMIC REPUBLIC OF PAKISTAN**  
**RURAL WATER SUPPLY AND SANITATION PROJECT**  
**PROCUREMENT METHOD AND DISBURSEMENTS**

Project Element	Procurement Method				Total
	ICB	LCB	Other <sup>a</sup>	N/A <sup>b</sup>	
	----- (US\$ Million) -----				
Land				4.0	4.0
Civil Works		87.1 <sup>a</sup> (61.4) <sup>a</sup>			87.1 (61.4)
Materials, Equipment and Vehicles	32.6 (28.8)		7.9 (5.5)		40.5 (34.3)
Consultancy Services, Technical Assistance and Training			35.0 (35.0)		35.0 (35.0)
Incremental Staff Costs				6.0 (6.0)	6.0 (6.0)
Duties and taxes				21.6	21.6
<b>TOTAL</b>	<b>32.6 (28.8)</b>	<b>87.1 (61.4)</b>	<b>42.9 (40.5)</b>	<b>31.6 (6.0)</b>	<b>194.2 (136.7)</b>

<sup>a</sup> Including local shopping.

<sup>b</sup> Not applicable. Land acquisition to be funded by Government or community contribution.

<sup>c</sup> Including community-based direct labor contracting.

<sup>d</sup> Figures in brackets are the respective amounts to be financed by IDA.

ISLAMIC REPUBLIC OF PAKISTAN

RURAL WATER SUPPLY AND SANITATION PROJECT

<u>Category</u>	<u>Disbursements</u>	
	<u>Amount of Credit Allocation</u> (US\$ million)	<u>Disbursement Percentage</u>
(1) Civil Works		
AJK <sup>1a</sup>	1.7	75%
Balochistan	11.4	60%
Sindh	48.3	85%
(2) Materials, Equipment and Vehicles	34.3	100% of foreign expenditures, or 100% of local expenditures (ex-factory) for goods and equipment procured through international competitive bidding (ICB), and 50% of local expenditures for other items procured locally.
(3) Consulting Services, Technical Assistance and Training.	35.0	100% of expenditures
(4) Incremental staff costs	6.0	100% of expenditures
<b>Total</b>	<b>136.7</b>	

Estimated IDA Disbursements

	<u>IDA Fiscal Year</u>								
	92	93	94	95	96	97	98	99	00
	----- (US\$ million) -----								
Annual	1.4	6.8	16.4	30.1	29.9	20.7	15.0	13.5	2.9
Cumulative	1.4	8.2	24.6	54.7	84.6	105.3	120.3	133.8	136.7

<sup>1a</sup> On IDA-financed civil works contracts.

ISLAMIC REPUBLIC OF PAKISTAN

RURAL WATER SUPPLY AND SANITATION PROJECT

Timetable of Key Project Processing Events

- |                                      |   |
|--------------------------------------|---|
| (a) Time taken to prepare:           | One and a half years  |
| (b) Prepared by:                     | Governments of Azad Jammu & Kashmir, Balochistan and Sindh with Assistance from CIDA and IDA. |
| (c) First IDA Mission:               | December 1, 1988  |
| (d) Appraisal Mission Departure      | November 23, 1989   |
| (e) Negotiations                     | March 4, 1991   |
| (f) Planned Date of Effectiveness    | August 15, 1991   |
| (g) List of relevant PCRs and PPARs: | None  |

