Poverty Analysis and Social Development Plan: Sialkot City

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TA-8683 PAK: Punjab Intermediate Cities Improvement Investment Program (46526-001)

ABBREVIATIONS

ADDA	Work place where several artisans make artefacts
ADB	Asian Development Bank
ASER	Annual Status of Education Report
BISP	Benazir Income Support Programme
EOBI	Employees Old-age Benefits Association
FGD	Focus Group Discussion
FY	Fiscal Year
GPI	Gender Parity Index
HIES	Household Integrated Economic Survey
ILO	International Labour Office
IPEC	International Programme on Elimination of Child Labour
MDG	Millennium Development Goals
MICS	Multiple Indicator Cluster Survey
MPI	Multidimensional Poverty Index
NESR	National Socio Economic Registry
PESSI	Punjab Employees Social Security Institution
PFS	Pre-Feasibility Study
PHSR	Punjab Private Housing Schemes Rules
PICIIP	Punjab Intermediate Cities Improvement Investment Programme
PRs	Pakistan Rupees
PSLM	Pakistan Social and Living Standard Measurement Survey
RCC	Reinforced Cement Concrete
SPDC	Social Policy and Development Centre
SWMC	Solid Waste Management Company
TA	Technical Assistance

TMA	Tehsil Municipal Administration
UC	Union Council
UNDP	United Nations Development Programme
UNICEF	United Nations Children Fund

NOTES

(i) The fiscal year (FY) of the Government of Pakistan, its agencies and participating financial institutions ends on 30 June.

(ii) In this report, "$" refers to US dollars unless otherwise stated.

(iii) Marla is a land area measure equal to 272 square feet.

(iv) Kanal is a land area measure equal to 605 square yards.

(v) Katchi adadis are squatter settlements established on state land

(vi) Tehsil is a sub-district

(vii) Rs. Refers to British Indian Government Rupee

Contents

Executive Summary

1. Sialkot City is large urban centre with estimated population of 538,385 in 2016. The city has grown about ten times in size in past 100 years. The city has witnessed highest growth population rate of 3.7% in 1981 compared to national growth rate of 3.1%. The population growth rate has considerably declined to 1.95% in 1998. The urban growth has expanded the boundaries of city in all directions. The villages in the east and south of the city have intruded in the city and in 2015 three erstwhile rural union councils were included in the municipal corporation area. The city has grown without proper urban planning and expansion of service delivery.

2. About half of the city houses have an area of 5-7 marla. About 20% houses have an area of 10 marla or above and 30% of the houses are smaller than 3 marla. About 90% of the houses are made of baked brick with RCC roof and 80% of houses have double story buildings. Joint family system where families of married sons live with parent is common. Houses are congested as 46.5% of household have 6 to 9 people while 19.8% of the households have more than 10 people. Squatter settlements are a few, tiny and insignificant. New housing colonies have merged in suburbs of the city.

3. Sialkot has a high level of literacy and educational attainment with very little gender disparity compared to many other areas of Punjab province and Pakistan. In urban areas of Sialkot district 77% of men and 76% of women have completed primary education. Literacy rate was 90% for men and 87% for women, Sialkot has the highest level of net primary school enrolment in the province (91 well above he provincial average of 73). In urban areas gender parity index in net primary school enrolment is 1.05 which indicates more girls are enrolled in primary school than boys.

4. Sialkot City is served by a large number of public and private sector health facilities. The city has two medical colleges. FGD participants informed relatively high prevalence of water borne diseases. Mother and child health indicates that 95% of babies are delivered in public or private health facility. The infant mortality rate in the district was 66, which is well below the provincial average of 76. The mortality rate for children under 5 was 82 compared to provincial average of 96.

5. Sialkot is an ancient city with centuries old history of manufacturing of goods for sale to other areas. It has retained this character of production for the distant markets up to the present time. Every industry of Sialkot - surgical instruments, sports goods, sporting gears of all kinds, leather garments, fine wood crafts, cutlery, musical instruments – is dependent on production of artefacts by artisans. Almost every product of Sialkot is prepared and processed by chain of artisanal skills which is finally delivered to the industry for finishing, polishing, standardisation, marking and sale. Both men and women in and around the city are engaged in production of artefacts which are finished and packed by local industries mainly for export. There is no dearth of employment for skilled and semi-skilled workers in the city. The skill is learnt through apprenticeship under the skilled artisans and women producing goods learn this skill from their family members. There are also many large-scale industries in the city and its suburbs.

6.   About 80% of the households are dependent on municipal water supply and water rates are paid by 85% of the household on time. Sewerage connections are provided to all households and no cess is levied on it. Water contamination is prevalent because of aging pipeline and in some places close to drains. Sewerage system of the city comprises 50% pipeline and 50% covered or open surface drains. There is no sewage treatment plant in the city. Drainage is provided by two streams Aik in the south and Bhaid in the north of the city. Storm water drainage is problematic and in monsoon both these streams overflow and flood the city streets for several hours until water is dissipated. Solid Waste Management Company (SWMC) provide solid waste collection and removal from the city to makeshift landfill at the outskirts of the city. There is no sanitary landfill for the city. No service charge is levied for solid waste removal.

7.   Sialkot is among the least poor districts of the country as 102 of 110 districts had more population below poverty line than Sialkot. Recent multidimensional poverty study indicated that Sialkot had poverty headcount ratio of 14.0% compared to provincial average of 31.4% and national average of 38.8%. The intensity of poverty was nearly 42%. Social protection is weak in the city and social insurance (old age pension) is mostly provided to government employees. Social assistance is provided by zakat and the Benazir Income Support Programme.

8.   This Social Development Plan recommends expansion of health and education services to serve an increasing population. Improvement and expansion of the municipal services is required. Sewage treatment and solid waste management need considerable improvement. Traffic in the city centre and main roads is highly congested and there are no operational traffic signals in the city. These will be undertaken by PICIIP. Growth of small-size housing colonies may be discouraged and only large and well planned housing colonies with appropriate provision of civic amenities and municipal services may be allowed.

