

## Material for Annual Plan 2019-20

Azad Jammu and Kashmir (AJ&K) has an area of 13,297 square kilometers<sup>1</sup> and the population is 4.05 million<sup>2</sup>; AJ&K's economy is based on subsistence agriculture, livestock rearing, tourism, small/cottage industry and hydro power and services sector. Furthermore, remittances play a significant role in the economy of the State. The Government of AJ&K is committed to capitalize on the viability of tourism, agriculture and small and medium industry sectors in the region, in light of the principles and targets of Vision 2025 and the Sustainable Development Goals (SDGs).

Azad Government of the State of Jammu & Kashmir (GoAJ&K) recognizes that in order to successfully localize 2030 Agenda, the goals, targets and indicators need to be properly aligned with the State's development plans and sectoral strategies. In light of this, Vision 2025 and AJ&K 12<sup>th</sup> Five-Year Plan 2018-2023 have been explicitly linked with the SDGs to ensure the proper and continuous implementation of 2030 Agenda. Moreover, the State has also re-aligned its Annual Development Programmes allocations to better address the requirements of the SDGs.

The status of efforts, policies and programmes on poverty reduction and sustainable development goals is as under:

### Goal 1: No Poverty

Overall, poverty levels in AJ&K are amongst the lowest in Pakistan. According to a report by Ministry of PD&R and UNDP published in 2016, **24.9%** percent of people in AJ&K can be considered multidimensionally poor. Both urban and rural incidence of poverty are also the lowest in the country. Moreover, the intensity of poverty, at **46.3%** is also the lowest whereas the national average stands at 50.9%<sup>3</sup>. This means that poor people on average are deprived by 46.3% in the weighted dimensions in health, education and living standards. Urban and rural intensities are also the lowest in the country. Multidimensional poverty in AJ&K is exacerbated by use of unclean fuels such as wood for household tasks, lack of access to public transportation and infrastructure, as well as high levels of unemployment compared to national statistics.

An analysis of AJ&K ADP 2018 indicates that substantial development budget is being spent on poverty reduction both directly and by multisectoral approaches with other schemes. An

### AJ&K AT A GLANCE

Area: 13,297 sq.km

Division: 03

Districts: 10

Tehsils: 32

Villages/Mouzas: 1,769

Population: 4.05Million

Population Urban: 17.37%

Population Rural: 82.63%

Population Growth Rate: 1.63%

Density: 304 persons/sq km

Infant Mortality Rate: 66/100

Poverty: 18.06%

MPI: 24.9%

Literacy Rate: 76.6%

Unemployment: 11.2%

Road Density: 0.70/sq km

<sup>1</sup> AJ&K At a Glance, AJ&K Bureau of Statistics P&DD, 2018.

<sup>2</sup> AJ&K Statistical Yearbook 2018, Bureau of Statistics, P&DD GoAJ&K.

<sup>3</sup> Ibid.

additional PKR 222.71 million is being spent through the Zakat and Ushr fund and Rs.750 million is being dispersed through Akhuwat in AJ&K for poverty reduction and livelihood of the people<sup>4</sup>. Additionally, the Government of AJ&K spends 33.82% of its funding on essential services such as education, health and social protection. In AJ&K, all districts have local disaster risk reduction strategies<sup>5</sup>.

### **Goal 2: Zero Hunger**

“Food security is a situation that exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life”<sup>6</sup>. **57.1%** of people in AJK are food insecure with **25.9%** facing moderate to severe insecurity with **4.3%** being severely food insecure<sup>7</sup>. In terms of nutrition, **30%** of children under the age of 5 are stunted compared to 43.7% nationally. The figure is high, but AJK remains the best performing region in the country; wasting stands at **6.4%**. The proportion of underweight children in AJK is **25.8%** lower than the rate of 31.5% nationally. The average income of small-scale food producers is recorded at \$302 per person per year<sup>8</sup>.

