

In This Issue:

- Message from the Chairman
- Message of the Month

Areas of Focus

- Research and Consultancy Wing
- Think-Tank Wing

- Education and Learning Wing
- Knowledge Management Wing
 - Recent Publications

NEWSLETTER

Editor in Chief: Shahid Najam
Editor: Asad Ejaz Butt
Design: Muhammad Rizwan



From the Desk of the Vice Chairman

Illicit Financing: Raising finances for achieving the development goals, in the wake of rising incidence of poverty, hunger, disease, illiteracy and lack of access of poor to the basic services and utilities, has been one of the most daunting challenges for the developing countries. The major emphasis in the international development discourse has traditionally been on the ways and means to enhance the flow of external resources to the developing countries in terms of: overall increase in the overseas development assistance; pursuit of incentives based policy options to attract foreign direct investment; or experimentation with innovative resource mobilization schemes.

Little attention, if any, has been paid by the policy makers to mobilizing and harnessing the potential for domestic

resource mobilization. In particular, the issues related to the leakages of resources out of developing countries as a result of illicit capital flight, illicit financing, money laundering etc., and the huge detrimental impact to the economy have largely been ignored or relegated to periphery.

Illicit financial flows including money laundering represent a major obstacle to development. Such flows out of developing countries are estimated to be eight to 10 times higher than all official development assistance coming in every year. For every US\$1 the poor countries receive in official development aid, around US\$10 flows abroad through illicit means. In aggregate, close to \$ 1

Contact Us

Tel: +92-42-35913304, **Fax:** +92-42-35913303

Web: www.sjbipp.org, **Address:** 126-B Ahmed Block, New Garden Town, Lahore

Previous Publications



NEWSLETTER

5th October 2017 | Edition 15

trillion of illicit financing flowed out of the developing countries in 2014 which far exceeded the combined total of FDI and ODA. Corrupt money associated with bribe received by public officials from developing and transition countries is estimated at \$20 billion to \$ 40 billion per year as per the Stolen Assets Recovery Initiative of WB and UNODC. These resources, if retained within the poor countries, could easily be used for investment in the programs for achievement of sustainable development goals (2015-2030) e.g., \$ 194 billion required for meeting the SDG target on education; \$39 billion and \$89 billion per year required for meeting the health related goals, respectively.

Pakistan ranks 116 out of 175 countries on the Corruption Perception Index as reported by Transparency International in 2017 compared to 126 in 2014 with an alarming rate of illicit capital flight.

The issue of illicit financing and money laundering is recognized by the United Nations as a major hindrance to development effort and to the achievement of the nationally and internationally agreed development goals as it severely affects the mobilization of domestic resources for investment and development. The strong nexus between terrorism and illicit financing has added an ominous dimension to the enormity of the challenge and has mobilized the international community to put in place concerted and effective measures to control its incidence. The Stolen Assets Recovery Initiative of World Bank in conjunction with UNODC was launched in 2005 and provides the framework

for action against corrupt leaders. It serves as a formidable deterrent for corruption in developing countries especially when a request for action is initiated by the affected country.

In view of the foregoing, it is extremely vital to understand the nature of illicit financing problem and to explore possible solutions, especially for a country like Pakistan which continues to wrestle with the immensity of development challenges of poverty, hunger, illiteracy, lack of access to clean water, child mortality etc., as also the terrorism threat. This will entail adoption of effective and holistic policy and institutional measures to curtail illicit financial flows and money laundering. All the essential elements — the technology, legislation and institutions — will have to be harnessed to track the illicit funds, locate their point of origin and ensure their speedy recovery.

Shahid Najam

Message of the Month

Rex vs Lex

We all have strong views about media.



Most of us do not have a high opinion about integrity and quality that we experience daily. There is, however, a positive

transformation underway. The struggle to bring in a quiet revolution and change Pakistan from being a society where *Rex* always tries to be *Lex*, into a society where *Lex* will eventually become *Rex*, is being strongly buttressed by the modern media (initially electronic and now social).

Historically, one of the key obstacles in this struggle was lack of access to the decision-making and space. The role of modern media in casting an instant torrent of light on the decision-making is transformational. Gone are the days when large segments of the society were mere recipients and consumers of news. Today the up-loading generation with communication and smart phone technology is ready to offer varied perspectives in real time on any decision from multiple angles and share their views globally.

The monopolies that historically controlled and managed both the content and the medium of news are being progressively eroded. We may not yet have reached the landmark *Magna Carta* moment nor yet have accomplished the perfect balance between responsible and strong media, but the direction of the ship on this voyage is indeed towards a society where *Lex* will eventually become *Rex*. Let us be patient with and tolerant of what we find on the media.