Poverty Analysis and Social Development Plan: Sialkot City

I. INTRODUCTION

9.   Sialkot City is located in the province of Punjab Pakistan. It has experienced significant population growth, and is facing inadequate health and educational services to serve the growing population. Other municipal services, including water, sewerage and solid waste removal, are fraught with problems and are not capable of properly serving the existing population. The Government of Punjab, with assistance from the Asian Development Bank (ADB), intends to implement the Punjab Intermediate Cities Improvement and Investment Program (PICIIP). This program is intended to improve the quality of life in selected cities of Punjab, including Sialkot City, by focusing on urban development challenges at the city level. The PICIIP will provide a framework for integrated urban planning and an improved institutional outline for successful urban development. This will assist in improving urban infrastructure and services with a strengthened business approach for utilities. The PICIIP will provide investment in urban management and infrastructure, strengthen the regulatory framework and municipal governance, and promote efficient financial management for sustainable urban development. This will enhance professional knowledge in the use of financial, human, and natural resources for providing high quality services at an affordable cost.

10. The purpose of this Poverty Analysis and Social Development Plan is to assess the socioeconomic conditions of the city residents, including their access to and utilisation of social sector infrastructure and services in Sialkot City. The study will focus on the costs incurred for utilisation of municipal services, problems associated with these and willingness to pay for the improved level of services. Identification of the problems associated with municipal services can set the agenda for investment and improvement.

II. METHODOLOGY

11. This study assesses poverty and social development in Sialkot City based on primary data collection and utilisation of available secondary data. Many studies have been carried out in the earlier phases of this programme. The final Pre-Feasibility Study (PFS) of Sialkot and Sahiwal are two lengthy documents. Each PFS is supplemented with twelve Annexes. These studies provide large amounts of data on different aspects of urban planning and city development, in addition to socioeconomic data. The PFS and Annexes for Sialkot district focus on main components of the PICIIP. The Annex-8 of the PFS, entitled "Pro-Poor Growth, Poverty, Social Inclusion, and Safeguards," reports on socioeconomic data. This Annex used a survey of 300 respondents (150 male and 150 female) conducted in Sialkot. These surveys provide brief and summary data on housing, access to water and sanitation, level of satisfaction, willingness to pay for these services, income poverty, employment, educational attainment, and disease pattern. Data presented in these survey reports is basic, with brief interpretation. Population data for both cities in the PFS and in different Annexes lacks consistency and projections of population are somewhat overstated. Detailed socioeconomic conditions of different segments of population are unclear. The combined list of katchi abadis (squatter settlements) and poor areas is given for Sialkot City but without the number of

household included in these. There is no information about regularisation of katchi abadis in both cities.

12. For undertaking this Poverty Analysis and Social Development Plan, secondary data were collected from various published sources, including recently completed ADB Technical Assistance reports and pre-feasibility studies. Additional studies and reports published by international agencies, government and civil society organisations were also used. To supplement this existing data and fill in knowledge gaps, additional socioeconomic data was required. Conducting socioeconomic surveys requires considerable effort and time. Due to the time frame of the assignment, the available data was supplemented and strengthened with qualitative and quantitative data collected through focus group discussions (FGD) and interviews with key informants.

13. A total of four FGD were conducted. Two discussions were held with the councillors of two separate union councils. One union council was comprised of inner city slums or poor areas, and the second union council covered relatively wealthier areas of the city. In order to sex dis-aggregated data collection FGD was conducted with two separate women groups which included social workers, political activists, politicians and former councillors. Three of these recently elected women councillors.

14. A total of seven key informant interviews were conducted with the following: i) Tehsil Municipal Officer, ii) Chief Sanitary Inspector, iii) Water Supply Superintendent, iv) Water Rate Superintendent, v) District Officer Social Welfare, vi) Deputy Director Labour and District Labour Officer, and vii) officers of local NGOs. Interviewees also provided quantitative data on municipal services, water rate collection, housing societies and katchi abadis. The District Labour Officers provided data on industries in the city, employment, and social protection provided to industrial workers.

III.   DEMOGRAPHIC PROFILE OF SIALKOT

A. History of Sialkot City

15. Sialkot City is the headquarters for the district of the same name and is included in the administrative division of Gujranwala. The district was constituted by the British Indian Government in 1842 and was included in the Rawalpindi Division. In 1852 a large cantonment was established by the British Indian Army in Sialkot. The city is 125 Km from Lahore and well connected by rail and road to other parts of the city. Sialkot is in the "Export Triangle of Pakistan" comprising Gujrat, Sialkot and Gujranwala. Sialkot is an industrial hub, with a major share in the national trade and exports. Sialkot is located about 12 Km from the Working Boundary[1] with the disputed territory of Indian held Jammu and Kashmir. Sialkot is major industrial centre specialising in diversified export oriented industries. The city is served by International airport built, owned and operated by the private sector. The city is provided with dry port which facilitate import and export from the city.

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[1] The border between state of Pakistan along Sialkot and Indian held Kashmir is called a working boundary because on one side is an internationally recognised land while on the other is a disputed territory.

16. Sialkot is historically city of manufacturers since the past several centuries. Sialkot was the centre of different types of metal ware, printed cloth, sugar and paper production for centuries. The city has five-hundred-year history of paper production and was the exclusive producer of paper for the Mughal court. There were 50 paper manufacturing factories in the suburbs of the city in 1868 and paper manufacturing declined in early 20th century because of competition from mill-made paper. Since 1880 manufacturing of sports goods, cricket bats, polo and hockey sticks and surgical instruments. In 1891 census, artisans comprised about 18% of the district population.

17. The Imperial Gazetteer has following description of the city. 'Sialkot is fairly handsome, well built, and clean town. Its main streets are wide and open, and either paved or metalled, with good drainage on both sides. … The sanitary arrangements are excellent, being facilitated by the elevated position of the town and natural drainage afforded by the Aik stream on its south and east side.'[2] The civil public buildings, the court house, treasury, jail and police lines were situated about half a mile to the north-east of the city. Municipal committee was established in 1867 and its annual income in 1890 was Rs. 882,496 and expenditure was 80,040. The city had one government civil hospital and dispensary and one hospital and dispensary established by Christian missionaries. The city had one arts college and four high schools.

B. City Boundaries

18. Sialkot cantonment is not part of the city as cantonment board is responsible for civic amenities and municipal services. Sialkot city is defined as the municipal area under the jurisdiction of municipal corporation. Municipal corporation comprises urban union councils of the city. Since the time of the establishment of the local government system under the 2001 Local Government Ordinance, Sahiwal City has been comprised of 16 union councils. At the election of local bodies in 2015 the number of urban union councils in Sialkot was increased to 24. Five new union councils were created with the new delimitation of boundaries of the existing 16 union councils and three adjacent rural union councils were included in the municipal limits. The list of 24 urban union councils of the city is given below.

