



Ministry of National Health  
Services Regulations & Coordination  
GOVERNMENT OF PAKISTAN

## INVESTMENT CASE

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# BUDGET DEFICIT FOR INVESTMENTS IN FAMILY PLANNING IN PAKISTAN

*FOR THE COSTED NATIONAL ACTION  
PLAN OF CCI RECOMMENDATIONS*





## ----- CONTEXT

In response to *Suo Moto Notice* by the Supreme Court of Pakistan, the present government set up a Task Force on Population. The Task Force came up with eight (8) set of Recommendations which were approved by CCI. These Recommendations are basically, illustrated best practices, identified while keeping in view the population situation in Pakistan and the challenges faced. By design, these policy recommendations are different from the full-fledged family planning program. Basically, these are some priority initiatives which are likely to yield tangible results and help in addressing matters relating to rapid population growth rate, low contraceptive prevalence, high fertility, and high mortality rates.

To ensure the implementation of these Recommendations, a Consensus National Action Plan and the Provincial Action Plans were prepared under the direction of CCI which basically presents the broader roadmaps. For meeting the financial requirements of the Action Plans, CCI asked the Federal Government to set up Pakistan Population Fund, with an allocation of PKR.10 billion per annum (non-lapsable), meant to strengthen the LHWs program, ensure contraceptive commodity security, and support innovations. It also advised the Provincial Governments to double their budgetary allocation for Population and Family Planning. In case of a Gap between the available resources and the Action Plan requirement, it directed that the M/o NHS shall hold a Donors Conference to mobilize resources to bridge the gap.



## COSTED ACTION PLAN FOR CCI RECOMMENDATIONS

*Having this in view, the PPW, M/o NHS with the technical assistance of UNFPA, carried out the costing of the National Action Plan and the Provincial Action Plans. To perform the realistic costing of the action plan, the activities, and the sub-activities under each of the eight recommendations were identified. A costing tool was developed to capture all the cost elements for the activities and sub-activities. The tool was shared with provinces for entering data. Using the costing tool, itemized cost of all activities for all provinces & regions from 2020 to 2025 were finalized. Each province and region were asked to priorities the activities under each sub-recommendations of the Action Plan and estimates the coverage, cost and other related activities based on the experience. The disaggregated expenditures and allocations against each recommendation (with broader themes) were collected. For provincial Departments of Health (DoHs), only the cost of contraceptive commodities for LHWs were included.*

Each provincial and regional PWDs were at the lead role while carrying out the exercise and they themselves have finalized the costing of their respective action plans. In short, the Federal and provincial costing plans have been generated, based on inputs from the respective implementing partner including the relevant provincial departments. The costing tool developed in excel provides costs by activity, sub-activity, and the overall aggregated costs of an amount of Rs. 100.9 billion.

Since the Population Programs have been declared a regular activity of the provincial governments and their budgets have been shifted to non-development in each province, therefore, only development budget (program

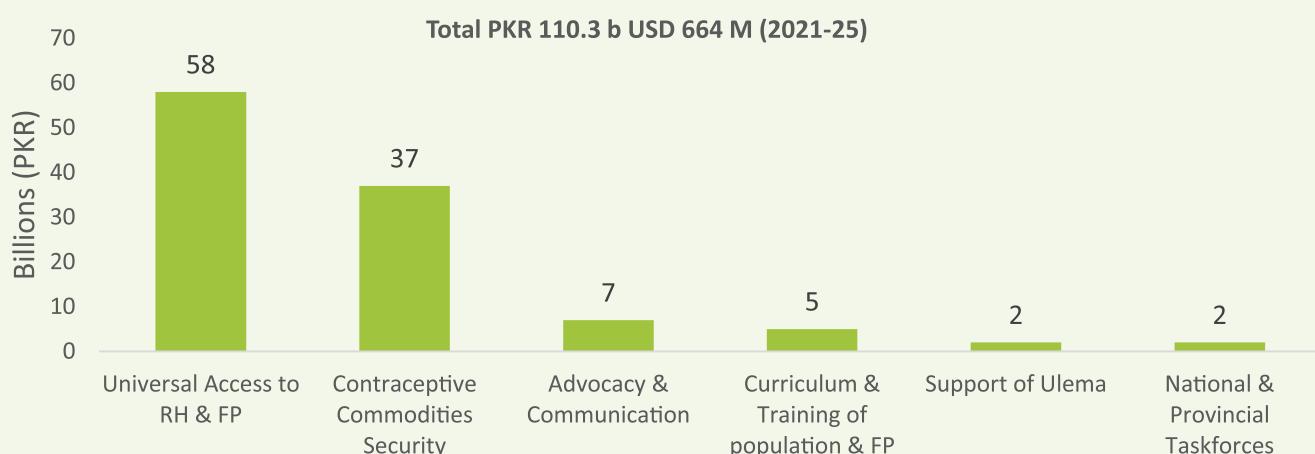
cost) is considered in all provinces and regions for the respective action plans. The non-development budget (salaries & other operational cost) is not included.