THE STATUS OF BANK GROUP OPERATIONS IN PAKISTAN

A. STATEMENT OF BANK LOANS AND IDA CREDITS  
(As of December 31, 1990)

Loan No.	Fiscal Year	Borrower	Purpose	Amount (US\$ million) (less cancellations)		
				Bank	IDA	Undisbursed
Forty-eight loans and sixty five credits fully disbursed of which SECALS, SALS and Program loans a/				1,137.51	1,485.90	
Ln. 2155-PA	1982	Republic of Pakistan	Structural Adjustment	60.00	-	
Cr. 1255-PA	1982	Republic of Pakistan	Structural Adjustment	-	80.00	
Sub-Total				60.00	80.00	
Cr. 0754-PA	1978	Republic of Pakistan	Salinity Control and Reclamation	-	70.00	25.38
Cr. 0877-PA	1979	Republic of Pakistan	Salinity Control and Recl. (Mardan)	-	60.00	15.78
Cr. 1157-PA b/	1981	Republic of Pakistan	Grain Storage	-	23.42	5.59
Ln. 2247-PA	1983	Republic of Pakistan	Reservoir Maintenance Facilities	10.20	-	0.86
Cr. 1243-PA b/	1982	Republic of Pakistan	Baluchistan Minor Irrig. & Agr.	-	14.00	8.03
Cr. 1348-PA b/	1983	Republic of Pakistan	Lahore Urban Development	-	16.00	10.91
Cr. 1374-PA b/	1983	Republic of Pakistan	Karachi Water Supply	-	25.00	5.53
Cr. 1375-PA b/	1983	Republic of Pakistan	Fourth Drainage	-	65.00	65.80
Ln. 2380-PA	1984	Republic of Pakistan	Industrial Investment Credit II	50.00	-	3.01
Cr. 1439-PA b/	1984	Republic of Pakistan	Industrial Investment Credit II	-	50.00	3.78
Cr. 1461-PA b/	1984	Republic of Pakistan	Integrated Hill Farming Dev.	-	21.00	11.89
Cr. 1480-PA b/	1984	Republic of Pakistan	Second Technical Assistance	-	7.00	1.10
Cr. 1487-PA b/	1984	Republic of Pakistan	Command Water Management	-	46.50	32.05
Cr. 1499-PA b/	1984	Republic of Pakistan	Second Small Industries	-	50.00	5.15
Cr. 1532-PA b/	1985	Republic of Pakistan	Left Bank Outfall Drain - Stage 1	-	150.00	174.44
Cr. 1533-PA b/	1985	Republic of Pakistan	Baluchistan Agricultural Extension	-	8.30	4.39
Ln. 2499-PA	1985	Water/Power Auth.	Fourth WAPDA Power	100.00	-	19.47
Cr. 1602-PA b/	1985	Republic of Pakistan	Second Primary Education	-	52.50	52.30
Cr. 1603-PA b/	1985	Republic of Pakistan	Second On-Farm Water Management	-	34.50	0.99
*Ln. 2552-PA	1985	Republic of Pakistan	Energy Sector Loan	178.00	-	1.35
Ln. 2556-PA	1985	Water/Power Auth.	Fifth WAPDA Power	100.00	-	25.47
Ln. 2648-PA	1986	Republic of Pakistan	Industrial Investment Credit	148.00	-	7.93
Cr. 1646-PA b/	1986	Republic of Pakistan	Industrial Investment Credit	-	2.00	1.09
Cr. 1652-PA b/	1986	Republic of Pakistan	Karachi Special Development	-	70.00	62.33
Cr. 1670-PA b/	1986	Republic of Pakistan	Second Vocational Training	-	40.20	34.41
Cr. 1693-PA b/	1986	Republic of Pakistan	SCARP Transition Pilot	-	10.00	6.59
Cr. 1699-PA b/	1986	Republic of Pakistan	Agric. Dev. Bank of Pakistan VI	-	55.00	3.55
Ln. 2693-PA	1986	Republic of Pakistan	Agric. Dev. Bank of Pakistan VI	165.00	-	15.33
Ln. 2698-PA	1986	Water/Power Auth.	Kot Addu Combined Cycle	90.00	-	18.92
Ln. 2743-PA	1987	Republic of Pakistan	Telecommunications V	100.00	-	46.15
Cr. 1755-PA b/	1987	Republic of Pakistan	Third Technical Assistance	-	7.00	5.56
Cr. 1762-PA b/	1987	Republic of Pakistan	Ag. Extension IV	-	42.10	36.06
Cr. 1821-PA b/	1987	Republic of Pakistan	Third Primary Education	-	145.00	147.40
Ln. 2792-PA	1987	Water/Power Auth.	Power Plant Efficiency	70.00	-	58.60
Ln. 2814-PA	1987	Republic of Pakistan	Fourth Highways	152.00	-	114.64
Ln. 2839-PA	1987	Republic of Pakistan	Industries III	54.00	-	48.91
Ln. 2842-PA	1987	State Petr. Petroch.	Refinery Energy Conservation	21.00	-	17.75
Ln. 2884-PA	1988	Republic of Pakistan	Cement Industry Modernization	96.00	-	81.26
Cr. 1888-PA b/	1988	Republic of Pakistan	Second Irrigation Systems Rehab.	-	79.50	79.39
Cr. 1895-PA b/	1988	Republic of Pakistan	Punjab Urban Development	-	90.00	81.15
Cr. 1936-PA b/	1988	Republic of Pakistan	National Oilseed Development	-	20.00	18.34
Ln. 2973-PA	1988	Republic of Pakistan	National Oilseed Development	31.40	-	31.40
Ln. 2982-PA	1988	Republic of Pakistan	Private Sector Energy Development	150.00	-	150.00
*Ln. 2986-PA	1988	Republic of Pakistan	Agriculture Sector Adjustment	200.00	-	48.57
Cr. 1982-PA b/	1989	Republic of Pakistan	Industrial Investment Credit III	-	2.00	1.50
Ln. 3019-PA	1989	Republic of Pakistan	Industrial Investment Credit III	148.00	-	137.49
Cr. 1987-PA b/	1989	Republic of Pakistan	Karachi Water Supply	-	125.00	129.19
*Ln. 3029-PA	1989	Republic of Pakistan	Financial Sector Ln. II	150.00	-	75.00
*Ln. 3107-PA	1989	Republic of Pakistan	Energy Sector Loan II	250.00	-	147.75
Cr. 2003-PA b/	1989	Republic of Pakistan	Flood Restoration	-	40.00	23.32
Cr. 2004-PA b/	1989	Republic of Pakistan	Private Tubewell	-	34.40	29.44
Ln. 3147-PA b/	1990	Water/Power Auth.	Power Transmission & Extension	162.00	-	162.00
Cr. 2078-PA b/	1990	Republic of Pakistan	Rural Electrification	-	37.00	40.85
Ln. 3148-PA b/	1990	Republic of Pakistan	Rural Electrification	123.00	-	123.00