Union Council No.	Name of Union Council
1	Hamza Ghous
2	Pindi Araian
3	Talwara Mughlan
4	Kotli Behram
5	Pacca Garha
6	Model Town
7	Miana Pura
8	Muazafar Pura
9	Mubarak Pura

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[2] Punjab Government, Gazetteer of the Sialkot District, Civil and Military Gazette Press, Lahore 1895, Page 165

10	Shah Sayedan
11	Shahab Pura
12	Fateh Garh
13	Haji Pura
14	Haji Pura Bun
15	Imam Sahib
16	Naika Pura
17	Doburji Araian
18	Islamabad
19	Karim Pura
20	Pura Heeran
21	Rung Pura
22	Ahmed Pura
23	Muhammad Pura
24	Water Works

19. These 24 union councils comprise the municipal corporation of Sialkot. Elections of the Mayor and Deputy Mayor were held in December 2016 and the municipal corporation will be functional after these elections.

C. Population of Sialkot District

20.   The population of the Sialkot District was numbered at 2.72 million in the 1998 census, with 26.2% of the population living in urban areas and 73.8% in rural areas. The population of Sialkot tehsil (sub-district) was 1.25 million, with 35.2% urban and 64.8% rural. Sialkot District has a small proportion of urban dwellers compared to national and provincial averages. The national average for urban population was 32.5%, while in Punjab 31.3% of the population lived in rural areas. Sialkot is an agriculture district with canal irrigated fertile lands and is famous for its basmati rice varieties. The Sialkot tehsil has however a large proportion of urban population at 35.2% compared both to the national and provincial averages. The average annual rate of population growth in the district was 2.46%, while in Sialkot tehsil this was 2.64%.

D. Population of Sialkot City

21.   Sialkot cantonment under the jurisdiction of cantonment board is not part of the PICIIP interventions has population of 63,126 in 1998 census. Cantonment was originally built about two miles to the north of the city in 1852. Because of urban growth in Sialkot cantonment is now demarcated from the city by military check posts.

22.   Sialkot was relatively a large city in 1901 with population of 57,956. This population increased by 114% to 124,267 people in in 1951. From 1951 to 1961 population of Sialkot

increased by 18% and in the next decade from 1961 to 1972 population increased by 25% in 11 years. Sialkot experienced highest population increase of 40.5% in 9 years between 1972 and 1981. After 1981 population increase slow down to 38.8% in 17 years. Population of Sialkot in 1998 census was 358,376 people. The population increased more than six-fold from 1901 to 1998.

23.   Population projections according to the latest inter-census growth rate of 1981-1998 census period 1.95% indicate that the population of the city in 2016 is 538,583, and that this will increase to 640,823 by 2025 and to 777,339 by 2035.

Figure 1: Population Growth of Sialkot City 1901-1998 and Projection up to 2035
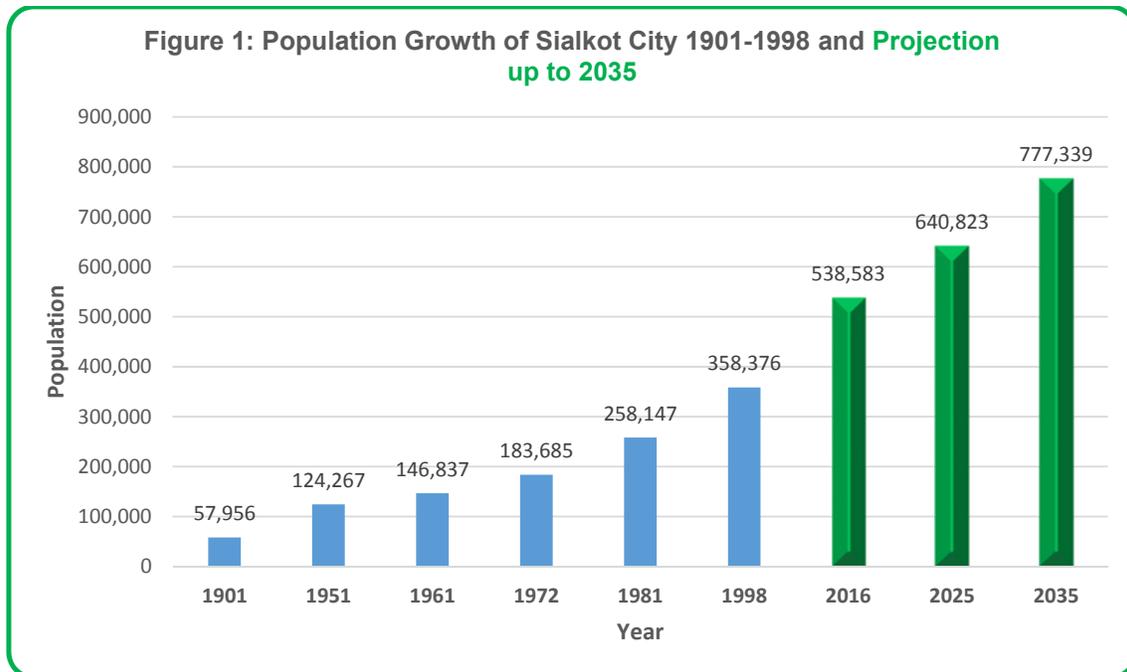
Source: Imperial Gazetteer and District Population Census Reports

E. Urbanisation of Sialkot

24. Sialkot was a large city at the beginning of 20th century according to population levels of that time. Agriculture was the main economic activity and bulk of the population lived in rural areas. Sialkot city has been the centre of manufacturing and trade since long ago. The city had been the major centre for production of paper and fine metal ware for centuries. Once the paper industry declined because of mill-made paper the artisans of Sialkot have adopted to other skills like production of sports goods and surgical instruments. The city has grown because of expansion of diversified manufacturing which increased the migration of rural artisans to the city. Now, every neighbourhood of Sialkot has a sizeable population of artisan working from their home and producing primary goods for the industry. The main factors of urbanisation in Sialkot is natural increase and rural to urban migration.

