

16. Accelerated Development of Less Developed Areas

16.1 Introduction

The less developed areas lag far behind the national, provincial and rural indicators in terms of incomes, pattern of land ownership and availability of public infrastructure and services. They are economically poor due to their remote location and inadequate linkages with the more developed areas. The Special Areas consisting of Azad Jammu & Kashmir (AJ&K), Northern Areas (NA) and Federally Administrative Tribal Areas (FATA) are also considered less developed because of the special administrative arrangements for their development and low socio-economic indicators. This chapter covers the less developed areas in the provinces as well as the Special Areas.

In the past, the less developed areas have remained neglected due to a variety of factors, including inadequate resource and capacity constraints. Priority is now being given in the MTFD to the development of these areas in recognition of the need for balanced and equitable development and to integrate these areas with the rest of the country.

16.2 Less Developed Areas in the Provinces

Since the socio-economic setting of the four provinces differs considerably, it is not possible to apply a single definition of less developed areas uniformly throughout the country. The MTFD working group constituted for the development of less developed areas concluded that identification of less developed districts should be done by the provinces, taking into account relevant socio-economic indicators. The district development indicators could include income and wealth, modernization of agriculture, housing quality and services, transport and communication, health, education and labors force. The provinces relied on a variety of data including various recent surveys for this identification with weightage for food, shelter, employment, environment, health, education, security, social stability and leisure. Based on the analysis, 32 districts out of 101 districts in the country listed in Table 1 below were classified as less developed.

Table 1

Less Developed Districts in Provinces

Punjab	Sindh	NWFP	Balochistan
Rajanpur	Mithi	Charsadda	Musa Khel
D.G. Khan	Thatta	Bannu	Kharan
Layyah	Badin	Lakki Marwat	Kohlu
Bhakker	Ghotki	Tank	Awaran
Muzaffargargh	Sanghar	Batagram	Zhob
Bahawalpur	Parts of Mirpur Khas	Upper Dir	Jhal Magsi
Bahawalnagar	Parts of Khairpur	Shanglappar	Panjgur
Khushab	Parts of Sukkur	Kohistan	Khuzdar

The total population of these districts is 22.30 million, 15% of the total population of the country

Strategy

The strategy for accelerated development for the less developed areas involves (i) policy and programme interventions to enhance employment and incomes and increasing ownership of assets, and (ii) improving the quality of life, including infrastructure and services to bring them at par with the rest of the country. An integrated area based multi-sectoral approach would be adopted for accelerated provision of social and physical infrastructure (including rural roads, drinking water and sanitation, rural electrification, education, and health facilities). The development of these areas, based on participatory approaches as envisaged under the devolution plan, will, enhance social cohesion and reduce migratory pressures to other areas. The strategy includes undertaking integrated area development programs; use of labor-intensive methods; community mobilization at grassroots level; use of demand driven approaches and minimization of the impact of drought in drought prone areas.

Programmes

The programmes for development of less development areas recognize that the lead responsibility for the development of these areas lies with the concerned provincial and district governments. The provincial governments will give priority to the development of these areas while allocating funds for district development programmes for devolved services including rural roads, clean water supply, village electrification, basic health and primary education. A major initiative of the federal government during the MTDf is to supplement the provincial efforts by an additional allocation of Rs. 8.00 billion to the provinces to accelerate the development of these areas. Starting from an allocation of Rs. 1.00 billion in 2005-06 to be equally divided among the four provinces for the agreed less developed districts, the allocation would be used for meeting the priority needs identified locally. The provinces will also divide their respective allocation equally among their has developed districts. In addition, the federal government would also implement some vertical programmes in transport and communication, health, education, energy sectors.

The programmes for economic development of these areas will be based upon their comparative advantages including agriculture, livestock, minerals, tourism and other employment generating activities such as local products and handicrafts.

Capacity building of institutions involved in the less developed areas will be a key focus. Participatory processes will be strengthened and the capacity of districts and TMAs enhanced to carry out their mandates in line with the devolution plan. As part of this process, the capacity for disaster management and mitigation such as droughts, floods, earthquakes, epidemics and other emergencies will also be enhanced. Networking of training institutions will be undertaken to align the overall training efforts in line with the less developed areas strategy.

Community participation in the development of less developed areas will be enhanced through the involvement of non-governmental organizations (NGOs) and other community-based organizations (CBOs). The devolution plan recognizes the key role of the community in local development through institutionalization of the Citizen Community Boards (CCBs) in the local planning and implementation process. Community commitment to develop initiatives would be considered for promoting demand driven investment in these areas and in prioritizing the provision of services.

16.3 Special Areas

The Special areas have an estimated population of 8.21 million spread over an area of 113000 sq. km. The socio-economic indicators of these areas are substantially lower than national average as outlined in Table 2 below.

