

REVAMPING THE SAP

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1 BACKGROUND TO THE SECOND SOCIAL ACTION PROGRAMME PROJECT (SAPP-II)

The underlying premise of the Social Action Programme (SAP) is that improving the access to and effectiveness of basic social services as in elementary education, primary health care and population welfare services, safe rural water supply and sanitation, will bring about substantial improvements in the daily lives of the people. These investments in people are also essential for sustained broad based economic growth. But these benefits will only be realised if the programmes to improve service delivery are well-designed and implemented effectively, with involvement of the communities they benefit, following agreed merit-based criteria and sound financial management practices. SAP-II, launched in 1993-94, is an effort to focus managerial and financial resources on implementing such programmes to achieve a lasting impact.

SAP-II was meant to follow a broadly similar approach to SAP-I with changes in emphasis based on experience and lessons learned through delivery and implementation. Whilst keeping the same approach as working primarily with the government, SAP-II was focussed towards strengthening NGOs and private sector efforts through fostering government / NGO / private sector partnerships. One of the principal changes in the focus of SAP-II from SAP-I was on improving quality. However, quality improvements remain unattainable without fundamental changes in delivery and institutions.

Decentralisation and a shift to community control was also an objective. This is finally being realised in the current government's plan for devolution of power to the local governments. The encouragement of service provision by NGOs and the private sector initiative depends largely on the PDP by which governments can develop partnerships with NGOs and support their delivery of basic social services. The bottleneck, to date, had been the governments' inability to manage the PDP. Further, SAP-II called for much greater emphasis on M&E. Strengthening government capability in this area is an obvious need.

It is already apparent that the social sectors are failing to meet SAP-II agreements and objectives. The most recent assessments of progress are the Multi-Donor Review Mission of February 2000. In brief, their principal conclusions are as follows:

- ? There is a lack of understanding of SAP-II at all levels, probably caused by the rapid turnover of key staff. The capacity to meet set priorities has been hindered and the Donor Mission is profoundly concerned that this "will make the problem worse".
- ? There is an urgent need to re-establish the agreed overall programme management and monitoring mechanisms at the national level through oversight from the federal government, and through the forum of the SAP National Steering Committee.
- ? The proposed process of decentralisation needs to be carefully implemented, in a phased manner, and in fact should be piloted in order to avoid any disruption in the social service delivery.

Therefore, what is the strategy for achieving a big push in the social sectors? An obvious response is for SAP-II to contain provisions both for development expenditures on facilities and also for allocation to cover the costs of hiring additional teachers, doctors and other operating costs. This will remove the imbalance between development and recurring expenditure allocations. This should be followed by a simultaneous adoption of an aggressive resource mobilisation strategy by the government with acceleration in their level of spending and expenditure. In addition, institutional arrangements may have to be modified to expand the coverage of social services in a more effective manner. The onus of provision must shift toward local governments, NGOs and CBOs who are in a better position to recognise local needs and demands, and mobilise direct funding on a continuing basis.

What holds great importance is the emphasis which will have to be laid on improving simultaneously the level of fiscal effort of provincial governments to generate the additional revenues required to sustain the higher levels of recurring expenditure on social services and on the large scale induction of local governments, NGOs and CBOs in the provision of such services.

The problems which have emerged necessitate a critical appraisal and corrective actions for its redirection in order to derive maximum benefits from the programme, for the people.

2 THE MACROECONOMIC FRAMEWORK FOR SAP-II

It appears that SAP-II expenditures have declined from a peak of over Rs 57.7 billion in 1996-97 to Rs 46 billion in 1998-99. This implies a drop in real terms of more than 16 per cent. Correspondingly, the share of SAP-II expenditures in GDP has decreased from the peak of more than 2.1 per cent in 1996-97 to 1.6 per cent in 1998-99, the latter representing a general crisis year.

This fall in SAP-II expenditure is a reflection not only of financing constraints but also of the reduced priority attached to SAP-II by provincial governments, as indicated by the decline in the share of SAP-II in provincial expenditure from a peak of 35.8 per cent in 1996-97 to 25.2 per cent in 1998-99.

Future SAP-II expenditures will depend on the financing position as reflected by the growth of tax revenues and thereof in inter-governmental fiscal transfers to the provinces. In addition, allocations to SAP-II will hinge on the priority attached to SAP-II in relation to welfare oriented expenditures for poverty alleviation and programmes for economic revival

Growth of NFC transfers to provinces is likely to show some buoyancy once again in 1999-2000. This is due to the underlying rapid growth in CBR tax revenues (which from part of the divisible pool) of between 18 per cent and 20 per cent.

With the consequential improvement in financial position of the provincial governments it should be possible for SAP-II expenditures to get back to the level attained in the last, more or less, normal year, 1997-98, of 1.8 per cent of GDP, provided the priority of SAP-II continues to be emphasised.

An independent evaluation of the Macroeconomic Framework over the next three years has been undertaken by the Social Policy and Development Centre (SPDC) which has suggested a way forward. This also addresses the issue of poverty alleviation. With no change in the priority given to SAP-II in preference to the development and growth of an economic infrastructure, SAP-II expenditures are expected to grow at a nominal rate in consonance with the available resources. The results are summarised in the following Table:

	1998-99	1999-2000	2000-01	2001-02
Gross Federal Government Revenues including NFC Transfers (Rs Bln)	435.8	476.4	523.6	575.1
Provincial Own Revenues (Rs Bln)	41.8	45.6	50.0	55.0
Gross Revenue Receipts (Rs Bln)	477.6	522.0	573.6	630.1
<i>Less: Debt Servicing [Foreign + Local] (Rs Bln)</i>	195	211.2	228.7	247.6
<i>Defence Expenditure (Rs Bln)</i>	145.0	152.3	159.9	167.9
<i>Public Administration (Rs Bln) *</i>	42	42.0	42.0	42.0
Total Obligatory Expenditures (Rs Bln)	382	405.5	430.6	457.5
Domestic Resource Availability (Rs Bln)	95.6	116.5	143.0	172.6
Foreign Economic Assistance (Rs Bln)	97.5	101.9	106.2	111
Total Resource Availability (Rs Bln)	193.1	218.4	249.2	283.6
Allocation for Non-SAP Expenditures **	145.9	165.0	188.3	214.3
Available for SAP Development + Recurring (Rs Bln)	47.2	53.4	60.9	69.3
GDP at Current prices (Rs Bln)	3025.7	3181.9	3296.2	3444.6
SAP Resources as % of GDP	1.56%	1.68%	1.85%	2.01%

* to be frozen at current levels on the assumption that any downsizing will also result in wage increases

** the 1998-99 share in public expenditure to remain constant

3 PROBLEMS AND PROGNOSIS FOR SAP II

The overall impression is that the progress being made in SAP-II in most provinces has been slower than expected and remains fragile. In a number of provinces especially where leadership of the line departments and P&D has been stable, programmes appear to be better designed and more systematically implemented. Progress is being made in funding and using the non-salary budgets; steps are being taken to build capacity. Further, progress is being made in community participation through sectoral committees and lessons in managing the PDP process may be leading to better results. However, the process is slow and particularly vulnerable to turnover of key staff. Funding levels need to be adjusted and releases made on time.

