of small enterprises, it is important to provide assistance from the two perspective of creating jobs in the region and rectifying regional disparities, which are expected to grow ever wider as the introduction of foreign capital spurs development.

It is important to provide indirect assistance for modernisation of the infrastructure in order to promote industrial development. It is also important, however, to provide such assistance for upgrading the social infrastructure, including such components as medical care, education, and water and sewage systems, together with the development of economic infrastructure (water for industrial use, electric power, roads, etc.).

3. ODA for the Environment and Sustainable Development

- Cooperation for Assessments of Environmental Pollution
- Cooperation for Improving and Consolidating Monitoring Agencies
- Cooperation for the Training of Engineers and the Establishment of Systems to Monitor Specific Pollutants
- Studies and Research on Environmental Measures that Encourage Resource Conservation
- Integrated Assistance for Healthier Living Environments

1) Recommendations Made in the Previous Country Study

The first country study recognised the need for efforts to train environmental specialists and engineers, establish environmental monitoring systems, and promote further research and development on environmental management and conservation technologies. It also noted the value of performing proper environmental impact assessments prior to the initiation of development projects. Accordingly, it recommended that technical and financial assistance be provided primarily to help train needed human resources, set up systems for the monitoring of air and water quality and other environmental indicators, and implement effective preventive measures for pollution.

2) Japanese Assistance Since the Previous Country Study

Japan has pursued a number of projects in this field since Feb. 1991.

- Project for Improvement of Environmental Conditions in Karachi (1991-1992, grant assistance, totalling ¥1.0 billion)
- Islamabad Water-Treatment Facility Improvement Project (1991-1992, grant assistance, totalling ¥2.3 billion)
- Karachi Water Supply Improvement Project (1994, loan assistance, ¥10.3 billion)

In addition, new project-formulation studies in the environmental field are scheduled for initiation in 1996.

3) Position of the Second Country Study Group on Priority Areas for Aid

① The Environmental Field: Current Conditions and Issues

a. Environmental Pollution and the Actual Beginning of Environmental Administration

Environmental administration in Pakistan basically got under way with the enactment of the Environmental Protection Ordinance in 1983. However, due to domestic political unrest, the agency set up to implement that core piece of legislation, the Pakistan Environment Protection Council could not hold its first meeting until 1990. In 1992, the country hammered out its National Conservation Strategy and offices of the Environment Protection Agency (EPA) were set up at the federal and provincial levels. As these developments suggest, it could be said that Pakistan has just started engaging in substantive efforts in environmental administration.

Though the country has been steadily consolidating and refining its environment-related legal code, the provisions are said to be not yet comprehensive enough to prevent pollution and improve on the existing situation. For instance, though it has drawn up emission standards, which are known as National Environmental Quality Standards (NEQS) in Pakistan, the government has not yet prepared environmental standards which specify levels of quality for water and the atmosphere in general. What is more, it is said that existing restrictions on vehicle emissions have only nominal impact at present because the government has yet to introduce any penalties for violators. Consequently,

progress in the arena of environmental administration will likely bring with it the necessity of revising provisions of the country's environment-related legal statutes.

The EPA still has a limited number of personnel with specialist expertise and almost no equipment for effective monitoring operations. Hence, as the enforcement arm of Pakistan's administrative apparatus for environmental affairs, it lacks the power to live up to its assigned role. It is anticipated these enforcement-related weaknesses will ultimately pose a serious obstacle to future efforts in environmental administration.

Enforcement of environmental policies will not be effective on the basis of administrative efforts alone. The cooperation of polluters is necessary as well. Reflecting the view that pollution is an external diseconomy, environmental measures will have little direct benefit to polluters if all they do is impose costs. That is one reason why polluters still lack basic incentives to engage in environmentally friendly practices, and why they have virtually no environmental specialists or monitoring equipment of their own.

b. Deficiencies in Residential Sanitation Infrastructure

Inadequacies in infrastructure related to residential hygiene are also considerable as an environmental problem in a broader sense and a major challenge. Increasing access to modern water supplies is essential to ensuring a healthier living environment. At present, though, only 53 percent of the country's entire population (80 percent in cities and 40 percent in rural areas) have access to supplies of potable water. Steps to improve access will be all the more important at the rural level.