Population Growth Rate in Sialkot City

25. The average annual rate of population growth in Sialkot was 2.1% in 1951 which declined to 1.69% in 1961. The annual growth rate again reached to 2.1% in 1972. The highest rate of growth occurred between 1972 and 1981 at 3.7% per annum. This indicates high rate

of rural to urban migration in this period. Pakistan's urban population increased from 22% in 1961 to 26% in 1972 while in 1981 it has increased to 28%. In 1998 urban population reached to 32.5% in the country.

26. Pakistan has experienced rapid population growth since 1961. The average annual population growth rate increased from 1.8% in 1951 to 2.4% in 1961 and reached the peak in 1973 at 3.6%. After that it gradually declined to 3.1% in 1981 and to 2.69% in 1998. The high rate of population growth is because of natural increase. The recent estimates of Pakistan Economic Survey suggest that average annual rate of population growth is 1.89% in 2016.

Figure 2: Average Annual Rate of Population Growth in Sialkot and Pakistan
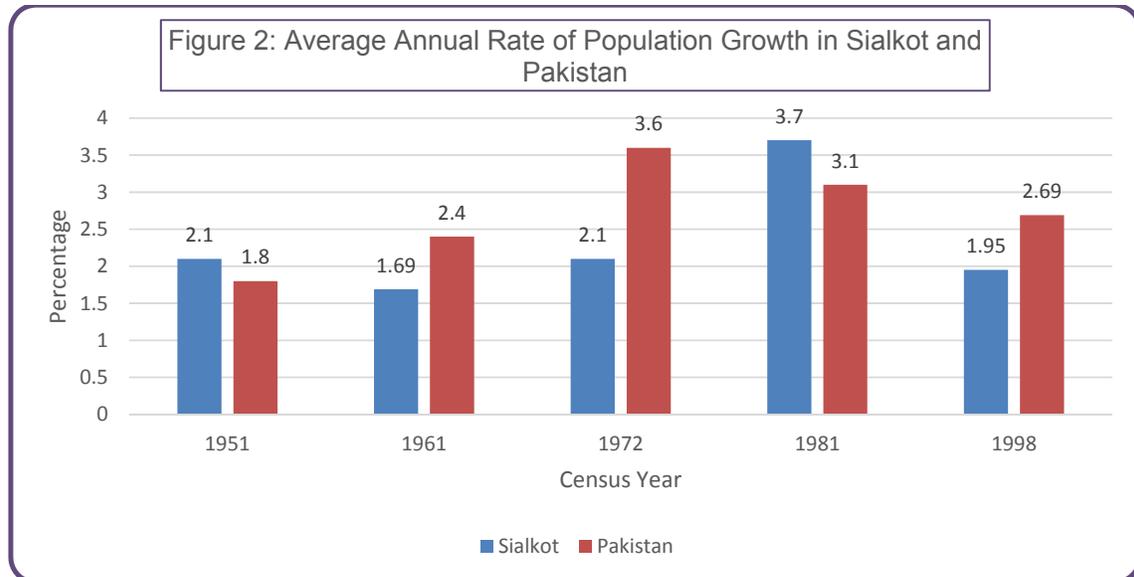
Source: Government of Pakistan, Population Census Reports.

27. Sialkot experienced tremendous decline in the average annual population growth rate in the city from 3.7% in 1981 to 1.95% in 1998 census. This may partly be due to a notable reduction in rural to urban migration. But the most important factor is a national-level decline in the total fertility rate and crude birth rate. The total fertility rate declined from 6.5 in 1981 to 4.8 in 1998, and to 3.6 in 2014. Similarly, the crude birth rate declined from 42.2 in 1981 to 33.7 in 1998, and to 29.2 in 2014.3 The population growth rate for the city is likely to be less than 1.92% in the next population census due to this decrease in rural to urban migration and the decline in fertility rate and crude birth rate.

F. Population Composition

28. The sex composition of the city population in the 1998 census reported a larger number of males than females (106 male per 100 females). The male population of the city was 51.4% while the female population was 48.6%. This could be partly due to enumeration error, since females are sometimes not fully reported in the census.

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[3] World Bank. 2016. "Birth rate, crude (Per 1000 People) - Pakistan."
http://data.worldbank.org/indicator/SP.DYN.CBRT.IN?locations=PK

29. The 1998 census showed an age structure of the population with 35.5% under 15 years of age, and 3.6% above 65 years. The relatively large proportion of young population indicates a high youth dependency ratio, the potential for high population growth, and a significant burden on education and health facilities. The overall dependency ratio in the city population was 64.2 while the youth dependency ratio was 58.3 and the aged dependency ratio was 6. Although the aged dependency ratio was low in 1998, it will increase because of the increase in life expectancy (male life expectancy increased from 61.5 in 1998 to 65 in 2014, and for females from 63 in 1998 to 67 in 2014).

G. Religious and Sectarian Groups

30. A vast majority of the population in Sialkot City belongs to various sects of Islam. However, 5% population of the district practice the Christian faith, and a tiny fraction belongs to the Hindu and Ahmadi community. The city is a model of religious and sectarian harmony and all sects and religious groups interact without any obvious faith-based prejudices. There had been no incidence of faith based confrontation or conflict in the city in the past three decades.

IV. HOUSING AND EXPANSION OF THE CITY

H. Housing

31. About half of the city houses have an area of 5-7 marla. About 20% houses have an area of 10 marla or above and 30% of the houses are smaller than 3 marla. Almost all size of houses is located in every union council with varying proportion. Larger houses of 10 marla and above are more numerous in Model Town and other new housing schemes. There a few small katchi abadis in the city while there is no government colony for low-income households in the city like 3-marla scheme in many other cities and towns.

32.   Houses are made of baked bricks, with about 90% of the houses having RCC roofs and 80% having added another floor. About 10% of the houses are made of baked bricks and roofs are made with iron girder and tiles.

33. The average household size in the city is 7 people. According to the census report of 1998, in urban areas of Sialkot about 33.7% of the household have up to five people, 46.5% of household have 6 to 9 people while 19.8% of the households have more than 10 people. FGD informed that there is a shortage of housing for low income groups. Thus, many small houses are home to more than one family. Because of a joint family system, families of a few brothers and their parents live together. This cohabitation is a common feature of the low-income households in the city.

34. Electricity and gas connections have been provided to all houses, although daily outage hours for both utilities are in practice.

