

# PAKISTAN

Extreme poverty (defined in notes) in Pakistan has decreased by three-quarters between 2002 and 2013 (latest available estimate). The poorest 20% of the population has 9.2% of total income.

- Remittances in 2015 were equivalent to more than four times the volume of ODA and over twenty times that of FDI
- Pakistan is one of the 50 countries with lowest levels of government spending, equating to PPP\$968 per person in 2015
- 56% of ODA (US\$2.4 billion) goes to three sectors: infrastructure, governance and security and education

## Overview

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

**44.2m**

WHAT RESOURCES  
ARE AVAILABLE?

Domestic public

**US\$38.8bn**

International

**US\$29.6bn**

HOW MUCH DOES THE  
GOVERNMENT SPEND  
PER PERSON?

**PPP\$968**

See Notes

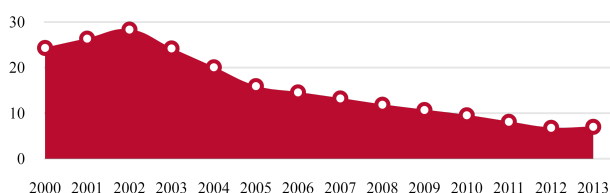
HOW DEEP IS  
POVERTY?

**1%**

Depth of poverty

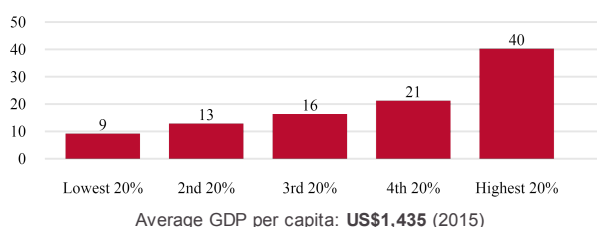
### The share of people living in extreme poverty declined from 28% in 2002 to 7% in 2013

% of population living on under \$1.90 per day



### The poorest 20% of the population has 9.2% of total income

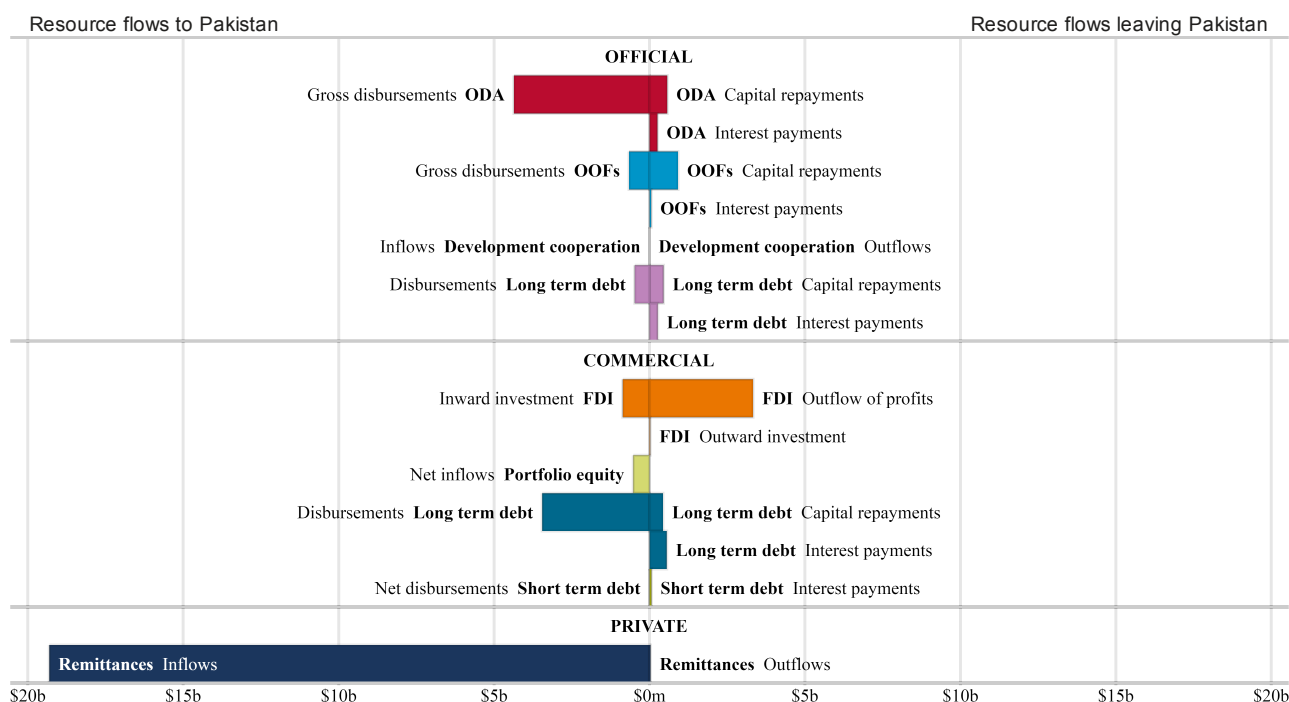
2013, share of income by quintile of population