THE STATUS OF BANK GROUP OPERATIONS IN PAKISTAN

A. STATEMENT OF BANK LOANS AND IDA CREDITS  
(As of December 31, 1990)

Loan No.	Fiscal Year	Borrower	Purpose	Amount (\$million) (less cancellations)		
				Bank	IDA	Undisbursed
Cr. 2102-PA b/	1990	Republic of Pakistan	Sindh Primary Education		112.50	119.62
Cr. 2153-PA b/	1990	Republic of Pakistan	Agriculture Credit		1.50	1.68
Ln. 3226-PA b/	1990	Republic of Pakistan	Agriculture Credit	148.50	-	148.50
Cr. 2154-PA c/	1990	Republic of Pakistan	Agricultural Research		57.30	62.34
*Ln. 3241-PA b/c/	1990	Republic of Pakistan	Transport Sector Investments	184.00	-	184.00
Ln. 3252 b/c/	1991	Republic of Pakistan	Corp. Restructuring	130.00	-	130.00
Total				4,148.61	3,149.62	3,104.28
of which has been repaid				745.74	131.13	
Total now outstanding				<u>3,402.87</u>	<u>3,018.48</u>	
Amounts sold				33.46	12.00	
of which has been repaid				30.11	12.00	
Total now held by the Bank and IDA c/				3,369.41	3,006.48	
Total undisbursed						3,104.28

a/ Approved during or after FY80.

b/ IDA Credits beginning with the 6th Replenishment are denominated in SDRs, and are shown in US\$ equivalents at the time of negotiations. Disbursed amounts are computed at the exchange rate applicable on the transaction dates. Undisbursed amounts are valued at the exchange rate applicable on the date of this statement.

c/ Not effective at the time of this statement.

\* SAL, SECAL or Program Loan.

MA:FS,M:\EM1CO\OTHER\PAK\SBGO.TBL  
March 14, 1991

THE STATUS OF BANK GROUP OPERATIONS IN PAKISTAN

8. STATEMENT OF IFC INVESTMENTS  
(As of December 31, 1990)

Date	Borrower	Purpose	Amount (\$million) (less cancellations)		
			Loan	Equity	Total
1958	Steel Corp of Pakistan	Rolled Steel Product	0.63	-	0.63
1959	Adamjee Industries Ltd.	Textiles	0.75	-	0.75
1962/65	Gharibwal Cement Ind. Ltd.	Cement	5.25	0.42	5.67
1963/69					
75/89	PICIC	Developing Finance	-	3.63	3.63
1965	Crescent Jute Products	Textiles	1.84	0.11	1.95
1965/80/82	Packages Ltd.	Paper Products	26.01	1.01	27.02
1967/76	Pakistan Paper Corp. Ltd	Paper	5.38	2.02	7.40
1969	Dawood Hercules Chemicals Ltd	Fertilizers	18.30	2.92	21.22
1979	Milkpak Ltd.	Food & Food Processing	2.40	0.40	2.80
1979	Pakistan Oilfields Ltd And Attock Refinery Ltd.	Chemicals & Petrochemicals	29.00	2.04	31.04
1980	Fauji Foundation	Woven Polypropylene Bags	1.78	-	1.78
1988	Fecto Cement	Cement and Construction	18.58	-	18.58
1987/89	Anglo Suisse	Chemicals & Petrochemicals	-	6.80	6.80
1980	Premier Board Mills Ltd.	Particle Board	2.70	-	2.70
1988	Hillat	Tractors	4.90	-	4.90
1981	Habib Arkady	Food and Food Processing	3.15	0.16	3.31
1982	Asbestos	Cement	3.50	0.51	4.01
1983	Pakistan Petroleum Ltd.	Chemical & Petrochemicals	104.50	1.56	106.06
1989	Shams Textile	Textiles and Fibers	2.76	-	2.76
1985	National Development Leasing Corp.	Money and Capital Markets	5.49	0.37	5.86
1989	Suraj Cotton	Textiles and Fibers	2.76	-	2.76
1989	Hala	Spinning Plant	3.27	0.66	3.93
1986	Mari Gas	Chemicals & Petrochemicals	46.53	-	46.53
1990	Pakistan Suzuki	Motor Vehicles & Acces.	17.53	-	17.53
1990	Rupali	Textiles & Fibers	22.64	2.00	24.64
1990	FIIB	Development Finance	-	0.68	0.68
	Total Gross Commitment		329.65	25.29	354.94
	Less Cancellations, Terminations, Prepayments and Sales		240.01	14.04	254.05
	Total Commitments now held by IFC		89.64	11.25	100.89
	Undisbursed (including participants)		45.18	3.58	48.76