Various factors have impeded efforts to establish healthier living conditions in Pakistan. One of the most significant impediments is the organisational and institutional constraints which hamper efficient discussion for planning and implementation of residential hygiene projects at the national level. In effect, because provincial governments have jurisdiction over the planning and implementation of water-supply projects, the federal government remains weak in its ability to shape the plans from a national perspective, oversee projects, and develop an understanding of actual conditions. As a result, aid donors typically do not have enough data to set regional priorities, or to decide whether water supplies should have priority over sewerage and treatment facilities, or

vice versa. In addition, lags at the information-gathering stage tend to undermine the provision of efficient and effective aid.

c. The Depletion of Forest Resources

Due to its location in a semiarid region, Pakistan never has had an abundance of forests. Even so, firewood still accounts for 54 percent of all energy use in households; cow dung, the second most common source of fuel, accounts for a far smaller 18 percent.[50] This state of affairs is considered to be behind the rapid depletion of the country's forest resources, which in turn has sparked soil erosion and other serious environmental problems.

② Priorities

a. Cooperation for Assessments of Environmental Pollution

Efforts to administer environmental policy have just begun in Pakistan. Accordingly, implementing effective environmental policies on a national scale will first of all demand an understanding of the actual nature of environmental pollution. It is imperative that efforts be made to examine the causes and extent of pollution and prepare action programmes driven by explicit policy priorities.

In initiating studies and drawing up action plans, Japan should work together with its counterparts in Pakistan and pave the way for technology transfers. Also, it will be essential to assist in the establishment of an organisational system that allows Pakistan to pursue follow-up studies and projects on its own.

b. Cooperation for Improving and Consolidating Monitoring Agencies

As indicated earlier, the EPA has been set up at the federal and provincial levels as the government apparatus responsible for the actual task of pollution monitoring. However, it faces shortages of the personnel and equipment it needs to perform such work at either the federal or provincial level, and for that reason it is far from ready to fulfil its assigned role. Though the World Bank has been providing assistance aimed at strengthening the EPA's organisation, the agency still faces chronic shortages in personnel and equip-

50 GOP, The Energy Wing, Pakistan Household Energy Strategy Study, 1991.

ment. Steps to reinforce its functional capabilities now seem crucial. As it happens, Pakistan is going to enforce the regulations with penalties for exhaust and effluent emissions in July 1996.[51] Fast-track measures to strengthen the government's monitoring abilities will thus be essential.

c. Cooperation for the Training of Engineers and the Establishment of Systems to Monitor Specific Pollutants

It will be important to provide assistance for the training of engineers and the establishment of systems for monitoring the more serious sources of pollution (e.g., untreated effluent from chemical factories and dyeing or leather-processing plants).

As noted above, new regulations on exhaust-gas emissions and wastewater effluent will take effect in July 1996, and their enforcement will be preconditioned on the existence of an effective monitoring system. More than that, though, corporate polluters will find it necessary to establish their own monitoring systems and take measures aimed at ensuring that their operations are in compliance with the new regulations. Monitoring agencies and polluters alike should be prepared to cooperate with each other if the regulations are to have substantive rather than nominal effects. However, both have almost no equipment or facilities for the actual monitoring work, let alone trained engineers to do the job. As the first step toward fighting specific pollutants, Japan will find it essential to provide assistance for the enforcement of antipollution measures.

d. Studies and Research on Environmental Measures that Encourage Resource Conservation

In the short run, polluters will likely view pollution countermeasures as imposing only costs and offering little or no noticeable benefit in return. Consequently, they will lack incentives to establish and institute such measures on their own, a prospect that suggests headway toward cleaning up the environment will be slow. However, as a single example, optimally tuning the diesel engines in many vehicles can lead to improvements in air quality. From that perspective, it seems conceivable that environmental studies and research will help to speed up efforts aimed at improving the environment provided their

51 Based on interviews with officials in the Environmental and Urban Affairs Division (Sep. 1995).

findings encourage resource conservation and afford viable benefits to polluters as well.

e. Integrated Assistance for Healthier Living Environments

Problems associated with the residential living environment cut across broad segments of Pakistani society, in urban and rural districts alike. On top of that, in view of the organisational and institutional bottlenecks mentioned earlier, providing grant assistance to limited areas of Pakistan is not an efficient way of improving living environments. Pakistan also suffers shortages of personnel needed to run and maintain modern water-supply and water-treatment facilities. Accordingly, it seems vital that action be taken to devise a national master plan that fully considers the organisational and institutional dimensions of living environmental management combined with the participation of beneficiaries, and on that basis clarify the priority areas of aid and strive for an integrated approach to the assistance of financial aid, project-based technical assistance, and other Japanese aid approaches in mind.