3.1 Sector Wise Issues

Health

The ban on recruitment of female paramedics was lifted in March 1999, but they are not receiving the payments they are entitled to. Further there is an existence of recruitment bans for several categories of staff whose recruitment had been committed in the FY00 Operational Plan.

Cluster surveys indicate EPI coverage as low as 20% in several rural districts.

Progress has been disappointing in the key areas of health education and nutrition and in the AIDS control programme, the provincial government has so far failed to appoint a focal person for the programme.

The Third Party Validation has introduced a system of spot checks on absenteeism. 46 visits were conducted in the second quarter of the fiscal year 1999. Notices were given out to 90 staff members found absent and pay was deducted from 19 employees as a result of this action.

The focus on communicable disease control is to be strengthened, with specific activities being added to reproductive health programmes.

Education

Against a target of 40,000 Primary School Teachers (PSTs) on the July-Dec 1999 period 60 learning coordinators & 14,975 PSTs have received training (60% female).

Enrollments in government schools have fallen since 1995/96 and enrollments in grades 1-5 are only 42% of school aged children (53% boys, 31% girls). This implies that substantial proportions of Sindh's children are not enrolled in schools and there is a general increase in enrollments largely for private schools.

A most pressing constraint to developing a better elementary education system is the inadequate capacity of the government of Sindh to deliver a high quality education service. Enhancing capacity at all levels of the system and shifting authority and accountability closer to the point of service delivery should be beginning parts of a strategy to strengthen the Department of Education.

Teachers are critical to classroom learning. There is a need to come to quick closure on teacher redeployment and reassignment, in order to ensure that all sectors are made functional and are appropriately staffed.

Rural Water Supply and Sanitation (RWSS)

There has been an improvement in health through reduction in water borne diseases and water wash diseases (based on the results of a health impact survey carried out by the PHED & RDD within a 100 villages in Sindh)

The latest initiative has been on operationalising the subsidy-free sanitation policy, as practiced in parts of South Asia, especially in Bangladesh

The case of LGRDD is critical, as it is not receiving development funds, especially for sanitation, commensurate with its requirements and capacity in Balochistan. This is contrary to the SAP-II's RWSS strategy of enhancing the spread of low-cost water supply and sanitation on the lines provided by the LGRDD. It appears that the senior management of the LGRDD was not interested in implementing sanitation and recommended that sanitation responsibilities be transferred to the health department.

3.2 Cross Sectoral Issues

Institutional Strengthening

Staff Turnover

There is ample evidence to suggest that the rapid turnover of staff during SAP-II has severely impeded the progress of programmes. A preliminary analysis¹ shows that a mere three secretaries could complete a minimum of three years service in any of the five sectors within the four provinces. This rapid turnover of staff, especially those occupying key positions, needs to be closely monitored within the departments so as to bring about greater ownership and accountability. By ensuring staff stability and retaining trained staff, capacity will be enhanced leading to institutional strengthening.

Action in the provinces is needed to ensure sufficient stability so that staff has time to learn new roles and build understanding. Commitment, programme implementation and skill's development are undermined by excessively paid turnover. In some sub-programmes, the appointment of staff on contract and pay differentials for more difficult areas may lead to greater stability and accountability. Such initiatives could be monitored to assess their long-term impact. It is clearly the case that where there is staff continuity and capacity building, both programme planning and implementation are better.

Participatory Development Programme (PDP)

Community participation and NGO involvement in service delivery is an important part of SAP-II sector strategies. Some specific examples include the establishment of community schools, Parent Teacher Associations (PTAs) and the establishment of Community Organisations to identify and manage RWSS schemes.

¹ Multi-Donor Support Unit, January 2000

With regard to the status of PDP proposals, given that 13 complete proposals were submitted by the government to the donors, only 6 have been declared eligible, while 3 have been found not meeting the criteria for minimum grant level at all. It took almost two years for the first PDP round to reach any logical conclusion. Therefore, it is recommended that the number of steps involved in the process of selection need to be reviewed and minimised. Ownership to PDP is lacking within the line departments. This could be furthered by linking PDP to the sectoral priorities and also by enhancing the role of the line departments in the planning and proposal evaluation processes.

To date no NGOs have received financing through the PDP mechanism in SAP-II due to the bottlenecks encountered in implementing the PDP both at the federal and provincial levels. But now there is a general consensus between all provincial and federal area P & D and SAP-II line departments that PDP financed activities should be integrated with the SAP sector strategies and the related operational plan activities.

Governance

The Auditor General's Third Party Validation Report on Governance issues reviews compliance with agreements in each SAP-II sub-programme implemented by Federal and Provincial area authorities on procurement, absenteeism, merit-based recruitment and site selection.

The governments proposed process of Decentralisation needs to be implemented carefully in a phased manner and should be first piloted to avoid any disruption in social sector service delivery. It is important that the approach creates effective links between the community, those delivering services, District level staff and provincial headquarters, so that facility level problems, such as staff absenteeism and ensuring timely availability of the non-salary inputs for the health and education facilities are resolved.

Gender

Increasing women and girl's access to and participation in social sector services is an integral part of SAP-II sector strategies. A primary objective of the entire SAP was to provide women and girls greater access to basic education, health and family planning services. The effort to expand access to clean water and sanitation will also matter especially for women, who bear the responsibility for finding the family's water and for ensuring sanitation in most of the world.

There has been some progress. Bans on the recruitment of female staff have been lifted, specifically with regard to paramedics in the health sector. This ban interferes with programme delivery and sustaining the quality enhancing activities of projects near completion.

Girls' enrollment in government schools registered a growth in early SAP years but has slowed somewhat in recent years (boys enrollment is registering a decline). Gender disparities are being reduced among the health service delivery staff, and women are beginning to participate in Water Users Committees. But continued attention is required to maintain the focus on and to build on the gains so far. Qualified female staff should be recruited at all levels in the existing line departments. Further, female field staff should be provided adequate support for mobility and security.

Financial Management

SAP-II Releases and Expenditures

The government's commitment is not fully reflected in progress on the current year's operational plans; the strategic focus of some sub-programmes (e.g. the Disease Prevention Programmes in Health & the Sanitation Programme in RWSS) appears to have been lost or interrupted. Implementation of key elements of other sub-programmes (e.g. transfer of funds to schools for instructional materials and minor repairs) has not yet taken place. Virtually, no progress has been made in building the capacities in programme design, management & governance that are essential to sustain the programme in the future. Systematic programme planning and monitoring processes, on the lines of the Operational Plans (OPs) and Quarterly Monitoring Reports (QMRs), are not used consistently. Thus, the pace of programme implementation and its impact will be less than needed to bring major improvements in the delivery of social services.