### **Goal 3: Good Health and Wellbeing**

An important correlation exists between health and poverty, with each one likely to exacerbate the other. In AJK, the MMR is **201 out of 100,000** live births and IMR is **58 per 1000**; much higher than the global targets of 70 and 25, respectively<sup>9</sup>. Moreover, the number of hospital beds per 1000 people is 0.938, there are 0.265 physicians per 1000 population, 0.016 paramedics and 0.087 Lady Health Workers. In AJ&K, 60.9% of the population is covered by all vaccinations included in the national program. Approximately, 8.31% of the total budget 2018-19 of AJ&K is directed towards the health sector. Moreover, population growth rate of AJ&K is lower than the national average at 1.63%<sup>10</sup>.

### **Goal 4: Quality Education**

Education has been a priority for the Government of AJ&K as about 25.5% of the total budget 2018-19 of AJ&K is allocated for education (Development: 7.98%). Data shows that AJK performs well in education attainment of all the regions of Pakistan with a score of 72.96 followed by ICT at 70.43. A breakdown indicates that the highest component comes from learning (80.97) and gender parity (93.73); however, retention is poor (44.14) with the highest in ICT (55.54). School infrastructure in AJ&K needs to be improved.

Net primary enrollment in AJK is 81% which is less than the target of universal primary education with males (84%) at a higher net enrollment rate than females (77%). However, the scores are higher than the national average of 57%.

### **Goal 5: Gender Equality**

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<sup>4</sup> SDG baseline data provided by P&DD and Zakat Dept GoAJ&K, 2018.

<sup>5</sup> SDG baseline data provided by SDMA GoAJ&K, 2018

<sup>6</sup> Chapter 2. Food security: concepts and measurement, FAO.

<sup>7</sup> National Nutrition Survey 2011.

<sup>8</sup> SDGs baseline data provided by Health and Agriculture Dept GoAJ&K, 2018.

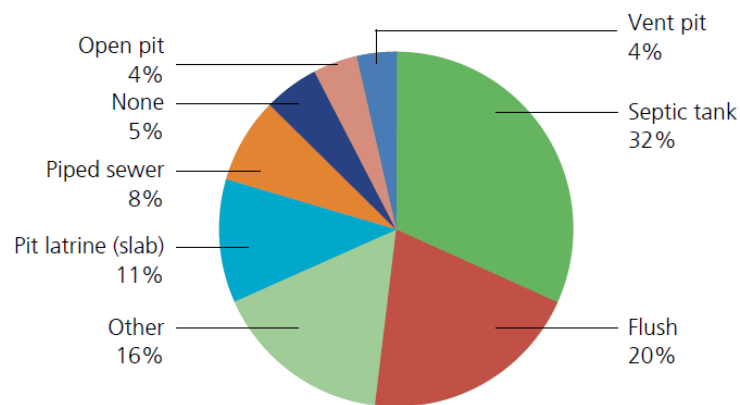
<sup>9</sup> AJ&K Statistical Yearbook 2018.

<sup>10</sup> Ibid.

There are legal mechanisms in place in AJ&K to eliminate the discrimination faced by women. Equal status is not only guaranteed in Article 4 of the Constitution of AJ&K but also under the recently passed AJ&K Commission on the Status of Women Act 2014; a Policy Framework for Women Empowerment and Gender Equality was also introduced in the State. 77.4% of women in AJ&K feel their land rights are secure<sup>11</sup>. There is a need to improve the status of women in AJ&K when it comes to financial decision-making - despite their ability to generate income, money earned by females is often controlled by male members of the household. Women in AJ&K are more likely to be responsible for fetching water (78%) and dissatisfied with sanitation facilities when compared to men due to disrepair of existing facilities, their non-functional status or non-availability of water<sup>12</sup>.

### **Goal 6: Clean Water and Sanitation**

Access to improved water sources in AJ&K is 57% compared to the national average of 89%.<sup>13</sup> Since many drink from open water sources, there are concerns of water availability – in the winter water is scarce and in the rainy season water quality is poor<sup>14</sup>. Out of 1771 villages, 1032 have been provided with water supply facility with overall average of 58.3%. Overall, 95% of the population has access to some form of a sanitation system<sup>15</sup>.



