



PK Fiscally Sustainable and Inclusive Growth DPCII (P151620)

SOUTH ASIA | Pakistan | Macro Economics & Fiscal Management Global Practice |
IBRD/IDA | Development Policy Lending | FY 2015 | Seq No: 1 | ARCHIVED on 18-Apr-2016 | ISR23103 |

Implementing Agencies:

Key Dates

Key Project Dates

Bank Approval Date:18-Jun-2015

Effectiveness Date:19-Jun-2015

Planned Mid Term Review Date:--

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2016

Revised Closing Date:30-Jun-2016

Program Development Objectives

Program Development Objective (from Program Document)

The DPC series is structured around two development objectives: (i) fostering private and financial sector development and (ii) mobilizing revenue and expanding priority social spending

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Moderately Satisfactory
Overall Risk Rating	--	● Substantial

Implementation Status and Key Decisions

Overall implementation of the project remains moderately satisfactory. The project is likely to achieve the development objectives, but there have been some implementation challenges in the policy reforms being supported through the FSIG DPC series. The Government of Pakistan and the WB remain committed to achieving the results foreseen at the beginning of the series and have stepped up monitoring of results and their engagement to ensure the implementation of the reforms in the program. The Government of Pakistan's privatization program, a critical pillar in the government's economic reform agenda, is facing significant headwinds. The World Bank will continue to provide support to the Government of Pakistan in support of the Government's reform agenda. To deepen and strengthen the Bank's engagement in a number of reform areas, as well as to support several new areas, the World Bank is preparing a new budget support operation, the Competitiveness and Growth Development Policy Credit, which will support government efforts to enhance private sector competitiveness through an improved business environment and improve fiscal management to maintain macroeconomic stability and create the necessary fiscal space.



Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● High	--	● High
Macroeconomic	● High	--	● Substantial
Sector Strategies and Policies	● Low	--	● Low



Technical Design of Project or Program	● Low	--	● Low
Institutional Capacity for Implementation and Sustainability	● High	--	● Substantial
Fiduciary	● Substantial	--	● Substantial
Environment and Social	● Moderate	--	● Moderate
Stakeholders	● High	--	● Substantial
Other	--	--	--
Overall	● High	--	● Substantial

Results

Results Indicators

► By June 2016, at least five entities privatized through strategic or equity sale (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	5.00	5.00
Date	01-Apr-2014	--	25-Mar-2016	30-Jun-2016

► Establishment of an improved system/ framework providing availability/ coverage/ quality of credit information for consumers and SMEs (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	Y	Y
Date	01-Apr-2014	--	28-Mar-2016	30-Jun-2016

Comments

The framework has been established through the enactment of the Credit Bureau Act, a prior action supported by this DPC series. The Credit Bureau Act can be improved, though, to ensure its effectiveness, and the Bank is working with Pakistani authorities to that effect. It is expected that a revised Credit Bureau Act will be enacted in 2016 to address some of the current weaknesses in the legislation.



- The simple average statutory customs tariff rate is at or lower than 12 percent and no special (concessionary) Statutory Regulatory Orders (SROs) granting tax exemptions are issued (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	14.40	--	13.40	12.00
Date	28-Jun-2013	--	29-Mar-2016	30-Jun-2016

Comments

No new SRO have been issued by FBR with the exception of the oil & gas and mining sectors. These are part of the "special" sectors that were agreed to be left out of the SRO reform (automobiles is the other).

- Unconditional cash transfer (UCT) beneficiaries (millions) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	4.40	--	5.30	5.40
Date	28-Jun-2013	--	28-Mar-2016	30-Jun-2016

- Overall tax collection is at least 11.5 percent of GDP (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	9.60	--	11.00	11.50
Date	28-Jun-2013	--	30-Jun-2015	30-Jun-2016

Overall Comments

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P151620	IDA-56820	Effective	XDR	355.60	355.60	0.00	355.60	0.00	100%

Key Dates (by loan)



Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P151620	IDA-56820	Effective	18-Jun-2015	18-Jun-2015	19-Jun-2015	30-Jun-2016	30-Jun-2016

Tranches

Restructuring History

There has been no restructuring to date.

Related Operations

There are no related projects.