Lack of progress in implementing the agreed improvements in financial management systems could undermine public sector credibility within Pakistan as well as jeopardise, continued donor support.

The reason for the low expenditure on the development budget is that the releases have been late & the community mobilisation activity has been slow due to inadequate funds released for staff travel. Late releases are not the only factor constraining use of the non-salary budget. Especially in education, expenditure has been slowed down by difficulties in finding effective mechanisms to transfer funds for instructional materials and small repairs to the schools.

The salary component of the administrative budget is high as compared to the recruitment. One of the reasons for the low utilisation was that a number of senior positions had fallen vacant due to the retirement of the incumbents and no new staff was being hired due to the ban on recruitment.

The Federal and most Provincial Finance Departments have made major efforts to compensate for the late and low releases of funds for most sub-programmes during the first half of the fiscal year 2000. This is evidenced by the Expanded Programme on Immunisation (EPI) and the Lady Health Workers Programmes, which have been hampered by very late releases (both received a cumulative total of 75% of their annual budget).² The reason for the low expenditure on the development budget is that the releases, as indicated, have been late and the community mobilisation activity has been slow due to inadequate funds released for staff travel.

The overall position of releases was satisfactory but expenditures remained low, particularly relating to non-salary expenditures for education and health, and Annual Development Programme (ADP) for all sectors. The analysis for each province is as follows:

Sindh

² SAP-II Multi Donor Review Mission, Draft Aide Memoire, February 2000

The release of both non-salary and ADP funds for the education and health sectors are low. The non-salary utilisation for education is 1.1% (as at November 1999) and ADP at 2.5 %. In health, the proportions are 8% and 7.3% respectively. This low utilisation of SAP-II funds could be attributed to procedural bottlenecks and the weak implementation capacity of the Line Departments coupled with the late release of funds. Against the budget allocation of Rs 1.462 billion for locally financed SAP-II Development Expenditures, the finance department had released only one-third of this amount by the end of January. This was attributed to the extremely low utilisation of funds with half-yearly spending on ADP amounting to only 5% of the targeted budget, while non-salary spending coming to about 10%.

Punjab

Despite the generally adequate and timely release of funds for most programmes, funds released for the non-salary budget of the Rural Water Supply and Sanitation programme amounted to only 10% of the agreed allocation. Further, half-yearly expenditures on SAP-II overall amounted to only 38% of the budget allocation. More concerning is the fact that the utilisation of non-salary funds was only 8% of the budget allocations, which was due to the procedural bottlenecks and implementation problems facing specifically the education and health departments. For instance, the utilisation on the non-salary budget for education amounted to less than 4% of the budget, mainly because funds have not yet been transferred to the School Management Committees (SMCs).

Balochistan

Satisfactory releases together with a weak implementation capacity of line departments resulted in end December current expenditure on SAP-II amounting to only 40% of the annual budget (as compared to 43% the previous year), with non-salary expenditures (19%) being significantly smaller than the salary expenditure of 46%.

NWFP

The low level of non-salary expenditure in education (3.2% of the annual allocation) is a grave concern as it indicates that few materials are reaching the schools; there is also a low usage of technical assistance for field based monitoring and training. Furthermore, non-salary utilisation of funds in the health sector is at a mere 9%, with ADP utilisation at only 1%. This most probably reflects a combination of late releases and weak implementation capacity, together with an unsustainable monitoring and evaluation system by the P&D and Line Departments.

Imprest Accounts

The SAP-II Imprest Account instrument was put in place in order to provide flexible and need based financing of the line departments' activities. While the IDA Imprest accounts have been opened in all provinces, and at the federal level, no expenditure has occurred through these as yet. Further, it can be concluded that the Rupee Imprest Accounts at the Federal Level and in each province are not yet on a firm footing and that there remains considerable uncertainty about the procedures to access them and pay for eligible activities.

4 POLICY IMPLICATIONS AND RECOMMENDATIONS

It is quite apparent that the social sectors are failing to meet SAP-II agreements and objectives. The principal problems are the following issues which need to be addressed urgently.

There has neither been any decentralisation within the line agencies themselves or devolution to local governments and communities, a complete lack of capacity building, an absence of a focus to improving quality and consolidation, and no change in power structures within the SAP line departments. They remain as centralised and dependent on central personalities.

Little decision making capacity in planning, building or running services has yet been given to communities. This is contrary to both the philosophy and the sector strategy. These sector strategies are contained in the agreement with donors. It was foreseen that this initiative would be supported through the PDP which unfortunately lacks the institutional framework. “Decentralisation, streamline management and a shift to community control” were part of the initial focus of SAP-II.

Monitoring and Evaluation is lagging behind. The Auditor General began surveys on process parameters such as procurement and recruitment but in a way which is strictly administrative and narrow in focus. Line departments are being encouraged to set up management information systems, but nearly all are unreliable. Paper projects, absenteeism and poor performance are common and go unreported. The PIHS is upgrading its sampling and survey methods, but falls short of representing and measuring service quality or impact.

No attempt has been made to measure value for money or cost effectiveness. SAP-II ought to shift its focus away from construction of more facilities toward improving the quality of what already exists. The focus increasingly needs to be on bringing existing services up to minimum standards. This effect would promote utilisation of services and so increase cost-effectiveness.

SAP is being critically constrained by lack of adherence to criteria for site selection, staff recruitment, and procurement.

There is a serious lack of understanding of SAP-II at all levels, probably caused by the rapid turnover of staff. It is generally agreed that progress is being severely jeopardised by the weakness in institutional capacity, the rapid, indiscriminate and disruptive transfer of key managers in all SAP departments.

Therefore, SAP-II is a massive effort and far more needs to be done to find out which in the different approaches being tried are working most cost-effectively and are sustainable. The following are the suggested recommendations to policy reform for SAP-II:

- (1) The potential role of Local Governments in SAP and the implied Fiscal Decentralisation
- (2) Consolidation versus Expansion
- (3) Capacity Building
- (4) Non-Salary Expenditure
- (5) Monitoring
- (6) Corruption and Accountability

4.1 The Potential Role of Local Governments in SAP and the Implied Fiscal Decentralisation

Decentralisation refers to the restructuring or reorganisation of authority so that there is a system of shared responsibility between governing institutions at the central, regional or local levels. In many cases, such change is the direct result of the demands of people to play a role in determining their destinies.