③ Other Issues Deserving Attention

One of the biggest factors that impede progress in environmental protection is the lack of incentives that would encourage polluters to implement effective antipollution measures. Adoption of the ISO 14000 specification in 2001, however, is expected to provide an impetus for the manufacturers of export-oriented products to take environmental factors into greater consideration.

Unless it takes action to address its environmental problems, Pakistan could face irreversible consequences. In formulating new ODA programmes for Pakistan, it is essential that Japan determine how seriously the country is striving to deal with environmental problems.

One lesson obviously learned by Japan and other advanced industrialised countries is that negligence in the arena of environmental policy ultimately imposes heavier costs over the longer term. Having amassed substantial experience in this field, it would appear Japan has substantial room to contribute more to the solution of environmental problems in Pakistan.

III. Issues Deserving Special Attention

Below we present five recommendations having to do respectively with improving the effectiveness of our ODA, fostering coordination at the international level, perspectives on women in development, cooperation with NGOs, and personnel exchange. WID, the environment (already discussed), and poverty count among those universal issues that span practically every dimension of the ODA field. Poverty is a pressing issue in practically every developing country, not just Pakistan. Poverty itself has been closely associated with a number of factors, including deficiencies in levels of per-capita income and basic human needs as well as the dismantling of regional society's traditional systems of mutual aid. Within the context of ODA, we have taken a position in this study of regarding the issue of poverty in terms of the need to enhance employment opportunities and pursue improvements in social infrastructure. Accordingly, we should point out that our recommendations have the underlying objective of alleviating conditions of poverty through forms of assistance aimed at generating employment and improving social infrastructure.

1. Improving the Effectiveness of ODA

There are two sides to the task of improving the effectiveness of ODA: that of the donor and that of the recipient. Areas for improvement are discussed below with attention to both sides.

1-1 Issues Concerning Japanese Frameworks for ODA Implementation

(1) Attention to Social Dimensions of the Project at its Formulation Stage

Many projects have to be put together and implemented within short time frames and with limited funding. Partly for that reason, studies on the social dimensions of the project often do not go deep enough, with the consequence that various social factors tend to be overlooked in districts where projects are targeted. This shortcoming has been cited repeatedly by a number of project-evaluation reports. Also, given the importance of perspectives on the issue of gender in Muslim societies, and in view of the social constraints , there would seem to be significant value in stressing that gender specialists (preferably

women) be included on project-formulation teams, whenever necessary.

(2) Strengthened Monitoring

Effectively implementing and utilising ODA will demand stronger steps in monitoring, both during and after project implementation. For projects in progress, it seems imperative that the JICA overseas office in Pakistan and other Japanese diplomatic agencies strive on a regular basis to determine whether they are being implemented and managed in line with established plans, and to promptly pursue talks with the Pakistani government on remedial action in the event that any problems are uncovered. Furthermore, it will be even more important to perform regular follow-up assessments aimed at identifying sustained project value: for instance, by gauging how effectively finished projects are being utilised. Also, to ensure that projects still in the execution stage are ultimately self-supportive, it will be essential to actively draw on all available systems for follow-up assessment and fine-tuning, and provide support as necessary while striving to improve on the existing frameworks for follow-up action.

(3) Mobilisation and Training Human Resources

Experts are instrumental to the provision of technical assistance. However, while Japan currently receives many requests for such experts, it actually deploys far fewer than are sought in practice. To supply adequate numbers of qualified personnel, there is hope that Japan will strengthen its frameworks for the mobilisation of needed personnel by turning to private sources and by utilising personnel from third countries.

1-2 Improving Pakistan's Capability to Effectively Utilise ODA

(1) Improving the Content of ODA Requests to Help Identify Quality Projects

Implementing organisations in Pakistan are not that well-versed in the basic policies, schemes, or implementation frameworks underlying the provision of Japanese ODA, and lack technical expertise in certain areas. These weaknesses sometimes appear to prevent them from developing a full picture of all the factors associated with the projects they request. As a consequence, formal Pakistani requests for ODA are occasionally obscure not only about a

project's level of priority or necessity, but also about preconditions, implementation frameworks and their scale, expected benefits, and other details. While there are occasions where the country has demonstrated a desire for injections of ever-more-advanced and modernised facilities, equipment, and other hardware items, inadequacies are sometimes found in software areas such as securing human resources, and transfers of basic technology.