Table 2
Socioeconomic Indicators, 2004

Indicator	Unit	National	AJ&K	Na	Fata
Population	million	153.45	3.65	0.87*	3.69
Total geo. Area	sq. km.	796,096	13,297	72,496	27,220
Per capita income	Rs./annum	22939	NA	7500	NA
Access to potable water	%	65	61	30	43
Access to sanitation	%	35	20	18.6	10
Road density	km/area	0.32	0.30	0.068	0.24
Coverage of health	%	50		50	30
Nos. Of schools	nos.	375576	5926	674	3110
Literacy rate	%	66	63.84	35	17

* 1998 census

In the past, development activities in the Special Areas remained relatively low. Despite a higher emphasis on the development of these areas in recent years, the socio-economic indicators such as per capita income, literacy rate, enrolment of children in schools and health facilities are still amongst the lowest in the country.

Strategy

It is planned to rationalize resource allocation, in order to have maximum impact to enable these areas to come at par with the rest of the country in terms of socioeconomic indicators. The priority sectors for investment include education, forestry, horticulture, mineral resources, communications, and electrification. The main features of the strategy include:

- i) Emphasis on primary and secondary education, to bring literacy rate at par with the national level, while also redressing gender imbalance.
- ii) Provision of social and physical infrastructure.
- iii) Exploitation of proven mineral resources in a scientific manner and intensification of exploration efforts with survey work.
- iv) Reforestation of denuded hills, particularly through draught resistant fast growing and non-grazable species, complemented with increased efforts in social forestry program.
- v) Exploring public private-partnerships, where feasible.

Programme

The physical targets under the Special Area programme for MTFD are summarized in Annex I. These development efforts will be supplemented by additional work under programmes of federal agencies in various sectors and multi-sectoral integrated vertical programmes, such as the Khushal Pakistan Programmes. The major federal projects in Special Areas will include Bhasha dam, Kuram Tangi and Gomal Zam dam and programmes against poppy cultivation.

Financing

An amount of Rs. 108.5 billion has been provided for the development of the Special Areas during MTFD 2005-10. Details are given in Table-3 below.

Table 3
Allocations for Special Areas 2005-10

(Rs. billion)

Year/Region	AJ&K	FATA	NA	Total
2005-06	5.10	5.15	3.39	13.64
2006-07	6.62	7.77	4.01	18.41
2007-08	8.13	9.55	4.62	22.29
2008-09	9.84	10.99	5.36	26.19
2009-10	10.02	12.39	5.46	27.97
TOTAL MTFD (2005-10)	39.70	45.95	22.85	108.50

Federally Administrated Tribble Areas (FATA)

FATA consists of seven Agencies namely Bajaur, Mohamand, Khyber, Orakzai, Kurram, North Waziristan and South Waziristan and six provincially Administered Frontier Regions attached to Peshawar, Kohat, Bannu, D.I. Khan, Tank and Lakki Murwat Districts of NWFP. These areas, with an estimated population of 3.69 million and an area of 27220 square kilometers, lie along the 1500 kilometers long porous border with Afghanistan called the Durand Line. Strategically these areas have received importance as a buffer zone between the turbulent Afghanistan and Pakistan. Recently these areas have been opened peacefully. However development indicators in these areas are low and major efforts are needed to assimilate them in the mainstream of socio- economic activities of Pakistan. Accordingly, an amount of Rs. 45.95 billion has been proposed for developmental of FATA, during MTFD 2005-10.

Literacy rate in FATA at 17% is very low, with extreme gender imbalance (male 29%, female 3%). The enrolment rate at primary level has increased during the last two years, with incentive of free uniform and books. During MTFD, the literacy rate would be increased to 20% including 50% for male and 20% for female.

Priority has been given to opening up of the area through construction of roads. During MTDF, 2644 km of roads will be constructed/improved and 148 new bridges will be constructed.

Minerals are an important resource in FATA, which if explored and developed in a scientific manner, would have a major economic impact. About 82% of the area has been geologically surveyed, indicating 19 minerals out of which 10 have been explored. During MTDF, the survey work will be intensified and geological maps will be prepared. Drilling requirements would be worked out based on commercial potential.

The present forest area is estimated at 1250 sq km (7.47% of the total area of FATA). The FATA area contains very hilly terrain with about 80% wasteland. If properly managed for reforestation and vegetative cover, this area can not only arrest the ongoing soil degradation but also help in poverty alleviation through livestock development and reduce the silt content in river flows. During MTDF, re-growth of at least 1% of the total area per year as forests is envisaged, increasing the vegetative cover from 7.47% to 13% by the year 2010.