While decentralisation is not an end in itself, decentralising governance from the national level to districts, Tehsils and communities can be one of the best ways to empower people, helping to encourage broad participation in the public policy process and ensuring governments become more accountable and transparent. In this way, the local level is often the most effective in ensuring that government interventions meet a variety of social needs and stimulate economic efficiency. It is also one of the most effective means of creating and encouraging partnerships between civil society, the private sector and the government.

Local participatory processes help considerably to identify and address priority objectives for poverty elimination, fostering more efficient use of resources through local conception and planning of projects. Given a chance, local people are likely to choose ready access to basic education and healthcare, rather than costly infrastructure projects. Such programmes are more likely to meet local needs and to be more heavily scrutinised as they are under greater local control.

It is apparent that during SAP-I and upto now in SAP-II there has been little or no involvement of local governments in delivery of services through this programme. This is partly attributable to one, the fact that local governments have been essentially moribund since 1993 and in many cases have not been able to discharge even their basic functions, and two, to the process of over-centralisation to maximise rent-seeking by both the elected and appointed officials of higher tiers of government

Worldwide local services like primary education and water supply and sanitation are largely the responsibility of local and not state / provincial governments. In Pakistan, the allocation of responsibilities between levels of government is governed by legislation and is spelled out in the constitution and provincial Local Government Ordinances. Other than in the Federally Administered Areas, the provincial governments are the main providers of basic social services. Barriers to Devolution to the local governments are likely to be presented by financial resources (owing to existing patterns in the allocation of fiscal powers and inter-government fiscal relations); human resources (owing to problems in quality, remuneration and motivation); reluctance to devolve power (owing to a lack of political will and the urge to draw economic rents); weak institutional capacity and the use of antiquated systems and procedures.

These barriers have functioned to concentrate responsibility in the higher levels of government. With no explicit constitutional existence, the lowest tier of government can be superseded at the discretion

of the provincial governments. However, social sector services which need to be provided at the local level by effective and continuous local governments. This can be guaranteed by amending the Constitution (as India had done in 1993) to ensure that Local Councils cannot be set aside by the provincial governments, that they have a list of distinctive responsibilities, and that they have the resources to fulfill these responsibilities.

The final plan for devolution of functions to elected local governments which is likely to be announced shortly by the government provides a real opportunity to explore the possibilities of greater involvement of local governments in SAP. Power functions and duties devolved to the local institutions should be clearly spelt out in an Ordinance and no room should be left for the duplication and conduct of the functions and responsibilities with that of line agencies and the district / village levels. Local bodies, Village and District Councils, Municipalities differ in terms of their size, capability and resource endowments. The Devolution 'plan' lacks provision towards creating a mechanism to oversee the use of funds and the use of power by the office bearers.

Broadly speaking the role of local governments could be in two strategic areas:

- ? Co-ordinating the process of delivery of basic social services by line department, at the local (district) level
- ? Acting as an umbrella agency for inducing greater people's participation in prioritisation, management and delivery of services all over the country

The implied reforms to achieve these objectives include the following:

- ? Effective Devolution to district and village councils through a system of proportional representation ensuring that there is gender equity and protection for the minorities and disadvantaged segments of society
- ? Strengthening of district councils as prime agencies for planning and approval and monitoring of schemes in the social sectors
- ? Formation of district level units of provincial line departments with heads reporting to the chief executive of the district level local government
- ? Establishment of the lowest tier of local government at the village level to enable direct community participation at the facility level e.g. through the PTAs/SMCs established to oversee primary schools and the Water Users' Committees/Associations established to manage Rural Water Supply and Irrigation Water schemes
- ? Civil service reforms which promotes merit and ensures accountability in preference to nepotism and "*permanent life employment*"

The programme of devolution and empowerment of local councils is unlikely to be successful unless it is backed up by a program of fiscal decentralisation prepared by provincial governments which enhances the financial autonomy and resources available with local council. Such a program of fiscal decentralisation would include the following elements:

- ? Earmarking explicitly part of a federal source of revenue (like the General Sales Tax) for octroi / zila tax grants and developing a transparent, formula-driven system of transfers with a component of fiscal equalisation
- ? Enhancement in fiscal powers of local governments by handing over both the assessment and collection of property tax in toto, part of the motor vehicle tax (collected from intra-city vehicles) and possibly also the entertainment tax
- ? Development of a formula-based system of grants to finance the operations and maintenance of social services under local jurisdiction (like the impress grants made to local governments by the national government in Indonesia)
- ? Establishment of a matching development grants scheme for expansion of services, with the establishment of municipal development funds through a 5 per cent allocation from the national ADP

As a first step to reviving local government councils a Federal overriding law should be passed which withdraws the powers of provincial governments to dissolve elected councils. This would also require corollary action to downsize governments. The hierarchy at the present moment consists of several tiers between the beneficiary and the provider. Headquarters and Divisional offices must be refocused to performing only regulations, coordination, facilitation and policy functions at the provincial level.

Decentralisation is an 'incremental' process. Continued application towards its institutionalisation are necessary. The top-down structured social and political milieu in the country will resist change and it will take time to reform and internalise democratic value to the core. Thus, Decentralisation and the Local Governance System call for a dynamic bottom up structure, equitable sharing by all social and economic classes and mobilisation of people at the grassroots level.

4.2 Consolidation versus Expansion

The objectives of the reform strategy for SAP-II should be to improve performance and maximise the impacts within the resources available to government. This, therefore, suggests that the elements of the strategy should:

- ? Identify core social services which will remain the responsibility of government and which will be protected from any expenditure cutbacks
- ? Implement institutional reforms which will increase cost effectiveness and impact
- ? Use innovative approaches which ensure sustainability
- ? Increase the direct participation and involvement of NGOs, private sector and beneficiaries, and

- ? Ensure that independent monitoring and evaluation systems are installed and used effectively

Given that expenditure targets for SAP are unlikely to be met in view of the constrained fiscal position of the provincial governments, the basic question is what part of the SAP must be protected against any expenditure cutbacks. That is, *What are the critical minimum needs of the children, women and the poor of Pakistan that **must** be addressed by public services?* Therefore, a sort of **zero-based budgeting** for social and human welfare development in defining what should be immutable in national budgeting must first be undertaken. In defining what should be immutable in national budget, a human rights perspective is perhaps the best starting point - using various international conventions/agreements not only as guidelines, but to define the obligations of states. For example, in Article 28 of the Convention of the Rights of the Child, States are committed to making primary education compulsory and available free to all, and in Article 24, must ensure the provision of health care to all children, and combat disease and malnutrition.

No new construction will be undertaken unless it is absolutely essential and is demonstrated through end-user demand. Improved quality as envisaged by SAP-II, however, will not happen until fundamental changes are made in delivery and institutions. Unfortunately the government continues to prioritise salaries and construction. Quality enhancing improvements are the most important expenditures in terms of service, but these have always been the first to suffer from a resource crunch is felt.