Asim Imdad Ali



From Research and Consultancy Wing

The research team at BIPP, during the past two months, has been rigorously engaged in preparing the working papers, policy briefs and issue briefs on a number of themes of current national and regional significance. Foremost, amongst these, is research work being undertaken by the Vice Chairman with the assistance of Ms. Tabeer Riaz on the socio-economic and strategic importance of the China Pakistan Economic Corridor (CPEC) that carries huge potential for spurring economic growth and at the same time alleviating poverty, reducing regional disparity and mainstreaming the alienated and marginalized segments in the national politico-development effort. Major emphasis in the research work is on harnessing the full potential of agriculture sector in Pakistan which hitherto fore has not received the priority attention it deserved. The sector could be a real game changer in terms of becoming a vehicle for sustainable economic development and growth through endowments based approach and by converting comparative advantage of agriculture and horticulture into competitive advantage. Agriculture, driven by CPEC and the economic zones and hubs envisaged under the project, could thus become a profitable commercial venture from the existing subsistence activity. It may be added that BIPP, generally, has not only been consistently advocating at various forums the need to pay due heed to the agriculture sector in the development planning but has also provided a broad framework/road map and model for resuscitating its role as engine of growth with equity.

Mr. Asad Ejaz produced a Working Papers on "Application of Seyla Benhabib's Universalist Model of Deliberative Democracy in Baluchistan". The paper explores avenues that can facilitate the interaction of Benhabib's Universalist model of deliberative democracy with the post 2013 status-quo democracy in Baluchistan- the largest province by area and the smallest by population. Tribalism in the area where 'personal interests' are an integral part of this model, is perceived to be a major obstacle in the way of consensus building in the province. However, the case of Baluchistan has unjustifiably been used as a testament to failure of democracy or downfall of democratic institutions in Pakistan. One of the purposes this paper serves is to clarify some of those misgivings that situate Baluchistan amongst ungovernable regions of the world.

<http://www.sjbipp.org/publications/RP/researchpaper/RP-18-17.pdf>

An Issue Brief was also co-published by Mr. Asad Ejaz Butt and Ms. Tabeer Riaz on the International Peace Day which is celebrated globally on the 21st September each year. This day serves as a reminder to the world to make collective efforts for the advancement of world peace and security and ensure that individuals, communities and countries live together with harmony and mutual love and respect for each other's beliefs and physical sanctities. This is in line with this year's theme; "Together for Peace: Respect, Safety and Dignity for All".

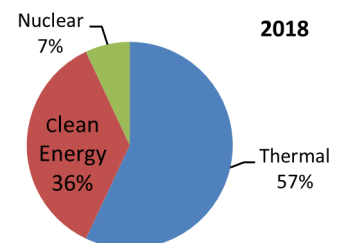
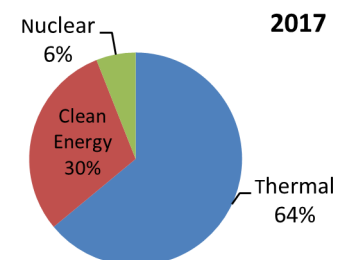
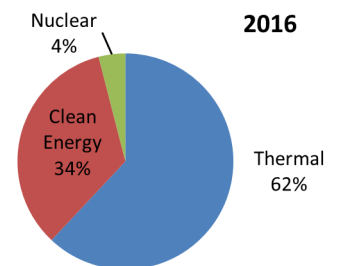
<http://www.sjbipp.org/publications/IB/pdf/IB-06-17.pdf>

Ms. Maham Asif produced a brief on "The Power Potential of CPEC: Is it Sufficient?". The paper puts forth the argument that CPEC energy supply alongside non-CPEC government

energy projects, some of which have already become functional, will not be sufficient to match the exponentially increasing energy demand in the coming years. The following is the current share of electricity generation; the 2018 mix has been calculated based on the current operational and under development projects.

However, a lack of focus on demand-side management and adoption and application of energy efficient technologies will render CPEC projects and their non-CPEC projects inadequate to respond to the 2020s energy demand.

<http://www.sjbipp.org/publications/PB/pdf/PB-40-17.pdf>



Maham Asif



Progress Report of the Smart Health Project "TEEMARDAR"

The Teemardar project has finally come to a successful end as far as BIPP's intervention is concerned. The physical infrastructure and the programs and systems "Teemardar" developed during the project over 24 months period have been presented to the government, via the Primary and Secondary Health Department Government of Punjab, for adoption. It is expected that the Government will integrate the health management and services delivery models successfully implemented by the project into the mainstream operations of the targeted health outfits and will also upscale and replicate these in the district health apparatus through Sheikhpura and possibly in other districts of Punjab.