Taking the current situation into consideration, it therefore seems essential that Japan pursue dialogues with the Pakistani government in order to assure that projects are appropriate, and that Japan consider improving Pakistan's capabilities in the arena of project formulation itself. Also, when necessary, deploying survey specialists (e.g., for long-range surveys and project formulation) and conducting ODA seminars would conceivably be effective ways of finding and formulating worthwhile projects and working out project details with Pakistani counterparts.

(2) Speeding Up and Streamlining Domestic Procedures

It is essential that actions be taken to speed up an array of relevant procedural routines in Pakistan. These include customs procedures for the entry of Japanese survey teams and experts, procedures for the certification of various written agreements and plans, as well as the licensing and exemption procedures of the Central Bureau of Revenue—concerned with formal written agreements on project implementation.

To give an example regarding grant-based packages of assistance, there is a domestic approval stage following the exchange of signed, official documents and subsequent revisions to the PC-1 documentation. For this reason, the work associated with moving such assistance forward sometimes incurs substantial delays. Indeed, it is not at all uncommon for specifications to undergo substantive revision even after the detailed stages of design have been completed. On top of that, adjustments due to delays in bidding procedures ultimately impose heavy demands in terms of extra time and labour. Not only that, poor coordination between the channels for the allocation of foreign assistance and provincial governments means that province-level tax exemption and information gathering procedures do not always go very smoothly. What is more, even gaining approval for the use of various maps in development studies is also something that still typically demands a lengthy wait.

All of the above function as obstacles to the smooth provision of ODA. For that reason, Japan should utilise every opportunity and forum at its disposal to continue urging that Pakistani authorities make improvements in such areas.

(3) Suitable Management Frameworks for Projects in Progress and Already Completed

The responsibility of the recipient to bear certain local costs, the placement of counterparts, and other actions will be among those factors that have a direct influence on ODA and determine whether it is successful or not. In a few cases, however, Pakistan has not been adequately accommodating in these areas. This state of affairs thus demands continuing efforts to persuade Pakistani authorities to make needed improvements, and that Japan pursue adequate study in the preliminary stages of project formulation.

(4) Security Considerations

Occasionally, it will be necessary to have the EAD contact local police authorities to determine whether it is safe for ODA personnel to journey into outlying districts. In some instances, it may also be necessary to have security officers accompany those personnel on such trips. Security still remains to be questioned in certain areas of the country. Consequently, Japan should insist that Pakistani authorities adequately analyse the situation in such areas and share pertinent information with Japan prior to the deployment of technical experts, Japan Overseas Cooperation Volunteers, or survey teams, and prior to project implementation.

2. Coordination with International Organisations

Environmental problems, the population explosion, and AIDS have all become global issues in a real sense. Under the Global Issues Initiative, Japan has began actively supporting work to address population issues and AIDS since fiscal 1994. A consensus is emerging, however, on the need for a more concerted, coordinated approach by many multilateral and bilateral aid organisations to effectively deal with these global-scale challenges. To be sure, as one apparent manifestation of aid fatigue, recent years have seen practically all DAC member-countries cut their budgets for ODA. On top of that, many

international organisations have faced growing criticism over organisational structures, budgets, and programme content.

These developments suggest it will be increasingly essential in coming years for aid organisations to actively coordinate their efforts and form alliances, especially for the above issues and large-scale projects in irrigation, drainage, protection from salinity and waterlogging, the construction of large hydro-power plants, and other areas where such coordination can clearly be expected to multiply the benefits (in terms of human resources, experience, and scale of implementation). However, unless such strategies are beneficial to Japan, its partners, and Pakistan alike, they will not succeed. In coordinated arrangements, negotiations and bargaining prior to and during project implementation will involve at least three parties. Assuming the donors have different budget frameworks and criteria to meet for the provision of aid itself, it seems reasonable to expect that they could actually end up wasting more time and labour in the coordination stages than would have been the case had they pursued a given project on their own. This is a contingency that should receive special attention during the stages of study devoted to actual project selection, formulation, and methods of coordination.

