



Governance and Policy Program for Balochistan (P156411)

SOUTH ASIA | Pakistan | Governance Global Practice |
Recipient Executed Activities | Investment Project Financing | FY 2017 | Seq No: 2 | ARCHIVED on 29-Nov-2017 | ISR30307 |

Implementing Agencies: Economic Affairs Division, Government of Balochistan

Key Dates

Key Project Dates

Bank Approval Date:28-Dec-2016

Effectiveness Date:06-May-2017

Planned Mid Term Review Date:25-Mar-2019

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2020

Revised Closing Date:30-Jun-2020

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to strengthen the capacity for Sales Tax on Services collection, and improve accountability in public financial management and public service delivery in the education and irrigation sectors in Balochistan.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name
Increasing effectiveness of sales tax collection:(Cost \$4.50 M)
Strengthening accountability in public financial management:(Cost \$4.00 M)
Improving public investment management and accountability in public services:(Cost \$5.00 M)
Ensuring effective support for the coordination of governance reforms and the operational management of the GPP:(Cost \$2.50 M)

Overall Ratings

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



Implementation Status and Key Decisions

The Governance and Policy Project (GPP) in Balochistan became effective on May 6th, 2017. The GPP aims to strengthen the Government of Balochistan (GoB) capacity for Sales Tax on Services (STS) collection and improve accountability in public financial management and public service delivery in the education and irrigation sectors in Balochistan. The Project operational apparatus is now fully in place and operational with specific project activities approved by the GPP Decision and Review Committees. The Balochistan Revenue Authority is making good progress on the collection of the STS and it is now essential to move forward swiftly with the implementation of all project activities in order not to incur further delays. The World Bank undertook an implementation support mission to Quetta in support of the GPP October 25-27, 2017 to help accelerate implementation.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Substantial	● Substantial	● Substantial
Macroeconomic	● Substantial	● Substantial	● Substantial
Sector Strategies and Policies	● Moderate	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● High	● High	● High
Fiduciary	● High	● High	● High
Environment and Social	● Moderate	● Moderate	● Moderate
Stakeholders	● Moderate	● Moderate	● Moderate
Other	● High	● High	● High
Overall	● Substantial	● Substantial	● Substantial

Results

Project Development Objective Indicators

► Increased collection of the Sales Tax on Services (STS) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.20	2.20	111.00	40.00
Date	30-Jun-2016	31-Mar-2017	30-Jun-2017	30-Jun-2020

Comments

Measures the percentage increase in the collection of the Sales Tax on Services (cumulative). Baseline of 2.2 is in billion PKR in STS



transferred by the Federal Bureau of Revenue to Balochistan in FY2015/16. The province now has the mandate to collect its own STS and collection as of June 2017 has increased by 2.4 billion rupees, representing a 111% increase from the baseline, largely exceeding project targets. This result was verified by the third-party verification firm Deloitte Yousuf Adil. As the Project activities under this component fully get underway, STS receipts are expected to continue to increase with the possibility of setting higher collection targets at the project's mid-term.

► Increased average appropriation per project included in the PSDP in education and irrigation sectors (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	PKR 21.58 million	34.40	28.28	50.00
Date	30-Jun-2017	31-Mar-2017	31-Oct-2017	30-Jun-2020

Comments

Increased average appropriation per project included in the provincial Public Sector Development Programme (PSDP) in education and irrigation sectors. In Pakistani Rupees (million PKR). Baseline updated for FY2016/17 (to PKR 21.58 million from PKR 34.40 million in FY2015/16). Average size of projects (education and irrigation) has increased to PKR 28.28 million in FY2017/18 PSDP.

► Increase in the resolved cases of education sector filed with the Office of Balochistan Ombudsman (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	277.00	277.00	--	40.00
Date	30-Dec-2014	31-Mar-2017	31-Oct-2017	30-Jun-2020

Comments

Percentage increase in the resolved cases of education sector filed with the Office of Balochistan Ombudsman (cumulative). Baseline of 277 is number of education cases resolved in 2014. Related project activities not yet started and data collection for consolidated reporting underway.

► Number of public investment projects/ assets in education and irrigation that have been geo-mapped and published online (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	773.00	773.00	--	50.00
Date	30-Jun-2015	31-Mar-2017	31-Oct-2017	30-Jun-2020
<p>Comments Related project activities not yet resumed.</p>				

► Number of officials with certification in procurement, project preparation, project management, M&E, management & leadership (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	200.00
Date	30-Jun-2015	31-Mar-2017	31-Oct-2017	30-Jun-2020
<p>Comments Design of procurement and FM certifications programs underway with MoUs signed respectively with Chartered Institute of Procurement and Supply (CIPS) and Association of Chartered Certified Accountants (ACCA).</p>				

▲ Number of women certified in procurement, project preparation, project management, M&E, management & leadership (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.00
Date	30-Jun-2015	31-Mar-2017	31-Mar-2017	30-Jun-2020

Overall Comments

Intermediate Results Indicators



► Number of STS taxpayers that filed tax returns (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	158.00	158.00	--	30.00
Date	31-Mar-2016	31-Mar-2017	30-Jun-2017	30-Jun-2020

Comments

Percentage increase in number of STS taxpayers that filed tax returns (cumulative). Baseline is of 158 filers in FY2015/16. Data from year 1 of project implementation to be verified and reported. Target for year 2 is a 10% increase.

