

PAKISTAN

Extreme poverty (defined in notes) in Pakistan decreased between 2001 and latest estimates in 2010 but approximately one in eight people still live in poverty. People in the top 20% of the income distribution hold 39% of income, while the poorest 20% hold 10% of the income.

- The largest international inflow is remittances, almost four times bigger than ODA
- Government spending is among the lowest in the world at less than \$1,000 (PPP 2014) per person
- IDA and the US provide the most aid; and infrastructure accounts for almost 40% of ODA

Overview

HOW MANY OF THE
POOREST 20% OF PEOPLE
GLOBALLY LIVE IN
PAKISTAN?

43.1
million

WHAT RESOURCES ARE
AVAILABLE?

Domestic public

US\$31.6bn

International

US\$29.2bn

HOW MUCH DOES THE
GOVERNMENT SPEND
PER PERSON?

PPP\$939

See Notes

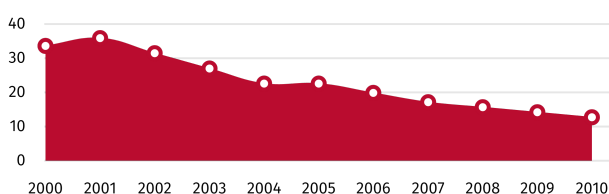
HOW DEEP IS POVERTY?

2%

Depth of poverty

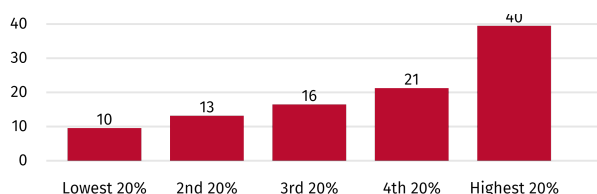
Extreme poverty rates fell from over 35% in 2001 to 13% at latest estimates in 2010

2000-2014, % of population living on under \$1.25 per day



The richest 20% of Pakistan's population has almost four times the income of the poorest 20%