## Resource flows to and from Pakistan

### Remittances are by far the largest source of international financing, totalling US\$19.3 billion in 2015

2015, international resource inflows and outflows (US\$ billions, constant 2015 prices)



Notes: We define extreme poverty as measured using the 2011 PPP\$1.90 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 PPP\$1.90 a day poverty line. Poverty data in the overview boxes is for the year 2013. '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 2015. Data on 'international resources available' also refers to the year 2015. Data on government spending per person is expressed in 2015 PPP\$, as estimated by the IMF, and refers to the year 2015 or most recent year prior. Acronyms: GDP: gross domestic product; FDI: foreign direct investment; IMF: International Monetary Fund; ODA: official development assistance.

## Government finance

Federal government revenues dominate the total revenue bundle, and external grants only account for 1.5% overall. Pakistan now relies less on domestic financing, with tax revenue providing almost two-thirds of the total budget. Interest payments, provincial government and total development spending make up over two-thirds of total expenditure.

### Non-grant revenue raised by the federal and provincial governments is 92% and 8% respectively.

2016, latest year of actual revenue (US\$ billions, constant 2015 prices)

Total Revenue And Grants 100% of total   US\$46bn	Revenue 99% of total   US\$45bn	Tax Revenue 81% of total   US\$37bn	Federal Government Tax Revenue 75% of total   US\$34bn
			Provincial Revenue Tax Revenue 6% of total   US\$3bn
		Non-Tax Revenue 17% of total   US\$8bn	Federal Nontax 15% of total   US\$7bn

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

2016, latest year of actual financing (US\$ billions, constant 2015 prices)

Financing 100% of total   US\$13bn	Net Domestic Finance 74% of total   US\$10bn	Bank Financing 61% of total   US\$8bn
		Nonbank Financing 13% of total   US\$2bn
	Net External Finance 26% of total   US\$3bn	Other External 26% of total   US\$3bn

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

2016, latest year of actual expenditure (US\$ billions, constant 2015 prices)

Total Expenditure 100% of total   US\$59bn	Other Expenditure 1% of total   US\$1bn		
	Recurrent Expenditure 85% of total   US\$50bn	Federal Government Expenditure 58% of total   US\$34bn	Interest 22% of total   US\$13bn
			Other 36% of total   US\$21bn
		Provincial Expenditure 27% of total   US\$16bn	
	Development Expenditure 19% of total   US\$11bn	Public Sector Development Program 19% of total   US\$11bn	Provincial 10% of total   US\$6bn Federal 9% of total   US\$5bn

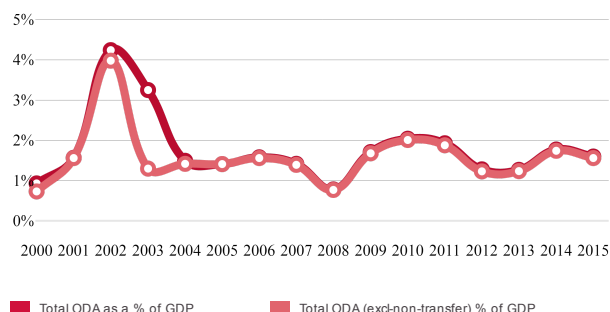
Notes: Year of data refers to the fiscal year 2016 running from July to June. The pink boxes represent negative values, typically showing repayments of loans under financing. Some labels have been omitted from these visualisations; for these, and those that are too small to read, please refer to the online country profile page on the Development Data Hub. For the specific source information see here: <https://github.com/devinit/digital-platform/blob/master/user-data/domestic/csv/domestic-sources.csv>

## ODA

ODA disbursements to Pakistan totalled US\$4.4 billion in 2015, up 9% from 2014. Over the past 10 years, ODA as a percentage of national income has fluctuated between 1% and 2% of GDP; meanwhile ODA per poor person has increased overall since 2000. In 2015, Pakistan received 51% 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 (US\$1.1 billion), governance and security (US\$651 million) and education (US\$648 million) receive the most by sector. IDA was the largest provider to all of the top three sectors.