From a donor's perspective, in terms of its readiness, its legal frameworks, and its enforcement abilities, the Pakistani government in many ways still seems unprepared to address certain issues of global scale. In fact, expectations are that donors would have to actively involve themselves not only in project implementation itself, but also in institution-building ventures and work to resolve an array of administrative problems on the Pakistani side. As a donor, Japan is limited in what it can do on its own. Accordingly, it should consider coordination with international aid organisations one of its options in addressing issues of global scale.

3. Perspectives on Women in Development

In her address to the Fourth World Conference on Women in 1995, Prime Minister Benazir Bhutto declared that education and economic independence for women would be key priorities of her administration. Japan at the same forum announced that it would pursue WID initiatives aimed at empowering women.

Japan's first country study on ODA to Pakistan (prior to approval of the current SAP) noted the importance of the social sector, and in particular that of the role of women in this sector. Japan has since initiated a number of projects reflective of that understanding. We believe social infrastructure to be a field that will demand long-range injections of assistance. This paper stresses the necessity of providing Pakistan assistance for improvements in social infrastructure that pay special attention to the needs of women. Our fundamental reasoning is this: if Pakistan is to effectively harness the immense, latent potential of the women who account for half its population, it will find it necessary to guarantee them equal opportunities and a wider range of choices not only of a purely economic nature, but also in the political and social spheres. In effect, we believe ODA for gains in social infrastructure will be a vital first step toward the establishment of basic conditions for the empowerment of women. In putting together its projects, Japan would find it beneficial to utilise gender-oriented analytical approaches and in other ways incorporate perspectives on gender into the deliberation process.

4. Cooperation with NGOs

The importance of fine-tuned responses to the diversifying needs of developing countries, and of the perspective on grass-roots community-participatory development in development aid have grown. In order for development to effectively respond to the situation that reflects the needs of the beneficiaries, individual efforts by aid institutions, partner governments, and NGOs (non-government organisations) are needed, as well as multi-level approaches through mutual cooperation and collaboration.

Noting the characteristics of Pakistan society as described in the chapter "Perspectives on ODA to Pakistan", in particular the existence of the landed elite and a divided and stratified rural society, and given the fact that the development roles of aid organisations, partner governments, and NGOs are mutually complementary, ODA for changes in social structure and boosting the capacity of rural society has to be undertaken from a long-term perspective. As one element of this strategy, there is a need to examine the most appropriate ways of collaborating with NGOs, which have built up experience in regional development, through free, grass-roots funding cooperation and other means.

5. Personnel Exchange

When ODA projects are a success, it is often because the counterpart worked to establish a favourable set of conditions. That is one reason that personnel exchange, including training programmes for exchange students and trainees, seem to warrant even more attention than they have received to date. From a broader perspective, we should not overlook the importance of opportunities, for both nations, to learn about each other. In this context, it is unfortunate to find out that not one of Pakistan's universities or research institutions currently offers any regular courses on Japanese studies.