To perform realistic costing of the action plan, the activities, and sub-activities under each of the eight sub-recommendations were identified. A costing tool was developed to capture all the cost elements for the activities and sub-activities. The tool was shared with provinces for entering data. Federal and provincial costing plans were hence generated based on inputs from the provinces. The costing tool developed in excel provides costs by activity, sub-recommendations, and overall aggregated costs. The costing tool will be updated by provinces as and when implementation plans are updated.

In 2020, each provincial and regional government took the lead while carrying out the exercise and finalized the costing based on their needs as per their respective action plans. Using a standard costing tool developed to facilitate the exercise, itemized cost of all activities for all provinces & regions from 2020 to 2025 were finalized.

The consolidated national costed Action Plans with the amount of Rs. 100.9 billion was presented at the CEWG for endorsement by provincial government representatives and finally got approved at the 4th FTF held on 23 June 2021 under the chair of the president of Pakistan and in the attendance of the provincial Chief Ministers and Ministers of Health and Population. However, because of rapidly increasing inflation rate and dollar rate the national costed Action plan is increased by 10%. Thus, the revised amount is PKR 110.3 billion for the period of 2021-2025 (see Figure 1).

Figure 1: Revised cost distribution per thematic area of the Action Plan



In the following table, M/o NHSR&C has prioritized the three thematic areas to further enhance the implementation under these areas along with the key strategic interventions.

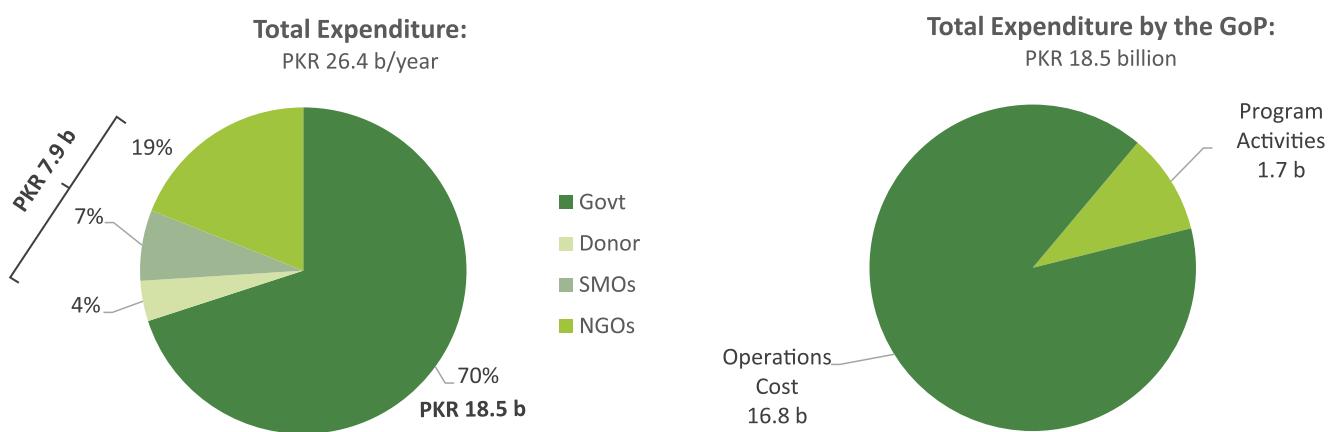
Universal Access to RH & FP	Contraceptive Commodities Security	Advocacy & Communication
<ul style="list-style-type: none"> <li>Expansion of CHWs.</li> <li>Utilize/ Revitalize Mobile Service Unit (MSUs).</li> <li>Support &amp; facilitate private sector/social marketing to provide services in the universal health coverage package.</li> <li>Develop linkages with social safety net programs.</li> <li>Promotion of Telemedicine practices for FP/RH.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring availability of contraceptive commodities to the last mile.</li> <li>Strengthening supply chain management system.</li> <li>Encouraging local production. Commodity support in the interim period.</li> </ul>	<ul style="list-style-type: none"> <li>Advocacy and National narrative dissemination reflecting its nexuses with population growth issues to be launched.</li> <li>Develop and implement behavioural change communication campaign.</li> </ul>