2014, share of income of bottom 20% of population

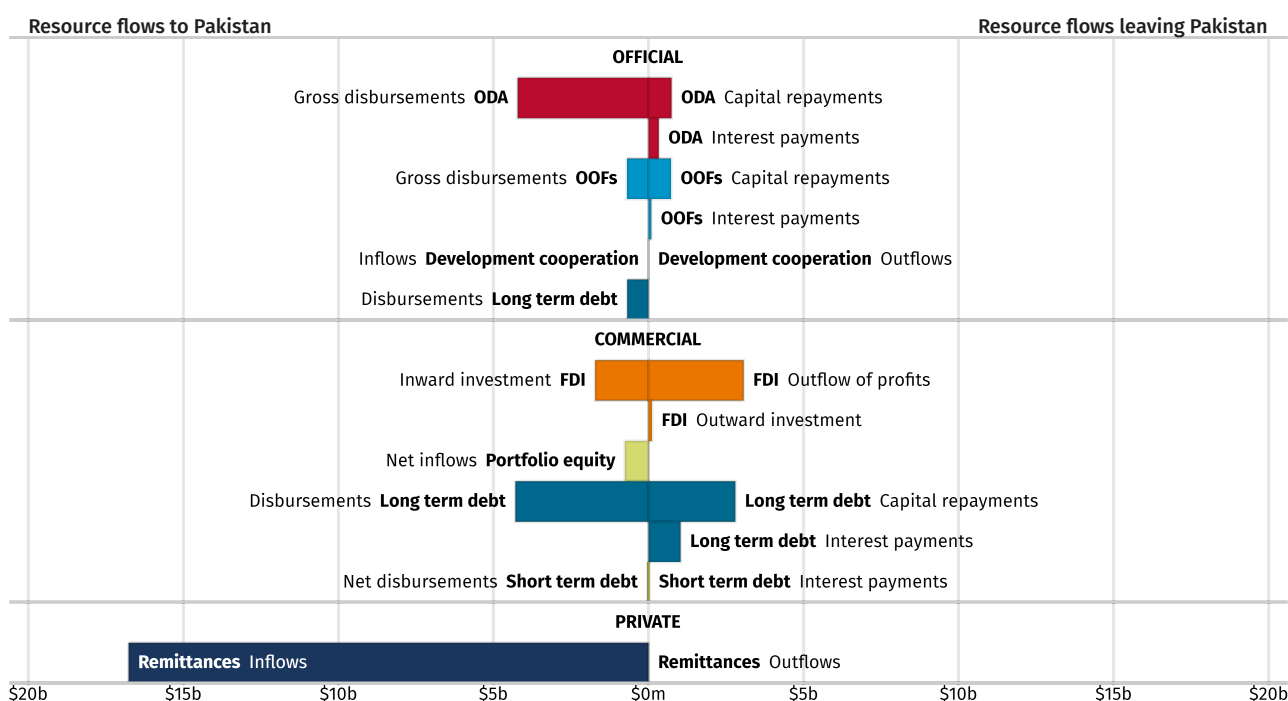


Average GDP per capita: **US\$1,309** (2014)

Resource flows to and from Pakistan

Remittances to Pakistan are almost four times as much as ODA; profits on FDI are the largest outflow

2014, international resource inflows and outflows (US\$ billions, constant 2012 prices)



Notes: Extreme poverty as measured using the \$1.25 (PPP 2005) extreme poverty line. Purchasing power parity (PPP) prices are the rate at which a country's currency would have to be converted into that of another country to buy the same amount of goods and services in each country. PPPs are constructed by comparing the cost of a common basket of goods in different countries. Depth of poverty is a measure of the average gap in incomes for people living below the poverty line spread across the population of the whole country, expressed as a percentage of the \$1.25 a day poverty line. 'Domestic public resources available' refers to the total non-grant revenue either collected or projected to be collected by the government in the financial year 2014. Across countries in South and Central Asia the richest 20% of the population have 5 times the income of the poorest 20% on average. Acronyms: FDI: foreign direct investment; ODA: official development assistance.

Government finance

Federal government revenues dominate the total revenue bundle, and external grants only account for 1% overall. Domestic financing provides almost a quarter of the total budgetary resource. Interest payments, provincial government and total development spending make up over two thirds of total expenditure.

Provincial government revenue makes up only 5% of the total collected

2013, latest year of actual revenue (US\$ billions, constant 2012 prices)

Total Revenue and grants 100% of total US\$30.4bn	revenue 99% of total US\$30bn	Non-Tax Revenue 23% of total US\$7bn	Federal Nontax 21% of total US\$6.4bn
		Tax Revenue 76% of total US\$23.1bn	Provincial Revenue Tax Revenue 5% of total US\$1.6bn
			Federal Government Tax Revenue 71% of total US\$21.5bn

Finance through domestic banks forms the major financing mechanism to the government

2013, latest year of actual financing (US\$ billions, constant 2012 prices)

Financing 100% of total US\$11bn	Net External Finance 12% of total US\$1.3bn	other External 11% of total US\$1.3bn
	Net Domestic Finance 88% of total US\$9.7bn	Nonbank Financing 25% of total US\$2.8bn
		Bank Financing 63% of total US\$6.9bn

Interest payments, almost all of which are domestic, make up over 40% of federal government recurrent spending

2013, latest year of actual expenditure (US\$ billions, constant 2012 prices)

Total Expenditure 100% of total US\$41.4bn	Development Expenditure 19% of total US\$7.7bn	Public Sector Development Program 19% of total US\$7.7bn	Federal 9% of total US\$3.7bn
			Provincial 10% of total US\$4bn
	Recurrent Expenditure 84% of total US\$34.8bn	Federal Government Expenditure 58% of total US\$24.2bn	Interest 24% of total US\$9.9bn
			Supplementary Federal Expenditure 34% of total US\$14.2bn
		Provincial Expenditure 26% of total US\$10.6bn	