It may be recalled that the project was initially conceptualized for a duration of 18 months but was extended for 6 months due to its huge success on the request of Government for integrating its activities with the regular operations of the district health services. Succinctly, the "Teemardar" project has achieved all the

outcomes and results in the health management and delivery apparatus at the selected location including: the establishment of the disease early warning system; medical officer's attendance and performance evaluation; and live reporting system to be utilized for capacity building, assessment, monitoring and evaluation purposes by the director general of health service. A dashboard for the administrative department on the availability of medicines has also been designed and implemented to assist the senior health management in monitoring, reporting and planning functions.

The adoption of health based ICT (including EMR, EHR, PHR) could induct a paradigmatic shift in the health care environment to ensure high quality delivery of services to all patients. It can ensure pro poor health management and service delivery and bridge the spatial disparities by vertically integrating the local rural health outfits to tertiary health care system. It could be a powerful safety and social security tool for the poor. Patients access to medical information and records can help them better engage and manage their healthcare. Some of the specific recommendations for the government which emerged through a comprehensive research work under the project include:

- Government should formulate and implement e-Health policy as an

inextricable component of its overall health management framework to make use of technological and ICT advancements in ensuring pro-poor and cost-effective comprehensive health coverage of rural as well as urban populations.

- The state health apparatus, provincial health departments, coordination offices of the district government, provincial finance departments, private sector health organizations including private hospitals, clinics, pharmacies and academics associated with the health sector need to play a more active and robust role by developing and adopting e-Health tools for institutionalizing the pro-poor health services delivery.
- The ICT integrated solutions could simplify and streamline health procedures and processes within BHU, THQs, RHCs and other medical facilities to achieve: efficiency gains in health services delivery; reduce time and transaction costs; lead to better inventory management, distribution and medicine dispensation for guarding against the possible stock pilferage and embezzlement

The final research report has also been written, approved and submitted to the UK DFID/SNG donor and will be launched in the BIPP office through a formal ceremony towards end October 2017.

Shahid Najam



From Think Tank Wing

Engagement with the government to analyze, advise on and make policy decisions is one of the major objectives of the Think Tank wing at BIPP. The Industries, Commerce & Investment Department (IC&ID), Government of the Punjab has established a Strategic Policy Unit (SPU), inter alia, for its capacity building. BIPP team comprising Mr. Shahid

Najam, Dr. Mahmood Ahmad and Mr. Asad Ejaz Butt called on the Secretary of Industries, Commerce and Investment (ICI) Dr. Mujtaba Piracha, on 26 September, 2017 in order to explore possible areas of collaboration and assistance on key policy issues and IC&IC capacity building. The Secretary was briefed by the team about BIPP activities

and policy research work and the international and national experience and expertise of BIPP especially involving economic, social, political and security issues at the national, regional and global level. Discussion regarding the prospect of working together in areas of mutual interest especially for policy and

programming in the agro-industry and SMEs sectors also took place during the meeting. The Secretary showed great interest in engaging BIPP through due process for consultancy projects and research especially in these sectors and designated Dr. Arshad Hashmi, Director, PSU as focal point to liaise with BIPP.

BIPP is in the process of preparing short concept papers for consideration by IC&ID. The BIPP team also met the Secretary Livestock and Dairy Department Mr. Nasim Sadiq the same day and complimented him and his team for the excellent initiatives undertaken by the Department including Livestock Policy and its implementation report. BIPP also provided brief feedback in terms of (i) changing the vision statement on exports "from export surpluses to

producing specific livestock products for exports" and (ii) developing robust forward linkages of L&DD products for external markets of which there was a huge potential in the immediate vicinity of the country e.g., Iran and Middle East. BIPP team also requested the Secretary to examine the possibility of benefiting from CPEC central route to fully harness the rich livestock and organic meet potential of Cholistan area. The Secretary also promised to provide livestock data and report on Cholistan that would contribute to the relevant section of the BIPP's annual report 2017.

Ayesha Bibi



From Education and Learning Wing The Burki University of Advance Sciences and Technology (BUAST)

The Shahid Javed Burki Institute of Public Policy (BIPP) in collaboration with NetSol Technologies Ltd and Meinhardt Group of Singapore has aspired to setup a world class university namely Burki University of Advance Sciences and Technology (BUAST) in affiliation with a top ranked American University – the University of Missouri- Saint Louis (UMSL) – in Pakistan. BUAST aims to serve as a centre of excellence in technology, social sciences and international business studies.