## FUNDING GAP ANALYSIS

The historical trend for last four-year spending reveals below par spending for all provinces. Some of lack of investments are attributable to COVID-19 pandemic, especially in the year 2020-21. However, spending levels were low even in pre-covid years (i.e., 2019-20 and before). Significant increase in spending is observed in Punjab and Sindh in the past two years.

Figure 2 shows the total spending per year in Pakistan, which is PKR 26.4 billion (inclusive of all stakeholders). Government's contribution stands at almost 70% (PKR 18.5 billion) of the total spending, followed by NGOs, SMOs, and UN/Donor. Out of the total government expenditure of PKR 18.5 billion (Error! Reference source not found.2), only 9% (1.7 billion) were spent on program activities, the remaining costs incurred were those of current budget (human resources and operations).

Figure 2: Distribution Total Expenditure on Family Planning in Pakistan: 2019-2020



Source: NIDI FP expenditure resource flow survey 2019-20 (Population Council, UNFPA)

Note: The data is also verified from the provincial population and health departments

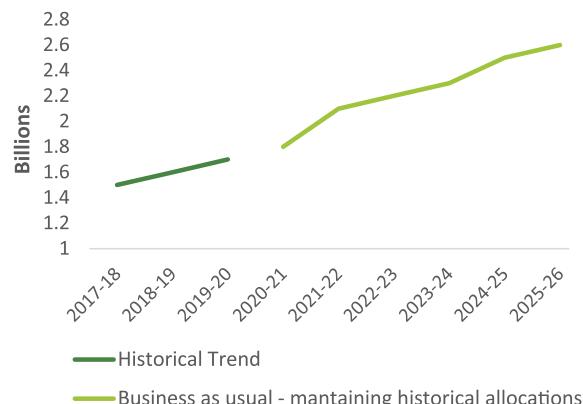
In 2019-2020, total Government of Pakistan expenditures is PKR 18.5 billion (1.7 billion development (program) and 16.8 billion on current (HR+ operational cost). The Development (program) cost includes Information Education & Counseling Materials, Monitoring & Evaluation, Policy, and Management Information System. The current budget includes salary, operational and capital cost. Assuming the same expenditure on current (HR + capital cost) budget with 10% inflation from 2021-2025, a total of PKR 113 billion investment is required. This is the commitment from the Govt. of Pakistan to ensure the smooth operations of the family planning program. This is in addition to the PKR 110.3 billion investments to implant the CCI recommendations from 2021-2025 under development (program) budget. Thus, total budget requirement to implement the CCI recommendations is PKR 223.4 billion for FP - Development (program) and Current (HR + Capital Cost) from 2021-25.