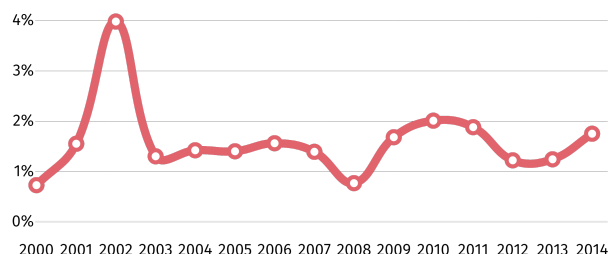
Notes: Year of data refers to the 2015 fiscal year running from July 2014 to June 2015. The pink boxes represent negative values, typically showing repayments of loans under financing. Some labels have been omitted from these visualisations; for these and those that are too small to read, please refer to the online country profile page on the Development Data Hub for more details.

ODA

ODA disbursements to Pakistan totalled US\$4.2 billion in 2014, up 46% from 2013. This was mainly driven by increased ODA to infrastructure, governance and security, and the banking and business sector. Over the past 10 years, ODA as a percentage of national income has fluctuated between 1% and 2% of GDP, while ODA per poor person has been increasing overall since 2000. In 2014, Pakistan received 53% of aid in loans and equity, mostly from IDA and the ADB. The US provides the second largest volume of aid but the delivery mode is not reported for most of this. Infrastructure and education receive the most by sector and in both cases mostly as loans and equity. IDA provides over 50% of aid in two sectors.