The culturable area of FATA is about 369000 hectares (7.9% of the total area of FATA) and cultivated area is 197000 hectares. Agriculture and irrigation can give immediate relief to the people of FATA in terms of employment and improvement of food production. During MTDF, emphasis will be given on water conservation, improving the efficiency of water utilization and introduction of high yielding variety crops suited to climatic conditions of the area. High value crops will be encouraged, as off-season vegetables would give good return in the markets of Pakistan. In addition, work on conservation of irrigation water, through construction of dams, lining of channels, introduction of drip irrigation and other small interventions will be undertaken. This will, be supplemented by bee keeping and mulberry plantation for sericulture to give job opportunities to women and some economic independence.

Due to population pressure on the one hand and denudation of forests on the other clean drinking water supply usually available from springs and perennial streams is increasingly becoming scarce and contaminated. The most common diseases (about 80%) in FATA are water borne. The MTDF accords priority to the provision of clean water to the people through effective and economical methods including hand pumps, community taps, and open wells. It is planned to increase water supply coverage to 73% of the population as against the coverage of 43% by installing 170 dug wells, 170 tube wells and 225 gravity-based schemes.

The health indicators in FATA are low. The population is highly dispersed with meager public transport. During MTDF, emphasis will be planned on mobile health facilities at agency and tehsil level along with ambulance services to facilitate immunization and mother and child health care. This will also reduce maternal mortality rate and infant mortality rate substantially.

Electric power is one of the most important interventions in bringing about a social change in the underdeveloped orthodox communities. During MTDF, the emphasis would be on electrifying additional villages and rehabilitating existing facilities by providing new high capacity transformers. Overall, 508 new villages will be electrified, 7 new grid stations setup and 230 transformers replaced.

Azad Jammu & Kashmir

Azad Jammu & Kashmir with a total area of 13297 sq km and a population of 3.65 million is predominantly rural (rural urban ratio of 88:12) but has better socioeconomic indicators than the other Special Areas particularly in education, roads and village electrification. The current literacy rate at 64% is close to the national average and the primary school enrolment is almost 100%. Rural electrification has been given priority with 1620 villages (97%) already electrified.

On the basis of one primary school in every village, almost the entire population has been covered with primary facilities. During MTDF, the emphasis would be shifted to science, technical and vocational education. The literacy rate will be increased from the present 64% to 79% in 2009-10.

Roads being the only means of transportation, both within and outside the area, MTDF, accords priority to improving the main roads, particularly those connecting with Pakistan, and the internal district roads. Overall 620 km of roads will be constructed and 185 km of roads improved.

With 88% of the population of AJK in rural areas, integrated rural development has been given the highest importance in the MTDF with an allocation of Rs. 8.591 billion.

MTDF aims to electrifying additional villages and covering 99% of the population. The programme includes renovation, augmentation and improvement of the distribution facilities and performance enhancement through better management.

AJK has set up a hydro board, which has already constructed an installed capacity of 36.1 MW from 9 stations and has carried out feasibility study for additional 9 stations with a generating capacity of 82.7 MW. The MTDF provides for the construction of these stations and also for additional feasibilities.

For the first time in the history of AJ&K, the Asian Development Bank (ADB) is providing assistance in AJ&K for multi-sectoral programmes, includes community development with gender sensitivity, human resource development, income generating skills, micro finance window, agriculture, livestock and social forestry development, environmental guidelines and land use planning. These programmes will be completed during the MTDF.

The MTDF also provides for urban water supply and sewerage, construction of office space, residential accommodation for staff and development of residential plots.

In the Health Sector the programme includes construction of 224 Basic Health Units, 268 MCH services and additional hospital beds. In addition substantial increase of doctors, specialists, and nurses is envisaged.

Agriculture has limited potential in AJ&K because of the hilly natural terrain. However, subsistence farming is essential to be maintained and improved, as a large segment of the population depends on agriculture. During MTDF agriculture sector will be diversified to profitable high value crops and off season vegetables and herbs, to take maximum advantage of the climate.

The climatic conditions in AJ&K and the hilly terrain coupled with middle level altitudes is ideally suited for timber producing forests having the highest value in the market. The strategy during MTDF is to diversify forest production by introducing fast growing varieties, enhance social mobilization and undertake pest disease and fire control to minimize incidental damage.

AJ&K has all kinds of geological formations, rich in minerals. During MTDF, a mineral evaluation and technical cell will be established, survey of identified minerals initiated and infrastructure facilities in mineral rich areas developed.

In the industries sector, AJK would promote small-scale industries for which industrial estates have been set up. Production of raw materials such as silk and mulberry will also be promoted.

In the tourism sector, through provision of infrastructure and other efforts, a facilitatory environment would be promoted for encouraging private sector investment in tourism including hotel and restaurants, resort areas, and other recreational activities.