**Source:** Water and Sanitation Sector Analysis of Azad Jammu and Kashmir Baseline Survey Report, 2016 p.19

### **Conclusion**

GoAJ&K recognizes that achieving poverty reduction under the sustainable development goals requires coordinated approaches and efforts, interconnected public-private schemes, long-term programmes and combined role of private and public entrepreneurs. Government of AJ&K is determined to achieve the targets of SDGs through implementation of pro-poor policies, programmes and initiatives in AJ&K. A list of on-going and planned initiatives is presented in **Annex A** and incorporate sectors such as TEVTA, livestock, agriculture, small industries, water and irrigation and tourism etc. A truly inclusive development process will help AJ&K

<sup>11</sup> SDGs baseline data provided by Board of Revenue, GoAJ&K, 2018.

<sup>12</sup> Water and Sanitation Sector Analysis of Azad Jammu and Kashmir Baseline Survey Report, 2016.

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> Ibid.

achieve the most from the sustainable development framework while confronting all the challenges and constraints the State faces in poverty reduction.

**Annex A**

<b>S #</b>	<b>Sector/Sub-Sector</b>	<b>Name of Project</b>	<b>Date of Approval / Completion</b>	<b>Cost (Rs. in million)</b>	<b>Objectives / Targets</b>	<b>Achievements / Expected Outcome</b>
<b>A) On going Initiatives Administered by GoAJ&amp;K</b>						
01	AJKTEVTA	Paradigm Shift in Training & Assessment from Conventional to Internationally Accepted CBT&A Standards	03-01-2018 03-01-2021	353.539	i. consolidation & upgradation of 63 existing Vocational Training Centers in AJK to start CBT.	63
					ii. Provision of Training to 1400 Trainees	776
02	AKSIC	Interest Free Loan for Self-Employment in AJ&K through AKHUWAT	28-02-2018 28.02-2023	750 .000 grant from Govt of Punjab 298.976 from AJK ADP	i. Provision of Interest free loan to 131,655 small entrepreneurs (un-employed and low-income people) of the AJK. ii. 20,000 jobs will be created in 5 years	i. 11,462 loanees ii. 2,292 jobs expected to be created
		Customized Lending for Sustainability of Skilled Entrepreneurs of AJK Trained From TEVTA/ Small Industries/Social Welfare	03-09-2015 03-09-2020	51.700	Provision of Interest free loan to 4,463 loanees	3,094
		Establishment of one product one village in AJK (Phase II)	02-02-2018 02-02-2020	16.000	Provision of training to 400 trainees in trade of Loi Pattu. Wood carving and Zari Embroidery	73

		Credit Assistance Scheme for Small & Cottage Industries	27-08-2008 27-08-2013	192.294	Provision of Interest free loan to 1000 skilled worker of AJK	608
03	AJKTEVTA	Establishment of Vocational Training Institute at District Jhelum Valley and District Haveli	25-10-2018 25-10-2020	66.866	Provision of Vocational Training to 300 trainees in Energy Sector, Information & Computer Technology Sector, Construction Sector and Light Engineering Sector	300 (Expected outcome)
04	Crops & Horticulture	Promotion of Agri Business Enterprise Development and Marketing in AJ&K	26 Nov 2012 26 Nov 2018	67.982	Markup on Agricultural Credit/Rs. 52 million	38.590
		Fruit Development Program (FDP) by Improving Existing Wild Fruit Flora in AJK	26 Apr 2013 26 Apr 2018	158.579	i. Capacity Building of 3320 farmers for budding. ii. Top working of 4.3 million Wild Root Stock through budding grafting. iii. Establishment of 02 Germ Plasm Unit. iv. Establishment of 1660 progeny orchards. v. Training 1660 farmers in Orchards Management	i. 1776 farmers have been trained. ii. Top working of 1.28 million wild root stock have been completed. iii. Under process. iv. 1580 progeny orchards have been established. v. 769 farmers have been trained
		Crop Maximization Programme to Enhance Agricultural Productivity In AJK Including Mountainous Research (GoAK Sh. 149.347, Farmer Sh. 96.864)	02 Aug 2017 02 Aug 2020	149.347	i. Provision of Certified Wheat Seed 19000 KGs ii. Provision of Certified DAP Fertilizer for wheat 19000, iii Provision of Certified	i. 4266 KG wheat Seed have been provided ii. 4266 bags have been provided, iii 114700 KGs have