Table 1 Basic Indicators of South Asian Countries

			Pakistan	Bangladesh	India	Nepal	Sri Lanka
A. Estimated Population (1992)		millions	129.3	112.7	884.4	20.3	17.7
B. Annual Population Growth Rate (1960-92)		%	3.0	2.5	2.2	2.4	1.8
C. G D P (1993)		million $	51,825	23,997	250,966	3,748	10,472
D. G D P Growth Rate (1993)		%	2.0	4.4	2.8	3.0	6.9
E. Current GNP per Capita (1993)		$	430	220	300	190	600
F. Structure of Production (1993)	Agriculture	%	25.0	30.0	31.0	43.0	25.0
	Industry	%	25.0	18.0	27.0	21.0	26.0
	Services	%	50.0	52.0	41.0	36.0	50.0
G. Growth of Production (1980-93)	Agriculture	%	4.4	2.6	3.0	3.6	2.1
	Industry	%	7.2	5.2	6.2		5.0
	Services	%	6.3	5.4	6.4		4.6
H. Percentage of Labour Force	Agriculture	%	47.0	59.0	62.0	93.0	49.0
(1990-92)	Industry	%	20.0	13.0	11.0	1.0	21.0
	Services	%	33.0	28.0	27.0	6.0	30.0
I. Average Annual Rate of Inflation (1980-93)		%	7.4	8.6	8.7	11.5	11.1
J. Marchandise Trade (1993)	Exports	million $	6,636	2,272	21,553	390	2,896
	Imports	million $	9,500	4,001	22,761	880	4,227
K. Current Account Balance / GDP (1993)		%	-7.1	-2.2	-0.3	-7.0	-5.2
L. Total Debt Stocks (1993)		million $	26,173	14,939	92,104	2,004	6,793
M. Debt Service Ratio (1993)		%	25.2	14.6	26.1		10.1
N. Gross International Reserves (1993)		million $	1,995	2,447	14,675	518	1,686
(Months of import cov.)		months	1.4	5.5	3.6	6.8	2.9
O. Government Deficit / GDP (1993)		%	-7.40		-4.80	-6.30	-6.40
P. Life Expectancy at Birth (1992)		years	61.5	55.6	60.4	53.5	71.9
Q. Under-5 Mortality Rate (1994)		per 1000 live birth	137	117	119	118	19
R. Total Fertility Rate (1994)			6.0	4.2	3.7	5.3	2.4
S. Maternal Mortality Rate (1980-92)		per 100000 live birth	500	600	460	830	80
T. Daily Calorie Supply per Capita (1992)		Kcal / day	2316	2019	2395	1957	2275
U. Primary School Enrolment Ratio	Male	%	59	83	113	121	109
(gross) (1986-93)	Female	%	31	71	90	81	105
Secondary School Enrolment Ratio	Male	%	29	25	60	47	71
(gross) (1986-93)	Female	%	13	12	37	24	78
V. Adult Literacy Rate (1990)	Male	%	46.0	47.0	62.0	37.0	93.0
	Female	%	21	23	34	11	85
W. Public Expenditure on Education and	Education	%	3.4	2	3.5	N.A.	2.7
Health (as % of GDP) (1990)	Health	%	1.8	1.4	1.3	2.2	1.8
X. People in Poverty (1990)	Urban	%	20.0	56.0	38.0	19.0	15.0
	Rural	%	31.0	51.0	49.0	43.0	36.0

Source) A, B, H, P, S, T, W, X UNDP, Human Development Report 1995 : C, D, E World Tables 1995 :
F, G, I, J, K, N, O World Development Report 1995 : K Trends in Developing Economies 1995 :
L, M World Debt Tables 1996 : Q, R, U, V UNICEF, The State of the World's Children 1996

Table 2 Pakistan's Economic Indicators

	1960's Average	1970's Average	1980's Average	1990/91	1991/92	1992/93	1993/94	1994/95
1 Growth Rate (*1)	6.77	4.84	6.45	5.57	7.71	2.27	3.80	4.70
Goods Producing Sector	6.83	3.88	6.49	5.91	8.61	0.09	3.90	4.97
Agriculture Sector	5.07	2.37	5.44	4.96	9.50	-5.29	2.86	4.94
Manufactureing Sector	9.93	5.50	8.21	6.25	8.05	5.35	5.39	4.41
Service Sector	6.74	6.26	6.65	5.21	6.76	4.63	3.69	4.42
2 Investment and Savings (as % of GNP)(*1)								
Total Investment		17.41	17.47	18.52	19.94	20.55	19.44	19.03
Fixed Investment		16.37	15.83	17.01	18.41	18.99	17.87	17.53
Public Investment		9.17	8.56	8.27	8.70	9.02	8.30	8.27
Private Investment		7.20	7.28	8.73	9.71	9.97	9.57	9.26
National Investment		11.74	13.81	13.86	16.90	13.47	15.56	14.77
Foreign Investment		5.67	3.65	4.66	3.04	7.08	3.88	4.26
3 Gorwth Rate of Consumer Price Index (CPI)	3.83	12.33	7.34	12.70	9.60	9.26	11.18	(*2) 10.87
4 Public Finance (as % of GDP)								
Total Revenue			17.2	16.1	17.9	17.8	18.6	19.3
Tax Revenue			13.4	12.7	13.6	13.3	13.9	16.0
Non Tax Revenue			3.8	3.4	4.3	4.6	4.6	3.3
Total Expenditure			24.9	25.6	26.5	26.0	24.5	23.4
Current Expenditure			17.6	19.2	19.0	20.3	19.8	18.5
Defence			6.5	6.3	6.3	6.5	6.0	5.5
Interest Payment			3.8	4.9	5.2	5.9	6.6	5.7
Development Expenditure			7.2	6.4	7.5	5.7	4.7	4.8
Overall Deficit			7.0	8.7	7.4	7.9	5.8	4.0
5 Expenditure for Education (as % of GNP)			1.9	2.1	2.2	2.2	2.2	2.4
6 Expenditure for Health (as % of GNP)			0.8	0.7	0.7	0.7	0.7	0.7
7 Growth Rate of Money Supply (M2)	16.3	21.0	13.2	16.3	30.3	18.0	16.9	10.0
8 Balance of Payment (as % of GDP)								
Exports (FOB)			9.81	12.97	13.87	13.12	12.89	12.65
Inports (FOB)			18.74	18.42	18.45	19.44	16.82	15.89
Trade Deficit			8.93	5.46	4.59	6.32	3.93	3.24
Current Account Deficit			3.91	4.77	2.76	7.14	3.90	3.62
9 Labor Force (of 10 Years Age and Above) (*3)								
Agriculture Sector	(*4)57.95	54.82	51.70	47.45	48.27	47.54	47.54	47.54
Mining and Manufacturing Sector	(*4)14.75	14.03	13.51	12.38	12.53	10.89	10.89	10.89
Unemployment	(*4) 1.42	2.42	3.49	6.28	5.85	4.74	4.74	4.74
10 Debt Service Ratio (*1)		(*5) 14.1	12.5	13.7	13.4	15.3	16.2	14.9