35. In urban area of Sialkot District, 80% of households owned the house in which they reside, and 14.2% were living in rented accommodation and 5.8% were living in rent free accommodation.[4]

I. New Housing Societies

36. Establishment of new housing colonies is regulated by TMA, under the Punjab Private Housing Schemes and Land Subdivision Rules of 2010 (PHSR). In PHSR housing colonies of larger than 100 kanal are designated as Housing Schemes and smaller than 100 kanal are designated as Land Sub-divisions. In 2015-16, TMA has granted approval to seven housing schemes and six land sub-divisions. Application for four new housing schemes and six land sub-divisions are under process for decision since 2004.

37. There are number of illegal housing schemes and land sub-divisions announced without approval of the TMA. Actions were taken by TMA against 13 housing schemes and 16 Land sub-divisions which include closure of their offices, public awareness about their illegal status and report to police for legal action.

38. Housing plots in new housing colonies are acquired by local residents who have small houses and large families. People from rural areas or other towns are not buying houses plots in these colonies. As mentioned in Section H, there is large congestion in homes as about 19.8% of the households have more than 10 people in home. FGD participants were of the view that large families living in small houses are the main buyers of housing plots in new housing colonies.

39. All new housing colonies have made their own arrangements for water supply and drainage system. They are not dependent on municipal water supplies. Sewerage is drained in the two streams passing through the city, namely, Aik and Bhaid.

J. *Katchi Abadis*

40. There are only three small *katchi abadis* is Sialkot City and all have been granted ownership rights since long. The largest of these is in Hajipura Camp with 50 houses, followed by another in Pakpura with 10 houses. The third katchi abadi covers a total area of 12 kanal, of which four kanal is in municipal limits where ownership rights were given and eight kanal is in cantonment limits where ownership rights were not accorded. All the three katchi abadis including the one with portion in cantonment were provided with municipal services, gas and electricity connections.

V. SOCIAL SECTOR SERVICES

K. Literacy and Education Levels

41. Sialkot District was provided with educational institution by the colonial government. The city had one college and high schools for boys and girls in public sector in 1880 while
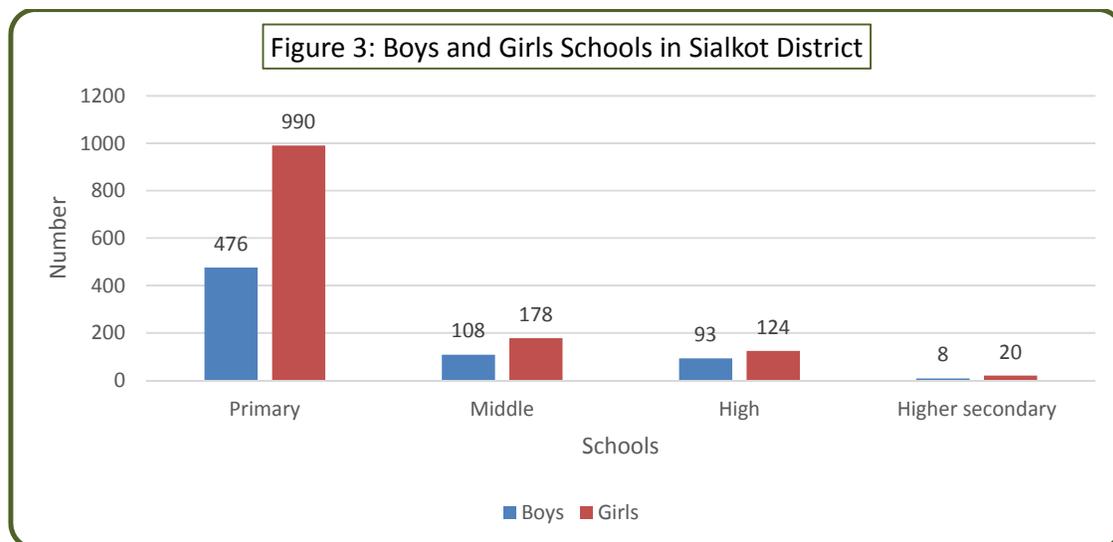
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[4] Government of Pakistan, Sialkot District Census Report 1998, Population Census Organisation , Islamabad

several Christian Missions have also opened schools and health services in the city and in the district. Level of literacy and school enrolment is higher in Sialkot compared to other districts of Punjab province. According to Pakistan Social and Living Standard Measurement Survey (PSLM) of 2015, about 70% of the male and 67% of female have competed primary of higher level of education in the district. In urban areas of the district this proportion is 77% of male and 76% of female. This indicates nearly gender parity in educational attainment and the Gender Parity Index (GPI) of urban areas is 0.99.

42. Literacy rate in the district was 85% for male and 79% for female while in urban areas this was 90% for male and 87% for female (PSLM 2015). The GPI for literacy in urban areas is 0.97.

L. Education Facilities in the District

43. Public sector facilities for basic and elementary education are provided for both male and female children, more numerous for female compared to male children. Majority of the primary schools are co-educational despite their gendered name. The government has provided 476 primary schools for boys and 990 for girls in the district. The proportion of all schools is very lopsided by gender as schools for girls are more numerous than for boys in all categories. Gender distribution of these schools is shown in Figure 3. Statistics for government and private educational institutions in Sialkot City is not available.

Figure 3: Boys and Girls Schools in Sialkot District

http://schoolportal.punjab.gov.pk/schoolInfoNew.asp?distId=343--Sialkot

44. Men and women participants of FGDs in different union councils of Sialkot informed that in their respective areas government schools are scarce. There is only one government school compared to about a dozen private schools in every union council of the city. Tuition fee in government schools is a negligible amount. They also informed that majority of the people prefer to send their children to private schools because of quality education. A vast majority of these private schools are operating in small houses without any proper school

building. For example, there is only one government school in Ahmadpura union council which provided instructions from grade one to grade 10. The school is overcrowded and there is only one shift in this school. Compared to this there are 12 private schools in this union council. These private schools charge relatively large tuition fee of around a few to several thousand PRs per child per month and about 20% of the households in this union council cannot afford this level of tuition fee. There is no government primary school in this union council. They wanted a few more government primary schools in the union councils.

45. There are many government and private institutions of higher education in the city and the district but statistics in this respect is not available. There are six intermediate colleges (four for boys and two for girls), 15 degree colleges (five for boys and 10 for girls) and five postgraduate colleges (two for boys and three for girls) in public sector.[5] There are many private intermediate, degree and postgraduate colleges in Sialkot in addition to campuses of different universities. There are government technical education and vocational training centres in the city. There are two medical colleges in the city.