To ensure value for money the emphasis in planning should shift from construction of new facilities to consolidation and improvement of existing facilities. Moreover, this should be centred on a data base developed within a GIS framework which will contain information on condition and content of individual facilities both at the grass root level and which can then be aggregated for more macro-planning and management purposes.

Criteria should be developed for the reutilisation of currently unused facilities. In the event that these facilities are no longer required the local government units in whose jurisdictions such facilities lie should be allowed to dispose off (sell or rent) these to the non-governmental sector for generating additional resources. However, such additional resources should be used to improve existing facilities and not meet other recurring expenditures.

4.3 Capacity Building

Given the financial constraints, it is increasingly important for resources to be used more effectively to achieve SAP-II outcomes. This calls for the development of efficient institutions and systems focussed on the delivery of quality services to all. At present, systems and processes are often cumbersome and inappropriate to enhanced service delivery. Monitoring and implementation skills are not well co-ordinated within and between departments. Technical skills in specific sectoral areas, and that necessary for community participation, need strengthening.

The strengthening of the new local government units should be undertaken through two parallel efforts. The first should concentrate on providing their staff and the councillors themselves the basic skill needed to manage and perform their basic mandatory civic functions through skill development. The second should be to augment their capacity without adding to their recurring expenditures through the employment of a large number of permanent staff.

The local councils should be provided basic skills in accounting and budgeting, internal audit and management control. Officials should be trained at the various Rural Development Academies/Municipal Training Institutes.

In the framework of devolution to local governments, there will be a need to build their capacity. The smaller local councils, such as the those at the village and town levels, will not be able to employ the full complement of skills required. Therefore, they should be able to draw on these skills from a pool of human resources available at the District/Metropolitan level.

The District/Metropolitan Chief Engineer should provide a central resource which facilitates the preparation of design proposals, appoints consultants for designing and supervising contractors, vetting engineers' documentation. The existing Executive Engineers could well be subsumed within the District Councils to perform these functions.

It is evident that much greater attention needs to be given by 'managers' to use data to measure and evaluate the qualitative and quantitative impact of the relevant programme. The skills to use data, and systems that ensure that accurate and timely information is received, are not always evident. This priority is often undermined by lack of management attention and budget cuts. The establishment and maintenance of Management Information Systems (MIS) in all sectors, along with other data sources (PIHS), in an integrated approach, to monitoring and evaluation, is essential for service delivery systems to achieve their intended impact.

Community Participation or Community Management is perhaps the most important component of participatory social development and progress. Not only in initiating or implementing programmes, but it is argued that in the case of determining the sustainability of programmes, the management structure of the scheme is the most important variable.

Participatory communication and community development are both relatively new concepts; there are no specific blue-prints and success can only be achieved over time and with continued commitment. To prepare communities to actually take over, operate, maintain and sustain schemes is a slow task. In Pakistan, the complications are confounded by the very existence of heterogenous communities and the poor social position of women. By involving the communities, through their own resources, would ensure greater community mobilisation.

One of the major aspects for ensuring "value for money" is through the involvement of the beneficiaries themselves. This requires that they be mobilised, made aware of their rights and responsibilities and be motivated to participate actively in the process from planning to subsequent management and

operations. To do so effectively requires specialised skills which may not necessarily be available to the smaller local councils. District Councils should employ a set of Social Mobilisers who could be used as a central resource for this purpose. It is not essential that these Social Mobilisers should be full-time employees of the Councils themselves. They could well be drawn from CSOs which can be contracted to perform this service.

Parallel to the creation of effective local governments the effort to instal Management Committees (MCs) to manage facilities should continue. Also the process for devolution of responsibility to manage the financial allocations through MCs and such organs should be accelerated. This has already been instituted in the provinces for the education sector with some modicum of success. This should also be replicated in other sectors.

Such approaches can complement and increase the ability of the government to achieve its objectives. A further mechanism for encouraging participatory development is the PDP. But implementation of PDP to date has been slow with severe bottlenecks identified at both the federal and provincial levels. To move forward, the procedures need to be modified so that local councils or umbrella NGOs could be the conduit for funding the activities of smaller NGOs, CBOs and other CSOs which have limited capacity but innovative ideas. The criteria for selecting projects should be revisited. The structure of the PDP Selection Committees should be changed to maximise civil society participation and minimise government participation to one or at the worst two representatives. The control of these Committees should be vested in civil society representatives and the secretariat services provided by the SAP Coordinators' offices.

4.4 Non-salary Expenditure

An arrangement with the donors, in view of their active support to the government for the SAP-II programme is required. This could be for an up-front tranche of the reimbursable component of the non-salary expenditure. This amount can be kept in an escrow account to be operated by the Ministry of Finance on the advice of the Federal SAP Coordinator. The amounts will be released to the provinces / executing agencies in their PLA accounts.

Similar PLAs need to be established by each of the line departments where an initial tranche equal to the first six-monthly requirements are deposited. Utilisation is accounted for quarterly and the PLA is replenished with the actual amount spent against the SOEs submitted. The escrow account is then topped up by the donors.

4.5 Monitoring

What is lacking is monitoring, research and development, which must form part of routine work. This should be done not just to ensure transparency, but as a discipline which teaches governments to evaluate if they are achieving what they set out to achieve. The process of Monitoring and Evaluation

(M&E) has to be treated as an integral, continuous and built in part of the planning process both at the agency as well as local, provincial and national levels in the country.

The 'Monitoring Function' is an important link in the whole process of planning, programming, implementation, processing (monitoring) and evaluation. This vital link lends support to the need for keeping a close and constant watch on the plan through a regular and effective monitoring system of progress to the appropriate local agencies for timely remedial action, as and when necessary. Further, it helps in the identification, analysis and breaking of the execution bottlenecks which leads to efficient execution of programmes.

The Planning and Development Division carries out monitoring functions through on-the-spot inspection and discussion with concerned officers. Most of the provincial governments prepare annual or quarterly review reports on the basis of material supplied by executing agencies but without regular visits to the project areas. There is no proper liaison between the federal and provincial monitoring authorities and, as such, no uniform pattern for progress monitoring activities is being followed in the country.

The concept of Third Party Validation emerged from the experience of SAP-I, which clearly brought to the fore the fact that fundamental issues of governance were hindering the implementation of the programme. As per the understanding between the Planning and Development Division, Auditor General of Pakistan and the donors represented by the World Bank, the Department of the Auditor General was responsible for verifying that:

- ? The existing sites for constructing new facilities or for up-grading the existing ones was done according to the criteria notified by the government.
- ? The recruitment in the SAP sectors was carried out according to the applicable rules.
- ? Monitoring of staff absenteeism through spot-checks was done by the line departments
- ? Procurement activities were carried out according to the established criteria and procedures.