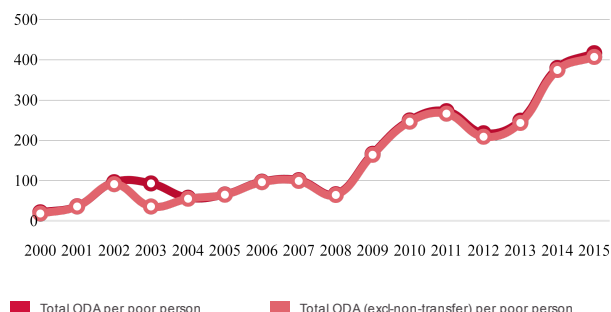
### ODA relative to GDP continues to fluctuate around 1.5%

Gross ODA % of GDP



### After decreasing in 2012, ODA per poor person has almost doubled

ODA per person living under \$1.90 a day



### The majority of ODA is in the form of loans and equity, followed by mixed project aid and grants

2015, gross disbursements



Note: NNGOs, Northern non-governmental organisations.

### Two donors provide 55% of total aid; IDA as cash loans and equity, the US mostly as mixed project aid

2015, US\$ millions, gross disbursements

Aid from the ten largest donors



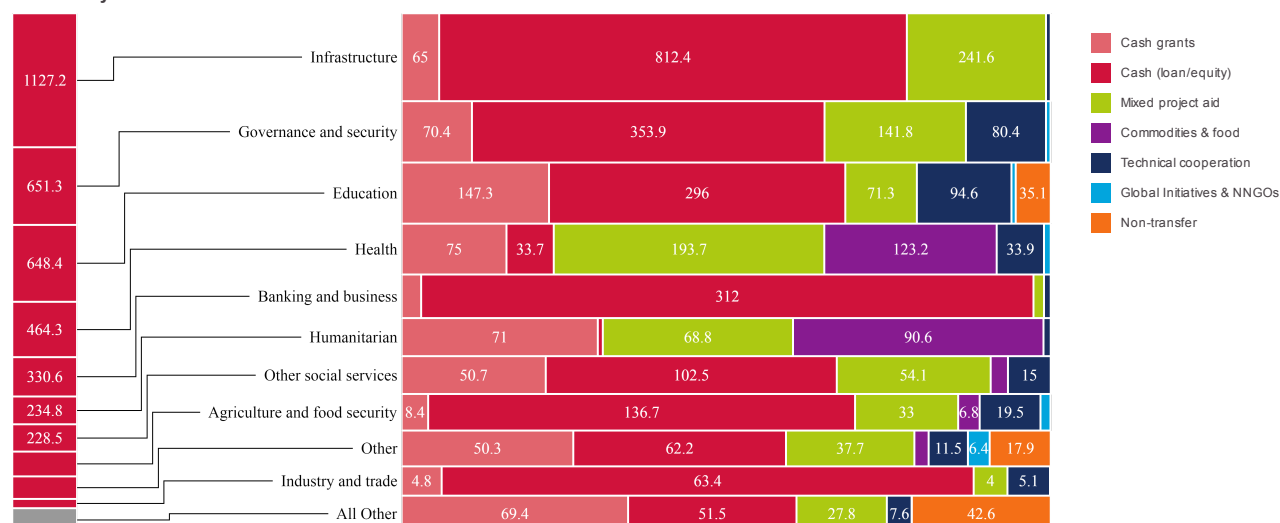
Note: ODA is equivalent to 0.48% of GDP in all developing countries and 0.76% in South and Central Asia in 2015. ODA per capita is equivalent to US\$13 in South and Central Asia. Acronyms: ADB: Asian Development Bank; IDA: International Development Association.