M. Primary School Enrolment

46. Sialkot is one of the two district with highest net primary school enrolment rate in Punjab province in 2015 at 91, the other district with the same rate is Jhelum. The national average of net enrolment is 65 and the average for Punjab province is 73. The interesting fact is that net enrolment is 92 in rural areas of Sialkot compared to 88 in urban areas. The Gender Parity Index (GPI) in primary school in urban areas of the district is above 1.05 which means net enrolment of girls is larger than boys in primary school. In rural areas of the district GPI in primary school enrolment is 0.97 in 2015.[6]

47. The distribution of enrolment in private and government schools is not available. The sample surveys by Annual Status of Education Report (ASER) indicated that about 50.6% of primary school age children were enrolled in private schools and 42.8% were enrolled in government schools and 2.1% were enrolled in *madrassah* or other schools. The Multiple Indicator Cluster Survey (MICS) 2014 data indicated 57.6% of the children were attending private primary school compared to 43.3% attending government school. About 4.2% of the children never enrolled in primary school and 0.6% were drop out.[7] This indicates that more than half of the children in Sialkot district are enrolled in private primary schools. In high school education, a large percentage (48.6%) of students is enrolled in government school compared to 39.5% in private schools, while 3.7% were never enrolled in high school and 7.4% were dropout. The higher percentage of enrolment in private schools is because many private primary schools are established, almost a few or more, in every neighbourhood. The large enrolment in government high schools is because of the nominal rate of tuition fee.

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[5] Government of Punjab, Punjab Development Statistics 2015, Punjab Bureau of statistics, Lahore.

[6] Government of Pakistan, Pakistan Standard of Living Measurement Survey 2014-15, Pakistan Bureau of Statistics, Page 53

[7] http://www.aserpakistan.org/document/aser/2012/presentations/districts/Punjab/

N. Health Status

48. Sialkot is reported as clean and healthy places to live in the older monograph of the colonial times. However, high population growth, congested residential areas, dangerous vehicle emissions, inadequate water, sanitation, and solid waste disposal have damaged the healthy environment of the city. According to the pre-feasibility study (Annex-8), disease prevalence is high. Only 38% of the households have not reported any sickness. The largest proportion of sick population was suffering from diarrhoea (18%), followed by 14% from hepatitis, 12% from diabetes and heart problems, 7% each from malaria and typhoid and 3% from worm infection. The MICS 2014 data indicated 21% of children under 5-years of age have suffered from diarrhoea, 20% from fever and 2.4% from acute respiratory infection. The 2011 Millennium Development Goals (MDG) Report for Punjab indicated a prevalence of Hepatitis B at 2.2% and C at 7% in the district. Participants of all FGD indicated high incidence of hepatitis prevalence in Sialkot City because of water supply contamination. In their opinion, roughly over one quarter of the city population was suffering from hepatitis. The data obtained from the largest public hospital - Allama Iqbal Teaching Hospital – indicated only 6.1% of the patients (795 number) were diagnosed with viral hepatitis in November 2016. Of these 795 cases 33 were diagnosed with hepatitis C and only 2 with hepatitis C. This indicated widespread misconception about water contamination and prevalence of hepatitis in the city.

O. Maternal and Child Health

49. Maternal and child health are important issues for Sialkot, as well as for the rest of the country. Sialkot District has a high rate of infant mortality and under 5-year child mortality, as reported in the MICS of 2014. The infant mortality rate in the district was 66, which is well below the provincial average of 76. The mortality rate for children under 5 years of age was 82 compared to provincial average of 96. Regarding child immunisation (12-23 months), urban areas (96%) of the district lagged behind rural areas (97%) and large percentage of boys was immunized compared to girls in both rural and urban areas. The immunisation rate was 100 for boys and 79 for girls in urban areas and 96 for boys and 89 for girls in rural areas of Sialkot district according to PSLM 2015. This is interesting statistics because the net primary school enrolment of girls was higher compared to boys but rate of immunization for girls is lower than boys.

50. In addition to ante natal medical consultations assistance of medical professionals during child delivery is an important factor in protecting the heath of a mother and child. In Sialkot district 95% of babies were delivered in public or private maternity homes and only 5% were delivered in home. About 99% pregnant women in urban areas and 95% in rural areas received tetanus toxoid injections.

P. Health Facilities

51. Sialkot City is served by a large number of public and private sector health facilities. Public sector health facilities in Sialkot tehsil include 14 hospitals with 1,613 beds, two Rural Health Centres with 40 beds, and 27 Basic Health Units with 54 beds. In addition to these there are eight mother and child health centres and 18 dispensaries in the tehsil. There are two medical college in Sialkot City. The district headquarter hospital (named as Allama Iqbal

Hospital) is teaching hospital for one medical college and Social Security Hospital is teaching hospital for the second medical college.

52. Private sector health facilities include many general medical practitioners, hospitals, clinics and specialised clinics in all areas of the city. Public hospitals provide consultation almost without any fee while private hospitals charge consultation fee of PRs 500 to a few thousand. Public health facilities are overcrowded and have other problems, therefore, people who can afford take medication from private outlets.

VI. SOCIOECONOMIC CONDITIONS

Q. Major Economic Activities

53. Sialkot is a large city with highly labour intensive and diversified economic activities that provide livelihood to the residents. The city and the district are relatively prosperous compared to many districts of the country and province because of extensive artisanal production and fertile agriculture lands. The city has been the centre of manufacturing activities since past several centuries. The city and its suburbs have been centres of small scale manufacturing since long. The bulk of the work is still carried out from homes and in small workshops known as *adda* in popular parlance. The city is the seat of administration for the district with extensive offices of the government departments. It has large and highly congested traditional bazaars in the inner-city area, and modern shopping centres. There are many professionals practicing in the area, including lawyers, doctors, and paramedical personnel. The education sector is another important employer through government and private schools.

54. The most important economic activity in the city is production of various products for finishing, packing and selling by the local industries. The city is the only large scale and world renowned manufacturer of sports goods and surgical instruments. There are many other industries in addition to these two and employment opportunities for men and women are vast in the city. The pattern of industrial production in Sialkot is somewhat a remnant of the 19th century pre-industrial Europe, where raw materials were provided by merchants to artisans for production. The factory at that time meant warehouse of raw material and finished products. This system created bourgeoisie or middle class to challenge the monarchy and paved the way for social revolution and emergence of democracy.