ODA rose to 1.7% of GDP in 2014 from slightly lower levels in 2012 and 2013

Gross ODA % of GDP

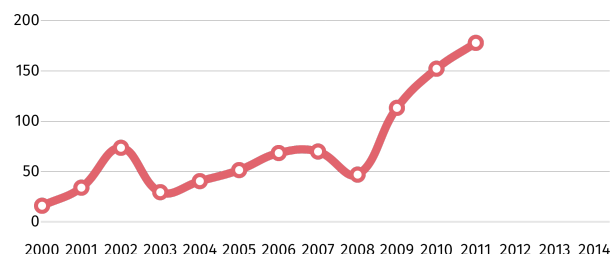


Total ODA as a % of GDP

Total ODA (excl-non-transfer) % of GDP

ODA per poor person in Pakistan has been increasing sharply since 2008

ODA per person living under \$1.25 a day



Total ODA as a % of GDP

Total ODA (excl-non-transfer) % of GDP

Over half of all aid to Pakistan comes as cash loans and equity

2014, gross disbursements

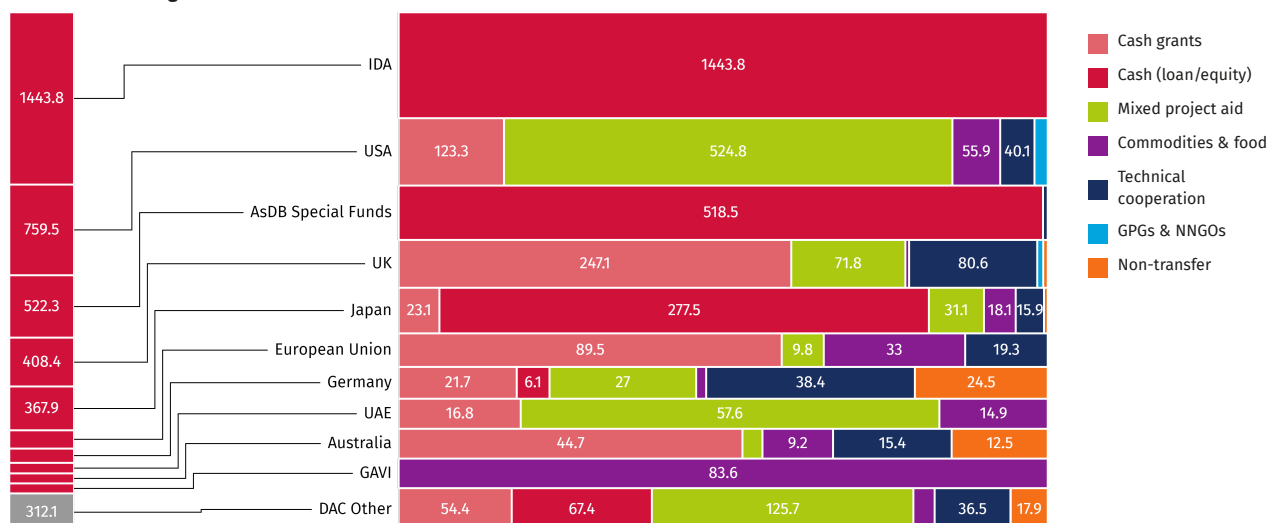


Note: GPGs, global public goods; NGOs, Northern non-governmental organisations.

IDA provides all aid as loans and equity; aid from the US is mostly recorded as mixed project aid

2014, US\$ millions, gross disbursements

Aid from the ten largest donors



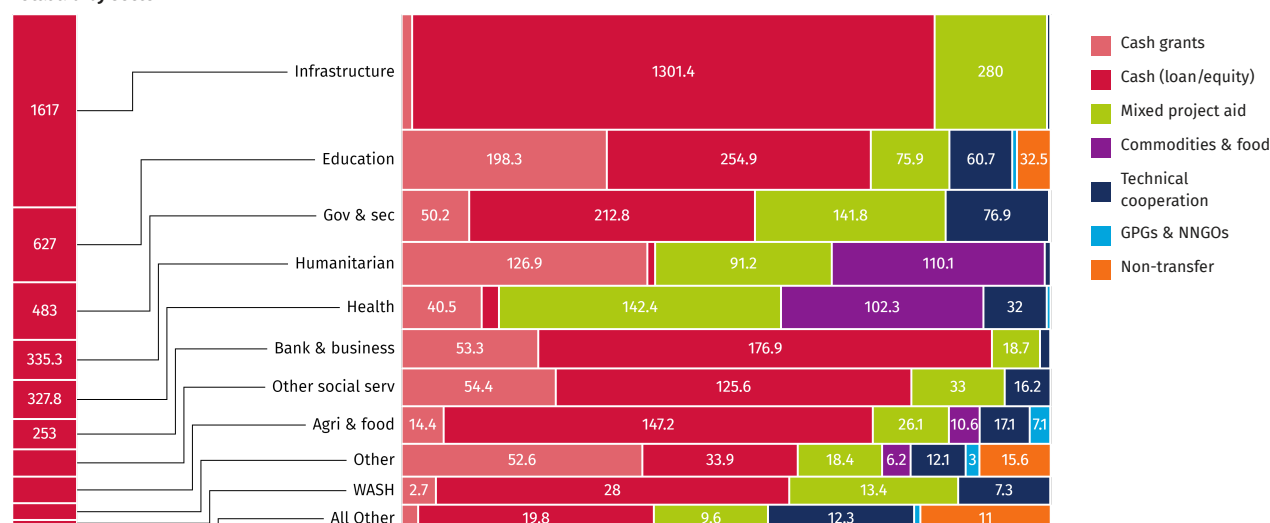
Note: The spike in ODA receipts in 2003 is due to exceptional debt relief. ODA is equivalent to 0.64% of GDP in all developing countries and 0.8% in South and Central Asia in 2014. Acronyms: ADB: Asian Development Bank; GDP: gross domestic product; IDA: International Development Association.

What is aid spent on?