The current monitoring systems are conspicuous by their absence. Agreements with the donors require that these consist of four types, be supervised through four tiers and encompass several hundred indicators. This is complex and cannot be implemented within the medium-term for a variety of reasons the main being capacity constraints in the form of human (numbers and skills) and financial resources.

A major revision needs to be undertaken. In the short-run this can be achieved by a social policy research organisation analysing the monitoring framework suggested by the donors to establish a minimum set of critical monitoring indicators and to develop appropriate information systems which can be tracked without substantial additional resources.

The importance of a Research and Development (R&D) section in all programmes must be reiterated. R&D work should not fall into routine. The objective of monitoring should be very clear; first, objectives need to be defined and then a 'destination' to be decided upon i.e. what exactly is meant to be achieved. These are called indicators, and that is what needs to be monitored.

There should be an attempt to get Third Party Assessment and evaluation of services provided by the public sector, through want of a better term, a Citizen Report Card, with rewards for those agencies whose performance rating improves. Universities, Research Organisations and Private Sector Professional firms should be used to assist in field monitoring and revalidation of sample surveys such as HIES, PIHS, etc.

The existing informal mechanisms of monitoring observed through newspaper reports, seminars, workshops and conferences held by advocacy organisations and CSOs should be formalised and integrated into a well designed monitoring system.

Donor monitoring should be a continuous process through dedicated staff of the highest calibre with a permanent local presence rather than through a brigade of short-term consultants with no commitment to the project.

No meaningful monitoring is possible without the availability of timely and requisite The most essential requirement is, therefore, the compilation, up-to-date maintenance and timely production of requisite data on progress of programmes in the social sectors by executing agencies. The database should be strengthened preferably in the context of the overall management information systems of various agencies.

In order to train manpower effectively with all the stages of the project cycle and development programmes, a Development Management course should be started at all the existing public sector training institutes, NIPA, PASC, PARD etc. This course could draw on material developed by other institutions such as the World Bank Institute and the Asian Development Bank Institute

The existence of an effective M&E machinery should not be viewed as a ‘negative check’ on the activities of the planners, but instead as a ‘positive, constructive and supportive’ factor which will ensure them to keep the process of planning on its rails. Plan and Performance are inter linked activities. A characteristic feature witnessed in Pakistan is that while plans are well-formulated, the implementation of the programmes suffers from serious deficiencies. The success of any plan flows from its execution, the pre-conditions of which are a well-conceived information system, well-delineated management responsibility centers and an efficient corrective-control mechanism. All three factors should be adequately integrated. Therefore, in this scheme, monitoring implementation of programmes, pinpointing the areas of action are very relevant to the successful implementation of the planned programmes.

But, M&E is not an end in itself. The end is performance improvement and on a continuous basis. Performance improvement flows from innovations in both anticipating problems and overcoming them.

4.6 Corruption and Accountability

Transparency in operation needs to be ensured. This can be done by passing a Right to Information Bill which ensures the inclusion of civil society in planning and development management and independent

monitoring. It also ensures that government agencies should be required to disclose information on request and such a right should be enforceable in court. The practical aspects of rules, procedures and processes requires change.

National anti-corruption commissions need to be established and an independent watchdog composed principally of civil society representatives needs to be appointed.

Procurement Policy Guidelines will need to come into existence. These will ensure transparency in the bidding and bid evaluation procedures, and further, management of the procurement function so that they ensure value for money. The World Bank's Guidelines could be used as a sample for the development of the Guidelines. Bid evaluations should be available to bidders and they should have the legal entitlement to obtain a copy of the report

All unnecessary or archaic discretionary laws need to be ended. Further, replacement of individual discretion by action through committees of civil society representatives must be undertaken. All reasons for the use of discretion should be documented and available to all concerned parties to the transaction.

Institutional reform must be a component of structural reforms within the civil services. The objective of these reforms should be to make the service more professional and accountable. While these reforms could be painful in the short-run the benefits from these reforms would be substantial in the long-run. These would include, but not be limited to, a smaller size of the civil bureaucracy, a lower per unit cost of service and infrastructure, and greater efficiency in government. As an initial step the SAP sectors could be used to introduce *budget summaries in a form accessible to ordinary people*, *administrative simplification* (for example, it is said there are 22 steps involved in the clearance of contractors bills), *less frequent rotation of staff*, increasing the scope for *lateral entry* and appointment of *some key staff on contract*.

The existing legislation requires amendment by culling out the accounting and paymaster functions and transferring these to the Executive where each agency works to spending limits, undertakes to perform according to set criteria governing outputs and outcomes. This would also ensure that Finance has timely information to control and manage finances which is its primary function.

The recommendations contained in the reports furnished by the Office of the Auditor General on the governance issues have to date not generally been implemented due to the absence of an institutional mechanism. Therefore, the Auditor General should submit his audit reports directly to Parliament and not through the Prime Minister's and President's office. Precedent exists in the submission of the Quarterly Economic report by the State Bank of Pakistan. These reports must be made public simultaneously.

As an immediate step ad hoc Public Accounts Committees (comprising of eminent persons of integrity, repute and professional stature drawn from civil society, professional bodies/firms and public representatives with a larger participation from the former two) should be established at the federal,

provincial and local levels to examine the outstanding Audit Reports and take necessary punitive actions against those held responsible for malfeasance.

Audit should be extended to include audit of para-statal and autonomous organisations and those in which government has financial interest. Value for Money Audits must also be included as part of the functions of audit.

Donor monitoring should be a continuous process through involving a number of dedicated staff of the highest calibre and at the highest level who should be posted locally rather than through a brigade of consultants (without any commitment to the project) appointed for short-run Review Missions as is the norm today. The critical need for developing institutional capacity is to post high-calibre and professional leaders, and to retain them for a sufficient period to build a high-quality professional team. This will in turn ensure that sustained improvements in the delivery of social services is generated.

5 CONCLUSIONS

A primary goal of SAP-II would be to help create an enabling policy environment in the social sectors and to assist the Government in developing, testing and implementing more sustainable paradigms for delivery of basic social services.

The main themes proposed for SAP-II could go a long way to the government's commitment to sustaining and institutionalising the efforts already initiated. There is a proposed shift in focus away from expansion of access through construction of new facilities toward improving the quality of what already exists. There could be possible new construction, particularly in the case of schools for girls, but it must be limited to areas where there is a demonstrated demand.

The proposed emphasis on Decentralisation, streamlining of management and greater community control will be difficult to achieve, yet will prove to be rewarding. There is the need for the development of a stronger MIS, more independent monitoring and continued collection of data through PIHS or other censuses / sample surveys, with a analysis to determine 'what works'.