55. Every industry of Sialkot - surgical instruments, sports goods, leather garments, fine wood crafts, cutlery, musical instruments – is dependent on production of artefacts by artisans. Almost every product of Sialkot is prepared and processed by chain of artisanal skills which is finally delivered to the industry for finishing, polishing, standardisation, marking and sale. The process is so elaborate that, for example, a simple surgical instrument, passes through more than two dozen hand before it is delivered to factory for final processing. The number of such adda which the Sialkot Chamber of Commerce named as small and medium enterprises is 11,000.[8]   The adda is a small shop where several artisans engage in production on the raw materials or capital for purchase of raw materials provided by local industrialist. A large

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[8] CDKN Inside Stories, July 2016 http://cdkn.org/cdkn_series/inside-story/?loclang=en_gb

number of these adda are family enterprises located in the home of artisans where family members engage in production.

56. Participants of FGD were asked to provide careful estimates on distribution of households by economic activities in the city. In their view the largest number of households, about 50% are engaged in labour which includes assistance in different processes of production for the city industries. These are highly skilled artisans and craftsmen specialised different processes of production of goods. This is followed by retail and wholesale businesses which provide livelihood to 15% of households. About 15% are employed in industries and businesses, 10% earn income from wage labour and 7% are in government service and 3% in other jobs.

57. Statistics is not available but women are active members of the labour force, either working from home or employment in industry. The proportion of women employed in industry could not be known but majority of the industries employ women in different jobs. Packing is almost entirely handled by women in some industries. Women working from home complete their domestic chores and work in their spare time. Women participants of FGD were of the view that women were offered lower wages than men by industry but this could not be substantiated. Women are employed in public sector health and educational institutions. The FGD participants of both sexes confirmed that women working in private educational institutions as teacher are reportedly very low paid and deprived of any other service benefits.

58. The adda is a place where skills are imparted through apprenticeship and a stint as journeyman. it is interesting information that entire technical knowledge and vocational skill is imparted without any formal training in the technical institutions. Women working from home learn the skill from their family members. Surgical instruments and sports goods production require high level of specialised skill; therefore, goods pass from one hand to the other for perfection and refinement.

59. Unemployment was reported, mostly among educated youth of both sexes. Educated men and women hesitate to work in blue collar jobs and cannot find jobs in offices. Women although acquire graduate and postgraduate qualifications but some parents do not like their daughters to work in sex unsegregated work place. Majority of the parents prefer to marry their daughters after completion of education.

R. Household Income

60. Household income and expenditure data collection requires a detailed socioeconomic survey. The Annex-8 of the pre-feasibility study of Sialkot provided the following data on household incomes, based on a sample of 300 interviews (see Figure 4). The survey used strange categories of income distribution without any regular intervals. The household income includes the income of all household members. According to this survey 41% of the households one source of income, 33% of households have two sources of income, 54% of household have three sources of income and 8% of the household have more 4 to 8 sources of income earning members. The survey never specifies what are these sources of income. It

further says that '1.96 are the average household members involved in economic activities'.[9] This survey lacks clarity in explaining income sources and economic activities.

61. This survey has arbitrarily fixed poverty line at PRs 16,644 without any mention that it is poverty line for household or for an individual also asked the number of household members earning an income. The survey mentioned that Pakistan Economic Survey of 2013 gave inflation adjusted poverty line of PRS 2447.59. Pakistan used nutrition based official poverty line of 2,300 calories per adult equivalent per day.

Figure No. 4: Percentage Distribution of Households by Monthly Income in Sialkot City
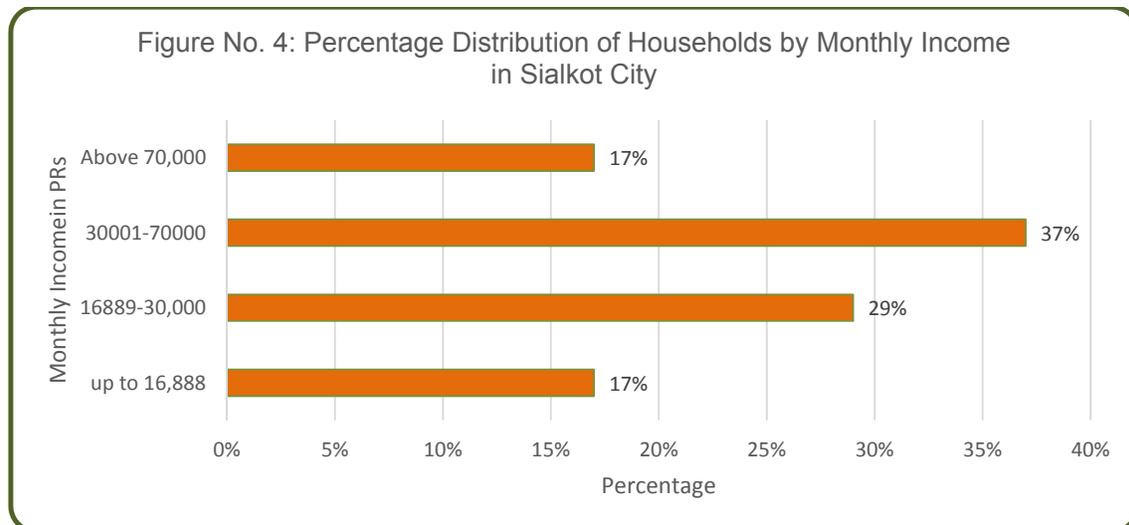
Sialkot Pro-Poor Growth, Poverty, Social Inclusion and Safeguards, Annex-8 of Pre-Feasibility Study for Sahiwal

62. The Household Integrated Economic Survey (HIES) for the FY 2012 provides estimates of the total monthly income by population quintiles. Information for the urban Punjab district is presented in Figure 5. These data indicate that the lowest 20% of the households earn PRs 11,584 per month, and the second lowest 20% of households earned PRs 15,898 per month. This indicates that 20% of the urban population of Punjab was under the poverty line and the second lowest 20% were vulnerable in 2012.