BUAST has planned to commence the executive and short term training programs from Fall 2018, along with the regular degree programs in conjunction with UMSL. Joint research ventures with UMSL on global, regional and significance and knowledge management will also be a regular feature of BUAST. At present, the team is composing the modules for the short term training programs to initiate with BUAST. Simultaneously, the management team is also finalizing various options for the

university land including premises for the city campus. Many investors have already shown interest to finance the university project. Hopefully, BUAST will help Pakistan position itself as a knowledge and educational hub in the region, catering for the much-needed human capital for the country and the region to competitively respond to the development challenges of the 21st century.

Tabeer Riaz

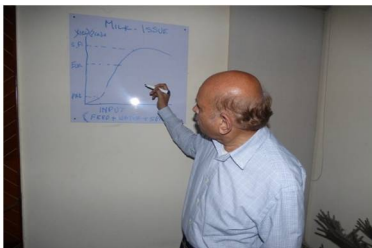


Training and Staff Development Sessions (i) Livestock Potential

As for the internal staff and capacity development, BIPP continues with series of learning lectures and workshop. Last week, Dr. Mahmood Ahmad, conducted a training session on optimizing the livestock potential in Pakistan.

He, inter alia, dwelt on the current scenario of the livestock market in the rural settings of Pakistan and gave a comparative analysis viz-a-viz the rest of the world. He proposed a simple, cost effective and practical "feed-water-space"

composite recipe for efficient management of the inputs to reach the optimum level of output and achieve substantial productivity gains both in the dairy and meat sectors.



(ii) Ageing Challenges and Opportunities

An in house training and brainstorming session was conducted by Vice Chairman Mr. Shahid Najam with the assistance of Ali Gill, Research Assistant on the demographic changes in the world with particular focus on ageing which presents both huge development challenges and opportunities. The Vice Chairman dwelt upon the potential contribution which old people could make to the family, local community and the society at large by sharing their experiences through volunteer and formal/informal work. He illustrated how different European countries made investments in "Healthy Ageing" to ensure healthy and productive integration of the elderly in the

mainstream social, political and economic spheres. The WHO Global Strategy and Action Plan adopted in 2016, identified 10 priority areas involving (i) establishment of a platform on health ageing for connecting people and ideas from around the world (ii) persuading and supporting countries for action plans (iii) collecting robust and reliable data (iv) promoting research on ageing (v) making health system responsive to the needs of elderly (vi) ensuring long term care and support for the older people (vii) developing skills and capacity for delivering healthcare; (viii) undertaking global campaign to combat ageing; (ix) making the economic case for investment and ageing health; and (x) building global network for ageing-friendly cities and communities. Against this backdrop, Mr. Ali Gill prepared a policy brief on the social, political and economic aspects of ageing in Pakistan and the behavior of Pakistani society toward the aged. He argued that

religious practices and value systems in Pakistan accord high respect and dignity to the aged as old age is regarded as a mark of wisdom and piety.

However, on the economic front, Pakistan is among the group of 15 countries worldwide that have more than 10 million older people and by 2050, this number could be closer to 40 million with possibly overwhelming burden for the economy. He advocated urgent need for understanding and developing policies to protect, promote the rights of older people in the country. That they can also contribute to the betterment of the economy e.g.; increasing the retirement age, comprehensive pension coverage, establishing health and social safety nets for older people, devising health insurance system, creating age-friendly environment, improving the health care system including models of care coordination and integrated mental health and preventive care.

Ali Gill

From Knowledge Management Wing

Recent Publications

Policy Brief

The Power Potential of CPEC: Is it Sufficient?

<http://www.sjbipp.org/publications/PB/pdf/PB-40-17.pdf>

Working Paper

Application of Seyla Benhabib's 'Universalist Model of Deliberative Democracy' in Baluchistan

<http://www.sjbipp.org/publications/RP/researchpaper/RP-18-17.pdf>

Issue Brief

TOGETHER: A Day of Peace and Security

<http://www.sjbipp.org/publications/IB/pdf/IB-06-17.pdf>

Editorials

- Trump at the UN
- Treatment of women in Pakistan
- Stability and growth: What could have been the case?

NEWSLETTER

5th October 2017 | Edition 15



Mission Statement

IPP's mission is to improve welfare of the citizenry with particular emphasis on identifying policy measures that will lead to inclusive growth, socio-economic stability and sustainable development, besides fully harnessing the potential for regional and global integration.

Partners

District Delivery



THE URBAN UNIT
Urban Sector Planning & Management Services Unit (Pvt.) Ltd.
A Public Sector Company.