There is a need to examine the Federal - Provincial relations on the fiscal side along with cost recovery options. Further, the government needs to build on its ownership and capacity to plan and manage programmes. The cost-effectiveness of alternative approaches to delivering the most essential social services (with the greatest 'public good' or 'externality' benefits) needs to be urgently addressed in order to ensure sustainability.

On key policy reform issues, SAP-II needs to achieve greater financial and technical top-level capacity. But it will have to decentralise sufficiently at all levels to translate these strengths into significant expansion of decent quality basic social services to the poor in general and females in particular, on a sustainable basis.

It has been identified that SAP-II's weaknesses in outcomes are broadly related to the release of budgeted funds, particularly the non-salary component, adherence to agreed policies and criteria for scheme identification and site selection, community mobilisation, staff recruitment and absenteeism, monitoring. This only reinforces the need that remains to identify best practices for institutional arrangements and implementation of reform measures.

Building on SAP-I, SAP-II would continue to support the Government's Social Action Programme, which aims to address the generic weaknesses of basic social services in Pakistan.

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ANNEX-I
PATTERN OF EXPENDITURES IN SAP-II (COMPARISON OF SAP AND NON SAP EXPENDITURES)
(Billion Rs)

ITEM	1996-97		1997-98		1998-99		
	Development	Recurrent	Development	Recurrent	Development	Recurrent	Total
FEDERAL							
a) SAP (Including Special Areas)	5.20	1.90	3.20	2.30	4.20	2.70	6.90
b) Non-SAP	55.30	337.60	55.60	369.90	59.10	394.60	453.70
TOTAL (a-b)	60.50	339.50	58.80	372.20	63.30	397.30	460.60
SAP as percent of Total Expenditure	8.60	0.56	5.44	0.62	6.64	0.68	1.50
PROVINCIAL							
a) SAP	14.50	36.00	10.20	29.60	8.40	31.90	40.30
b) Non-SAP	10.50	79.90	18.70	94.50	20.40	99.40	119.80
TOTAL (a-b)	25.00	115.90	28.90	124.10	28.80	131.30	160.10
SAP as percent of Total Expenditure	58.00	31.06	35.29	23.85	29.17	24.30	25.17
NATIONAL							
a) SAP	19.70	37.90	13.40	31.90	12.60	34.60	47.20
b) Non-SAP	65.80	417.50	74.30	464.40	79.50	494.00	573.50
TOTAL (a-b)	85.50	455.40	87.70	496.30	92.10	528.60	620.70
SAP as percent of Total Expenditure	23.04	8.32	15.28	6.43	13.68	6.55	7.60

PHYSICAL OUTPUT ACHIEVEMENTS AND TARGETS SAPP-I AND SAPP-II

ITEM	UNIT	SAPP-I			SAPP-II		
		1992-93	1995-96	1996-97	1997-98	1998-99	2001-02
Adult Literacy Rate	%	34.8	37.7	39.7	45.0	48.3	57.3
Male	%	47.3	50.0	52.1	56.8	60.8	71.4
Female	%	22.3	28.3	27.2	33.2	35.8	43.2
Gross Primary School Participation Rate	%	69.1	72.4	73.6	75.3	76.8	85.2
Male	%	84.4	87.1	88.1	90.0	91.6	97.3
Female	%	53.7	57.7	59.1	60.5	62.6	73.1
Population Growth	%	3.0	2.7	2.5	2.4	2.3	2.1
Total Fertility	%	6.2	5.3	5.1	5.0	4.8	4.2
Contraceptive Prevalence Rate	%	14.0	22.0	24.0	24.8	30.1	45.9
Life Expectancy (at birth)	%	61.4	62.5	62.8	63.5	63.6	65.6
Male	%	61.6	62.9	63.0	63.6	63.7	64.6
Female	%	61.2	62.1	62.5	63.3	63.5	66.5
Infant Mortality Rate (per 10,000 births)	%	101.0	93.0	93.0	90.0	88.0	81.0
Maternal Mortality Rate (per 100,000 live births)	%	500.0	400.0	380.0	350.0	340.0	310.0
Rural Water Supply coverage	%	27.0	37.3	43.6	48.1	61.1	71.5*
Rural Sanitation Coverage	%	11.0	17.0	19.9	23.0	26.8	36.7

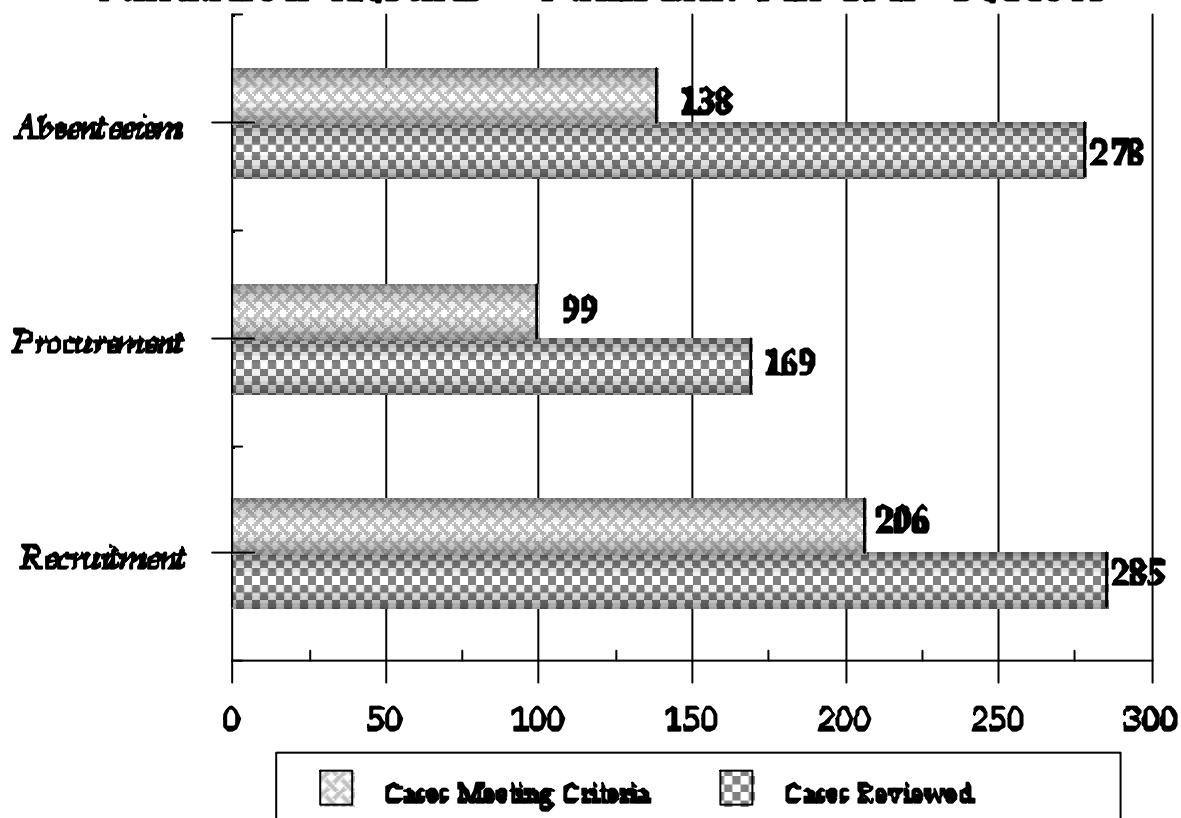
*The increase will mainly come from a transfer of large number of non-functional schemes in the public sector to the communities under SAPP-II.