► Number of internal audits conducted (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	1.00	50.00
Date	30-Jun-2016	31-Mar-2017	31-Aug-2017	30-Jun-2020

Comments

Number of internal audits of the Project conducted by a chartered financial accounting firm (cumulative). One (1) conducted so far by Deloitte Yousuf Adil.

► Number of districts where schools and irrigation facilities are monitored with regular beneficiary feedback (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	5.00	5.00	--	25.00
Date	30-Jun-2015	31-Mar-2017	31-Oct-2017	30-Jun-2020

Comments

Related project activities not yet underway.



▲ Percentage of women among feedback providers (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	42.00	42.00	--	50.00

▶ Number of schools and irrigation facilities for which follow up actions are taken (Number, Custom)

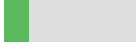
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.00	3.00	--	200.00
Date	30-Jun-2015	31-Mar-2017	31-Oct-2017	30-Jun-2020

Overall Comments

Related project activities not yet underway.

Data on Financial Performance

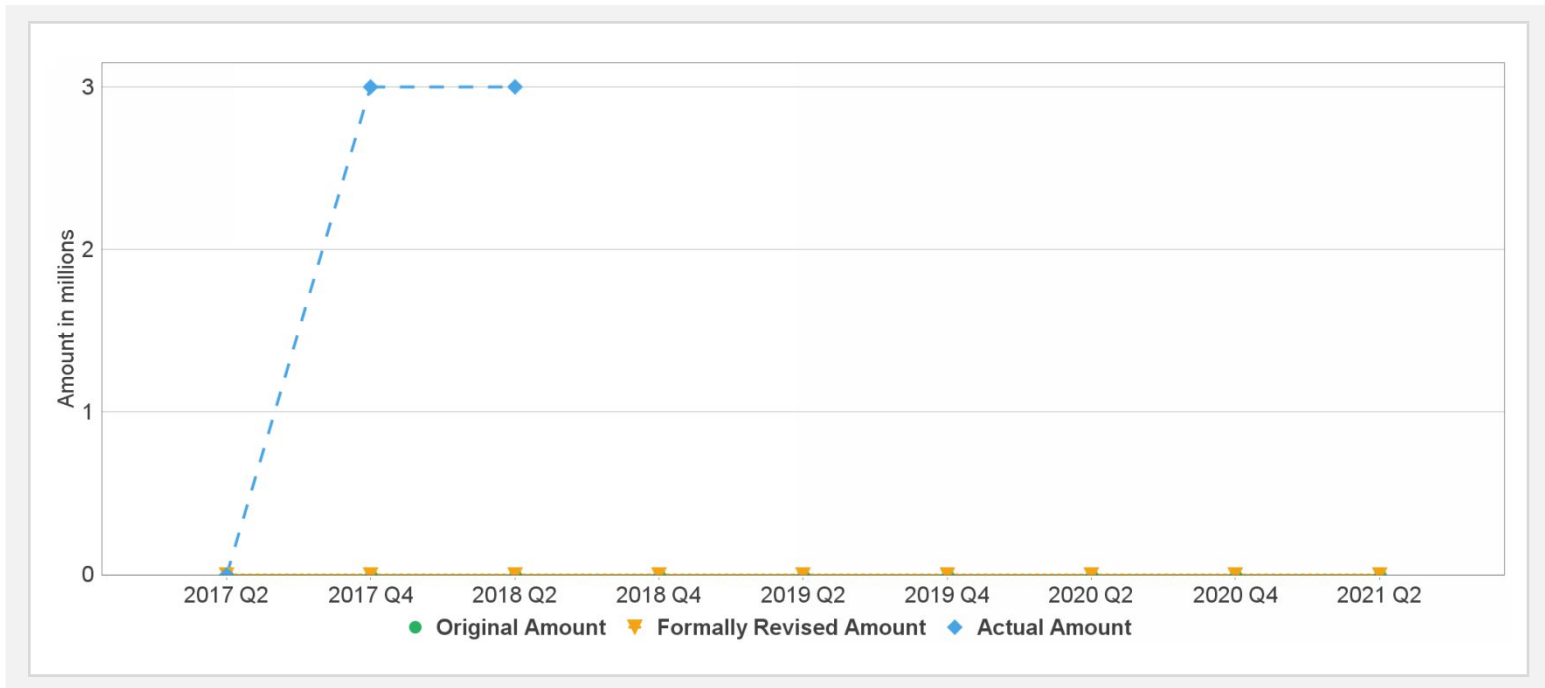
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P156411	TF-A3352	Effective	USD	16.00	16.00	0.00	3.00	13.00	 19%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P156411	TF-A3352	Effective	18-Jan-2017	18-Jan-2017	06-May-2017	30-Jun-2020	30-Jun-2020

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.