## What is aid spent on?

### Commodities and food account for 39% of humanitarian assistance and 27% of ODA to the health sector

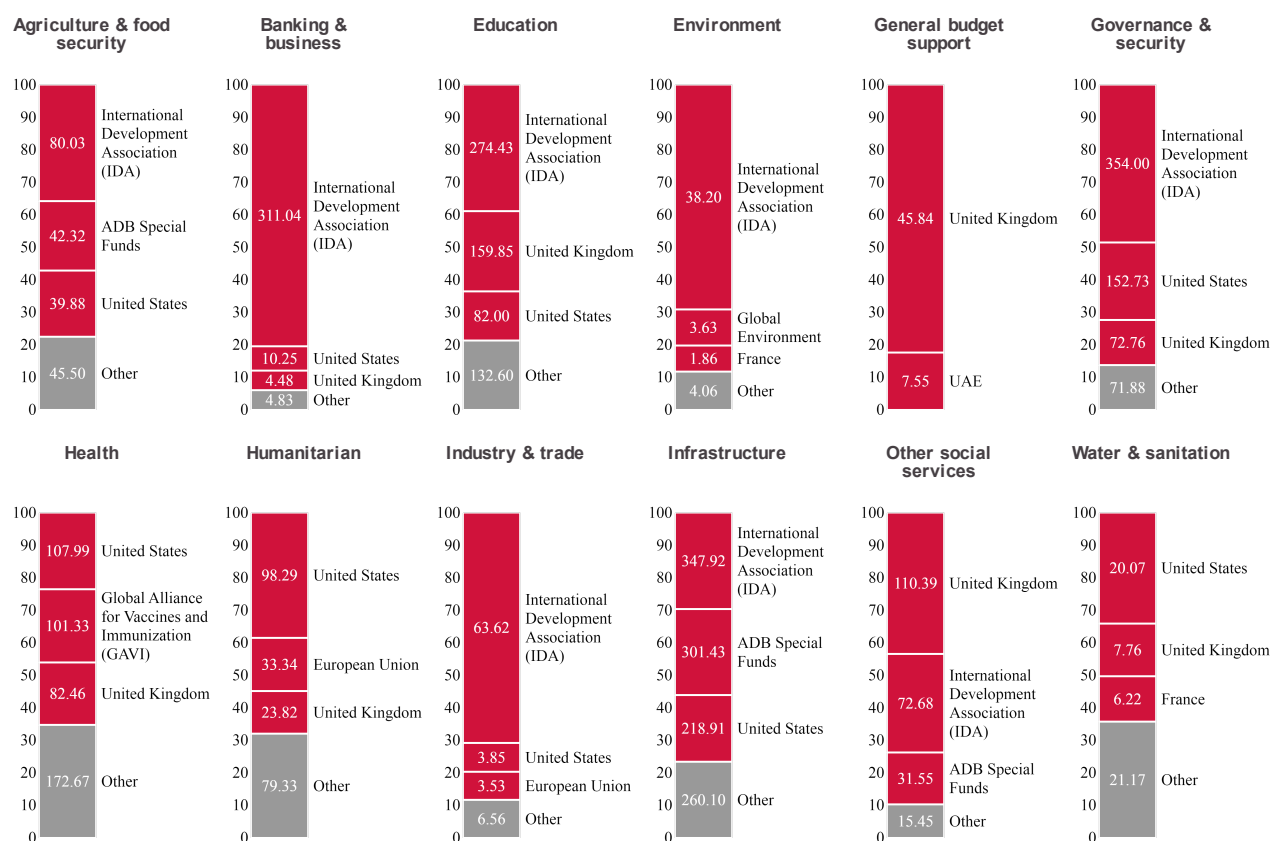
2015, US\$ millions, gross disbursements

Total aid by sector



### IDA continues to be an important donor in Pakistan, providing most of the aid in seven sectors

2015, gross ODA, % of total (US\$ millions 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 UN Conference on Trade and Development (FDI), IMF article IV publications (domestic revenue and expenditure). 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 2015 prices. 'Other' sector aid includes multisector ODA, administrative costs, support for refugees in the donor country and unallocated or unspecified ODA. Acronyms: OECD: Organisation for Economic Co-operation and Development.