ANNEX-III

SAP-II EXPENDITURE AS PERCENTAGE OF GDP

DESCRIPTION	EXPENDITURE 97-98	EXPENDITURE 98-99	ALLOCATION 1999-2000
1. GOP Net Contribution in the Expenditures	1.52	1.32	1.56
(i) Provincial Share	1.36	1.13	1.31
(a) Punjab	0.64	0.59	0.67
(b) Sind	0.36	0.25	0.33
(c) NWFP	0.23	0.18	0.22
(d) Balochistan	0.13	0.11	0.09
(ii) Federal Government including Areas Share	0.16	0.19	0.25
2. Donors Contribution	0.26	0.25	0.43
(i) Re-imburement	0.15	0.15	0.20
(ii) FPA	0.11	0.10	0.23
TOTAL 1+2	1.78	1.57	1.99

Validation Results - Pakistan: All SAP Sectors



Source: Auditor General of Pakistan. March 1998. Third Party Validation. National Report. Governance Issues.

SUMMARY

While most of the concerns about the slow pace of improvement in social services have been raised, they take on increasing intensity now with a new government and a natural questioning of past policies. These concern the introduction of a parallel monitoring system, a renewed emphasis on austerity, and an almost complete turnover of the leadership of the Line Departments, P&D and Finance involved in implementing SAP-II at the provincial and federal levels.

The major priority for capacity building at present is for line departments to build a stable capacity to design and prioritise the department's activities to meet its strategic objectives. This calls for a team that has some stability over time and that can develop and prioritise the departments' activities and policies to meet the departments' strategic objectives. The line departments as an instrument to review programme progress and to resolve emerging issues should use the Quarterly Monitoring Reports (QMRs). Further, formulation of the yearly Operational Plans (OPs) should provide all levels within the line departments with the opportunity to develop a consensus on the sector strategies and the operational priorities that should be financed and implemented during the year.

The line department's capacity building priorities need to include the development at the provincial secretariat of an in-house professional team, which can prioritise sector needs, design programmes and implement and monitor these programmes. At the district and sub-district level, it must be ensured that managerial and supervisory staff has the required mobility and travel allowances to monitor and supervise. Further, in order to ensure staff stability and retain trained staff, concrete steps must be taken to reduce rapid staff turnover. The line departments have undertaken certain initiatives to date to increase community and NGO participation in the delivery of services. For instance, the Health Directorate in NWFP is collaborating with village committees that are helping to run Basic Health Units (BHUs).

Decentralisation is an important key to improving the quality of social services. Strict control of power at the central levels has been SAP-II's constraint leading to inefficiency, low transparency, corruption and complete lack of accountability. Most of SAP-II's objectives can be achieved if responsibility and authority are devolved to lower tiers within the government. This eventually entails shifting control to local governments. Before implementing this approach, it will be important to develop district and sub-district level capacities to manage the functions. It would be important to create effective links between the community, those delivering the services, district level staff, and provincial headquarters so that facility level problems, such as staff absenteeism are resolved.

Corrective measure must continue to be taken in order to improve programme governance. These must include actions to reduce staff absenteeism, locate facilities and recruit staff using merit-based criteria. In this regard it is important to develop in-house capacities and to begin

an organisational culture of monitoring and good governance. The Third Party Validation (TPV) Report is one such mechanism put into place to support this objective. For instance, on absenteeism a system of spot checks has been introduced. To have a lasting systemic impact, it needs to be followed up by the line departments by including specific governance action plans in their OPs and monitoring these action plans as a part of the QMR process. The focus is all the more important given the tight resource constraints that increasingly bind the country. Absenteeism, recruitment of unqualified staff, inappropriate and frequent transfers, mis-procurement, poor site selection, poor financial management, all lead to a wastage of resources and reduce programme quality.

Community Participation and NGO involvement is an important part of SAP-II sector strategies. The government needs to continue its efforts to form and train school committees. The logic behind community participation is the growing consensus throughout the social sectors that the participation of households and communities in the design and implementation of development efforts will enhance the impact and sustainability of these efforts. This is coupled with the realisation that the government cannot be the sole financier, manager and delivery agent of the social services. Therefore, community participation would ensure that services were need based, of good quality and delivered regularly.

Participatory Development Programme (PDP) is another mechanism to develop partnerships between the NGOs and the public sector in the delivery of social services. It can be said that the PDP projects have led to greater empowerment of the communities. In most instances the people were able to see the linkages between various development needs. Communities became aware of the fact that a pro-active role is required of them if they want their needs to be met.

A viable strategy to achieve higher rates of social sector development is for provincial and district governments to simultaneously adopt aggressive resource mobilisation strategies along with sustaining their levels of expenditure in SAP-II. This can be accomplished through a three pronged strategy: (1) higher self-financing through enhanced cost recovery, (2) higher cost recovery from economic sectors which currently pre-empt scarce provincial tax revenues and (3) higher resource mobilisation from taxes which fall under provincial and district fiscal jurisdictions. This will ensure greater financial sustainability of SAP in the coming years and continued commitment to SAP-II development.

With decentralisation of SAP-II to the district levels, central financing would be through the provincial P & Ds, who would be responsible for setting overall policy and targets for the districts based on sector status, needs and national and provincial commitments. All provinces are lacking in the financial management capacity. Suitable candidates should be hired for financial management and procurement monitoring in order to reconcile expenditure accounts in a more timely and consistent way. This can help ensure departments in tracking their expenditures better as well as speed up reimbursement.

The private sector is increasingly being able to respond to public demand in precisely those areas where the government is not. Therefore, it should be encouraged to participate in providing social services. In education, NGOs and the private sector should be encouraged through provision of loans and focused subsidy to provide primary education. In the health sector through the concept of public-private partnerships, the private sector can participate through contracting out of services such as ambulance services to private contractors. The government could lease its underused physical facilities, provide grant funding and support the private sector in enhancing its methods, technology and standards.

A sustained effort is needed to raise the quality and effectiveness of Pakistan's basic social services. As the government formulates its Poverty Alleviation Strategy, it is an opportune time to take stock and assess how improvements in these social services can be accelerated.

Revamping the SAP

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