For projecting the funding and gap under development (program) expenditure, we extracted the trend of the development expenditure in Pakistan from last three rounds of NIDI resource flow survey. We further applied the simpler liner regression to estimate the trend of the development expenditure. Assuming the constant coefficients of the regression model, we project the potential development expenditure up to 2025. Figure 3 shows the estimates and projections of development budget in Pakistan. The development expenditure has increased from Rs. 1.5 billion in 2017-18 to Rs. 1.7 billion in 2019-20. The projections reveals that the development budget would be increase to Rs. 2.6 billion in 2025.

Further, as CCI recommendations directed that in addition to Rs. 10 billion non-lapsable funds provided

by the federal government, provinces should also double their development budget for family planning and avoid to re-allocate to other schemes. Thus, in line with this decision, the projected trend of development budget based on the historically allocation, we double the budget every year. Resultantly, the cumulative development (program) budget would be Rs. 23.5 billion from 2021-2025 in Pakistan.

**Figure 3: Estimates and projection of development budget in Pakistan from 2021-2025**

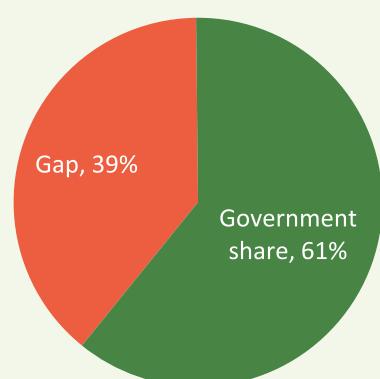


The cost of implementation of national action is estimated to be PKR 223 billion (USD 1.31 billion). Out of which Government of Pakistan has committed to provide PKR 137 million (USD 802 million), which is almost 61% of the total requirement. The committed budget is a sum projected development budget and the current budget ( $113 \text{ billion} + 23.5 \text{ billion} = 137 \text{ billion}$ ). If allocation is increased as committed in CCI recommendations by 2025 total allocation would leaving the gap of 87 billion (US\$ 510 million). For full scale implementation of the CCI recommendations, the government will require donors support to contribute to fill the gap of remaining 39% (Figure 4).

**Figure 4: Estimated Cost For The Implementation Of The National Action Plan**



**Share of Government of Pakistan in total budget: 2021-2025**



## CONCLUSION

The Government of Pakistan strongly realizes that as time goes by, we are plunging deeper into complex intersecting puddles of climate change securitization, sustainable development, and population Planning. Planning for population is no longer the agenda of a single ministry or department, but an intersectoral and integrated priority exacting co-created consensual solutions. This is critical to advance Pakistan's progress towards FP2030 goals for a stronger nation. It is also under this premise that federal and provincial task forces have been established to ensure a focused effort by all, governments, private sector, academicians, researchers, educators, and people.

However, we are facing an enormous challenge in the implementation of the National Action Plan based on CCI-Recommendations. A scientific costing of National

Action Plan reveals that the funds to the tune of Rs. 223 billion are required during the next five years. While the Federal and Provincial governments would be only able to allocate Rs. 137 billion leaving a gap of

Rs. 87 billion. If this gap is not bridged by the International Community, Pakistan would not be able to fulfil its international obligations.

Realizing the fact that the redressal of the prevalent situation and the implementation of the aforesaid policies and programs is a tall agenda, and the Government of Pakistan alone cannot cope with this gigantic challenge, thus, government of Pakistan intend to call upon the international development partners to enhance their support to enable us to move faster in the realization of our national goals and international commitments.

## WAY-FORWARD: ***DONOR COORDINATION FORUM***

**A donors coordination forum to be formed in the Co-Chair of SAPM/ Minister NHR&C and Minister EAD, Minister Finance, membered by the Provincial Minster of Health and Population.**

**The forum shall ensure the realization of Donor's financial commitments and their**

**judicious distribution & utilization at all levels. Population Program Wing shall serve as the secretariat of the forum with the DG as its convener. The forum shall meet bi- annually and its recommendations shall be placed before the federal task force for its perusal and approval.**