Source) 1～4,and7 : P2～3, 5 : P6, 6 : P7, 8 : P4～5, 9 : P20～21, 10 : P195, GOP ES 94-95

Notes *1 94/95 Estimated
*2 For First 3 Quarters of the Fiscal Year (July - April)
*3 93/94 and 94/95 Estimated
*4 7 Years' Average for 63/64～69/70
*5 8 Years' Average for 72/73～79/80

Table 3 Japan's ODA to South Asian Countries

	Type of Assistance	(Unit)	Pakistan	Bangladesh	India	Nepal	Sri Lanka
1	Amount of Aid in Japanese Fiscal Year1994 (April - March)						
1 – 1	Loan Aid (*)	(Million Yen)	34,818	22,967	125,765	0	36,415
1 – 2	Grant Aid (*)	(Million Yen)	6,352	21,610	3,363	8,685	6,717
1 – 3	Techinical Cooperation	(Million Yen)	1,517	1,873	1,193	2,350	2,043
	Number of Accepted Trainees	(Pesons)	170	151	118	140	209
	Number of Dispatched Experts	(Pesons)	43	28	24	90	47
	Number of Dispatched Survey Team Members	(Pesons)	74	104	133	72	157
	Number of Dispatched JOCVs (**)	(Pesons)	1	41	0	28	28
	Equipment Supply	(Million Yen)	116	93	93	365	123
	Number of Project - Type Technical Cooperation	(Projects)	2	1	2	8	4
	Number of Development Study	(Projects)	3	2	2	4	7
2	Cumulative Amount of Aid upto Japanese Fiscal Year1994						
2 – 1	Loan Aid (*)	(Million Yen)	731,479	508,106	1,615,739	37,995	368,016
2 – 2	Grant Aid (*)	(Million Yen)	140,675	264,926	62,830	105,538	127,337
2 – 3	Techinical Cooperation	(Million Yen)	19,612	26,391	12,555	30,633	25,865
	Number of Accepted Trainees	(Pesons)	2,426	2,151	2,644	1,839	3,284
	Number of Dispatched Experts	(Pesons)	601	632	360	822	660
	Number of Dispatched Survey Team Members	(Pesons)	1,899	1,964	1,076	1,839	1,707
	Number of Dispatched JOCVs (**)	(Pesons)	1	577	131	588	388
	Equipment Supply	(Million Yen)	2,208	3,908	1,964	5,365	4,209
	Number of Project - Type Technical Cooperation	(Projects)	8	9	10	15	17
	Number of Development Study	(Projects)	40	42	17	31	36

Source) Ministry of Foreign Affairs, Japan's ODA Annual Report (Japanese Version)

Note) * Both Amount and Yearly Classification are on the Basis of Exchange of Notes (E/N)

**Japan Overseas Cooperation Volunteers