Northern Areas

The Northern Areas of Pakistan cover an area of 72,496 sq km, and have a population of 0.87 million. A large part of the population (80%) is engaged in agriculture. Only 2% of the land is cultivable, 4% natural forest and 52% rangeland. The raising of fruit trees is an important use of land, particularly in the valleys. Fruits, such as apricots, almonds, pomegranate, grapes, peaches and mulberry, are not only a source of food but are also important in the cash economy. There is a small but growing service sector particularly in transportation, tourism and trading. Although the NAs mineral and fisheries resources appear to be significant, this potential has remained largely untapped.

The major potential for development in the northern areas is in the hydel power generation from River Indus and its tributaries, minerals, cross border trade and tourism.

The current literacy rate in NA is 35% (43% male, 27% female). The participation rate at primary level is 78% (91% male, 65% female), which is one of the highest in the country. It is planned that by the end of the MTDF period the enrolment would rise to 100% for male and 95% for female.

In the health sector, the MTDF envisages to enhance existing lady health visitor service to union council level, strengthen existing MCH centers and extending the same to union council level. The other programmes include providing mobile ambulance services for groups of LHV centers, improvement of existing hospitals, construction of some new hospitals and training for doctors, LHVs and paramedical staff.

In view of the very difficult terrain, construction cost of roads and its cross drainage is extremely high in NA as compared to roads in plain areas. Except for KKH and roads in Skardu most of the other roads are shingle type fair weather jeepable roads. Of a total of about 5000 km road network only 1400 km roads is black topped and the rest of 3600 km is shingle road. The MTDF targets include improvement of 200 km of the existing roads by black topping and construction of 160 km of new roads.

In the power sector, at present there are 83 hydel stations, which generate about 50 MW during summer and 25 MW during winter, with 65% coverage of the households. There are 22 hydel stations under execution with an installed capacity of 48 MW. These will be completed during the MTDF and some additional work undertaken.

In the minerals sector, during the MTDF, it is envisaged to establish a minerals development department. Training of local geologists in exploring and development of minerals would also be carried out.

At present about 80% of employment is generated by agriculture. The most suitable agricultural activity with the highest economic return is horticulture. During MTDF, programmes would be undertaken to improve productivity per unit of area through improved variety of seeds, improved agricultural practices and increased inputs. Improving the irrigation efficiency by practicing drip Irrigation on orchards and other crops will not only improve productivity but will also increase the area under irrigation.

Because of non-availability of alternate fuel, forest wood is used for heating and thus deforestation process is continuing. During the MTDF, the emphasis would on re-growth of forests by controlling grazing and supporting social forestry. Aerial seeding of non-grass able species would be tested on pilot basis.

During MTDF, several programmes will be undertaken for construction of rural roads, irrigation channels and rural water supply/sanitation facilities to enhance the basic facilities in the areas.

The Northern Areas have enormous potential for tourism including trekking and mountaineering. The steady growth of tourism has been retarded by the security situation in the areas. During MTDF, tourism promotion capacity will include establishment of museums at Gilgit and Skardu, Silk route festivals, local cultural activities and polo tournaments and establishment of national parks. In addition a conducive environment would be provided to the private sector, developers, transporters and entertainers.

In summary, the MTDF recognizes the need for accelerated development of the less developed areas in the provinces. While, priority attention will be given by the provinces to these areas the federal government is also providing additional resources for their development. The allocations for development of Special Areas have also been enhanced. There is confidence that with an integrated approach to the development of these areas complemented with capacity building and participatory approaches, the socioeconomic indicators in these areas will improve and inequalities reduced.

Existing Position and Targets For Special Areas

Indicator	Unit	FATA		NA		AJ&K	
		Benchmark 2005	MTDF 2010 Target	Benchmark 2005	MTDF 2010 Target	Benchmark 2005	MTDF 2010 Target
Education							
Primary Schools	nos.	3297	3747	1496	1732	4393	4893
Middle Schools	do	407	632	318	364	988	1138
High Schools	do	232	323	187	232	545	614
Literacy rate	%	17.42	25	35	55	63.84	79.05
Male	%	29.50	40	43	53	78.01	89.53
Female	%	3	10	27	47	49.57	68.57
Health							
Infant mortality rate	number/1000	83.3	68.3	70	30	56	52
Maternal mortality rate	number/ 100,000	600	450	500	230	500	400
Population per bed	Numbers of Pat./bed	2290	1474	1230	1200	1572	840
Water Supply & Sanitation							
Population served with potable water	Pop. coverage %	43	68	30	75	61	77
Population served with sanitation	Pop. coverage %	10	20	18.6	30	20	55
Transport & Communication							
Road density	km/areas	0.17	0.23	0.068	0.074	0.30	0.39
Village electrified	coverage %			50	75	94	98
Irrigation land	% of culturable area	7.3	15	2	5	12	30
Industrial Estate	Numbers	-	2	-	-	-	-
Women skill dev. Centers	Numbers	62	100	-	-	24	53
IT institutions	Numbers	-	12	-	-	4	5