05					Maize Seed 458774 KG , iv. Provision of Certified Urea Fertilizer for Maize, 22939 Bags, v. Certified Fruit Plants 468932 No.	been provided, iv 5735 Bags, v. 80017 No. have been achieved
		On-Farm Soil Conservation and Productivity Enhancement through Mechanized Farming in AJ&K	Un-App	58.981	i. Provision of 34 Tractors, ii. Conservation of 12900 Cft farm land, iii. Converting 2500 Acres of Culture-able Wasteland into Cultivated land	Approved targets will be achieved
	Livestock	Poverty Reduction through Establishment of Production Units for Small Land Holders in AJ&K	16 May 2013 16 May 2018	236.300	i. establishment of 200 Dairy Units ii. Markup for purchase Dairy Units 121.500 million iii. Training of 300 Dairy Farmers iv. Establishment of 100 Sheep farms v. markup for purchase sheep 60.750 million	i. 274 Dairy Units have been paid. ii. 94.700 markup has been given. iii. 300 Dairy farmers have been trained, iv. 26 sheep farms have been achieved. v. 10.000 million markup have been achieved.
		Strengthening of Livestock Breed Improvement Programme in AJK (Phase-II)	10 Apr 2017 10 Apr 2020	196.314	Semen cow Local = 54000 doses Buffalo (local)= 216000 Doses (Imported jersey/Frisian = 4000	2000 doses 45000 doses

		Establishment of Poultry Complex Pallandri (Operational Phase)	07 Nov 2017 07 Nov 2020	65.401	Breeder parent flock layer 5000 No.	In progress
		Poverty Reduction through Establishment of Production Units for Small Land Holders in AJ&K through Public Private Partnership (Phase-II)	27 Nov 2017 27 Nov 2022	186.100	i. Establishment of 300 Dairy Units ii. Markup for purchase Dairy Units 144 million iii. Training of 300 Dairy Farmers	In progress
06	Irrigation and Water Conservation	Rehabilitation of Leftover Targets of National Program for Improvement of Water Courses in AJK (AJK Sh:263.324 M Farmer Sh:22.950 M:Total:286.274 M).	13 Mar 2013 30 Jun 2018 AKCDC	263.324	425 water courses	300 water courses completed
		Rehabilitation of Khari Irrigation Channel and Lining of Existing Distributaries on Upper Jhelum Canal (Phase-I)	04 Dec 2017 04 Dec 2021	132.323	i. Rehabilitation of 25 km Khari irrigation channel ii. Lining of 08 distributaries of upper Jhelum canal	In progress
		Protection of Precious Agri Land of Pindi Junjah, Thathi, Bela Mohammad Nagar & Kawlaal Sukasan areas through Construction of Flood Protection Infrastructure	16 Apr 2018 16 Apr 2020	38.609	Construction of 18 Flood Protection structure	6 Flood Protection structures are under construction
		Installation of Solar Tube wells on Pilot Basis in	26 Apr 2008 30 Jun 2018	25.512	Installation of 15 Solar tube wells/ lift pumps	In progress