Over a third of all aid goes to infrastructure, most of it delivered as loans and equity

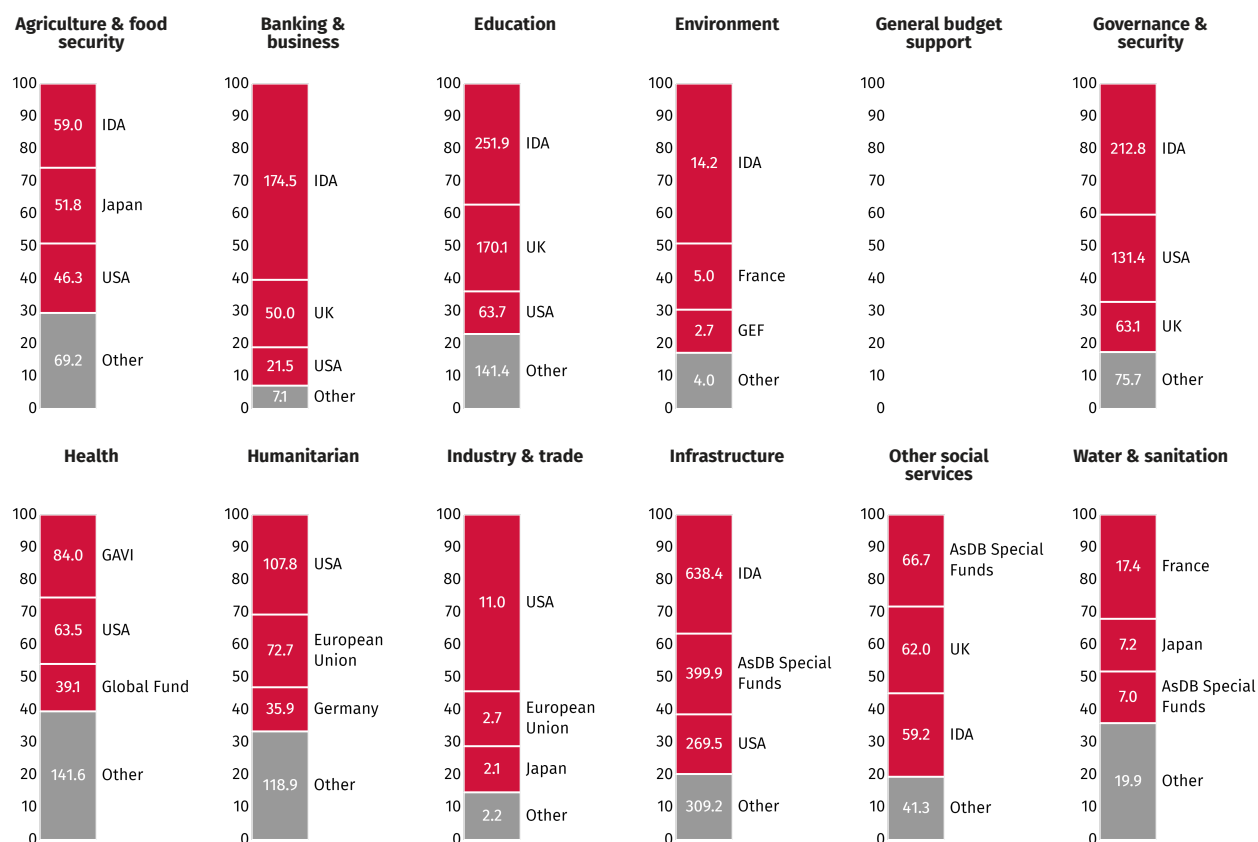
2014, US\$ millions, gross disbursements

Total aid by sector



The US provides over 60% of aid to industry and trade while IDA dominates aid to five other sectors

2014, gross ODA, % of total (US\$ disbursements in columns)



Notes: Data is from the OECD Development Assistance Committee (ODA and other official flows data), the World Bank (long-term debt, remittances, gross national income (GNI) and poverty), the United Nations Conference on Trade and Development (FDI), IMF article IV publications (domestic revenue and expenditure), Global Financial Integrity (illicit financing and trade mispricing). Other official flows (OOFs) are typically loans that are either not sufficiently concessional to count as ODA, or are mainly in support of commercial objectives, such as donor exports. All data in US\$ is in 2012 prices. 'Other' sector aid includes multisector ODA, administrative costs, support for refugees in the donor country and unallocated or unspecified ODA. Acronyms: FDI: foreign direct investment; IMF: International Monetary Fund; OECD: Organisation for Economic Co-operation and Development; OOFs: other official flows.