		Potential Areas of District Mirpur and Bhimber				
07	Fisheries Development	Promotion of Commercial fish production in AJK (Public Private Partnership)	27-01-2014 30-06-2019 AKCDC	93.472	i. 150 fish ponds ii. 03 fish seed nurseries iii. 06 trout farms iv. 10 organic farms v. 35 model farms	i. 80 fish ponds completed ii. Nurseries under process iii. 04 trout farms completed iv. 05 organic farms completed v. 20 model farms completed
<b>B) New Projects Being Planned</b>						
01	Sericulture	Farmers Training & Demonstration of Products of Sericulture Department in AJK	Un-App	59.026	i. Farmers Training in Silkworm Rearing, Cocoon Grading, Marketing and Mulberry Cultivation (1,500) Farmers.	PC-1 Under process
					ii. Establishment of 2,000 Mulberry Farms at Farmers Level/ Govt. Places etc. (having target of one million plants)	-do-
02	Crops & Horticulture	Agro-Ecological Based Fruit, Vegetable & Apiculture Development as Enterprise in AJ&K.	Un-App	90.000	i. Capacity Building of 450 tunnel farmers, ii. Establishment of 100 Walk in Tunnels, iii. Promotion of off-	PC-1 under Preparation

					season vegetables cultivation at 120 acres, iv. Establishment Walnut and cherry Orchards, v. Distribution of 400 Bee Hives, vi. Training of 1200 farmers on silage preparation	
03	Livestock	Strengthening of Semen Production Unit (SPU) & Fattening of Male Calves at Jatlan.	Un-App	77.871	i. Production of 1000000 doses of cow and 80000 doses of buffalo semen ii. Purchase of 10 breeding bulls ( Cow / Buffalos iii. Fattening 180 calves iv. Training of 50 progressive farmers in beef fattening technology	-do-
		Rural poverty production for women in AJK	Un-App	94.18	Distribution of 116000 poultry pullets ii. Training of 5800 women workers iii. Purchase of 116000 medicine, vaccine/ feed supplement	-do-
<b>C) Potential Initiatives to be Initiated</b>						
01	AJKSIC	Scaling up of Interest Free Loan for Self-Employment in AJ&K through AKHUWAT	Being Proposed for five-year plan (2018-23)	1050.000	Provision of Interest free loan to 151,533 small entrepreneurs (un-employed and low-	Under Planning Prfocess

					income people) of the AJK.	
02	F.AID	AJK Community Development Program (AJKCDP) II	Being Proposed a Project for a period of six years under Five Year Plan (2018-23)	6000.000	<b>Livelihood enhancement through Community Mobilization and Development</b>	Formation & strengthening of 10,000 community organizations
					<b>Livelihood enhancement through Poverty Graduation</b>	50,000 poor households will be benefited through flexible menu of assets and activities
					Economic infrastructure.	<ul style="list-style-type: none"> <li>• 200 Water Channels</li> <li>• 40 Watercourse lining</li> <li>• 25 Tube wells</li> <li>• 30 Lift irrigation schemes</li> <li>• <b>200</b> Water Ponds</li> <li>• 80 Flood Protection works</li> <li>• 200 Water Storage/Rain Water Harvesting for Women</li> <li>• 600 Drinking water Supply</li> <li>• 200 roof rain water harvesting structure</li> </ul>

					<ul style="list-style-type: none"> <li>• 20 Mini / micro hydro power units</li> <li>• 50 Biogas,</li> <li>• 200 Solar home system</li> <li>• Construction of ponds: 20</li> </ul>	
					<ul style="list-style-type: none"> <li>• 50,000 smallholder farmers will be organized for income generation activities.</li> <li>• Formation of 220 Producer groups for value chains activities.</li> </ul>	
03	Tourism	Tourism Corridor (Sarran – Chikar – Sudhan Gali – Ganga Choti – Lasdana – Toli Pir – Banjosa - Devi Gali) and other similar other Initiatives Regarding Tourism Development in AJ&K	Being proposed for Five Year Plan (2018-23)	6200.000	<ul style="list-style-type: none"> <li>• Creation of 20,000 employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• 50,000</li> <li>• 220</li> </ul>
					<ul style="list-style-type: none"> <li>• Jobs expected to be created: 20,000</li> </ul>	