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[9] Asian Development Bank, REG-8556, Sialkot Pro Poor Growth, Poverty and Social Safeguards, Annex-8, Pre-Feasibility Study for Sialkot City, Page18

Figure 5: Percentage Distribution of Monthly Household Income by Quintile - Urban Punjab Average

Quintile	PRs
Fifth Quintile	44,997
Fourth Quintile	22,891
Third Quintile	17,606
Second Quintile	15,898
First Quintile	11,584
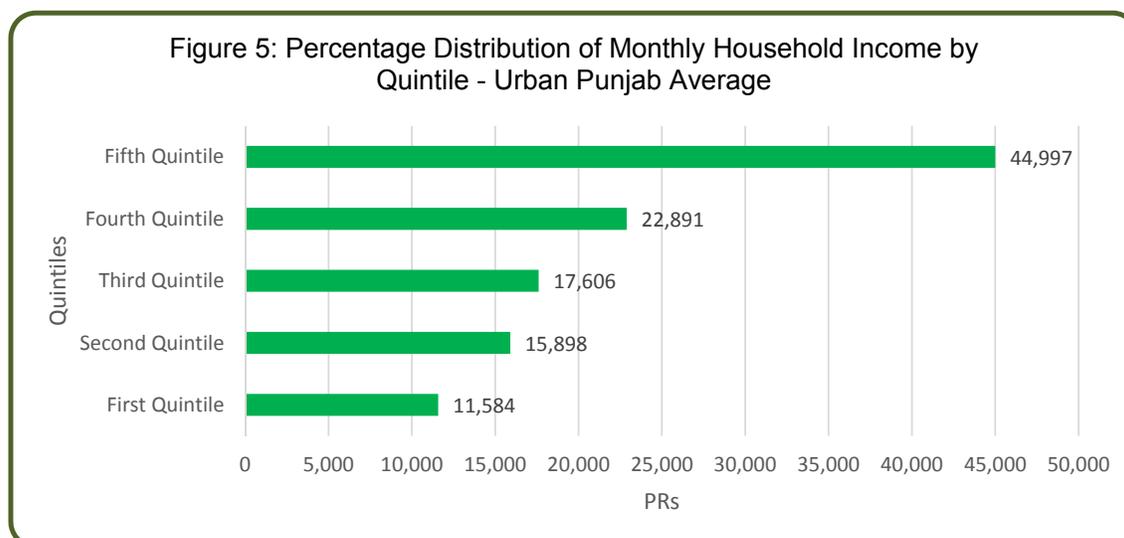
Household Integrated Economic Survey 2011-12

63. FGD participants were asked about estimated income of households in their localities. They estimated 20% of the households have an income of up to PRs 25,000 per month. These estimates are close to the poverty headcount ratio of 2015 (see section VIII). The Labour Force Survey indicates an 8% unemployment rate in urban areas. The daily wage earners work for about 40% of each month and are in perpetual poverty.

64. The PSLM 2015 asked households about their perception of change in their economic situation over time. In urban areas of Sialkot, 0.19% of the households said their economic situation was much worse than the preceding year. About 26.48% said that their economic situation was worse than the previous year. The largest proportion of households (38.8%) said there was no change in their economic situation compared to the previous year. About 7.6% households experienced a better situation, and 7.63% a much better economic situation than the year before.

S. Household Assets

65. The survey of 300 respondents undertaken in the city as part of the pre-feasibility studies indicated that 100% of the households own a TV set, mobile phone and sewing machine. About 95% own a refrigerator, 92% own a washing machine, 89% own a motorcycle, 69% own a computer, 63% own an air conditioner, and 28% own a car. Mobile phones are the most common device owned by almost every adult and also by children in well off households. This distribution of assets indicates the very good socioeconomic conditions of households compared to other districts.

T. Industries in Sialkot

66. There are many large-scale industries located at Daska Road and outside the municipal limits but there are many small and medium size industries within municipal limits of Sialkot City. The number of small and medium size industries was 11,000 as mentioned in Section Q above. In 1962 the number of small industries employing less than 50 workers was

5,800 employing 63,500 workers while sports goods industry had 800 units employing 25,000 workers. Government of Pakistan established small industrial estate with 330 plots on one-hundred-acre land, one mile to the west of city in 1963.[10] This estate is now in urban union council Muzafar Pura. The data on the number of industries by types within Sialkot could not be obtained. In conversation labour officer informed there are more than dozen industries each in wooden sports goods, football, fine wood crafts and leather garments, in addition to about 60 surgical instruments and 20 tanneries in the city. There are several foods, melamine, music instruments, cutlery and shoe industries. Labour department informed about employment of women in sports goods, football and leather garments industries.

67. Sialkot has been the world's largest producer of football since long. The city manufactures football for the multinational sports companies and the official world cup footballs are produced here. The sports goods industry produce world class products since the creation of Pakistan. In 1962 about 90% of the sports goods manufactured in the city were exported. In 2014 it exported 42 million footballs. In 2014 football of Sialkot was used in 2014 FIFA World Cup in Brazil.[11] The industry is responding to the international demand and competed with China in production of new thermal stitched football on mechanised units. Sialkot produces all kinds of sports goods – tennis and badminton rackets, cricket bats, hockey sticks, cricket and rubber balls, leather gloves, chest and leg protectors and all sorts of sporting gear for the international market.

68. Surgical instruments are the second largest export earner of Sialkot. There are a total of 2,400 units engaged in manufacturing of surgical instruments with work force of up to 150,000 workers. The estimated number of people directly and indirectly involved in production is about 400,000 according to Sialkot Chamber of Commerce and Industry.[12] The industry has production capacity of about 200 million pieces per annum. In 2013 export of surgical goods stood at $485 million.

69. Sialkot is the export leader in the country for decades. In 1959 Sialkot exported goods of PRs 13.2 million ($2,8 million). These comprised sports goods of PRs 10.8 million and surgical instruments of 2.4 million. In 2015 Sialkot exported goods of $2 billion equal to 9% of country's total exports. Sialkot a small Pakistani city became the world class manufacturing hub.[13]

VII. MUNICIPAL SERVICES

U. Water Supply System

70. Ground water is the sole source in the city. Before the advent of tube wells dug wells were the main source of water in the city. TMA provides water to all areas of the city through over 90 tube wells and extensive pipelines. About one quarter of the tube wells are old and yield less than the design capacity. Overhead tanks are old and most are not in use. Water is

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[10] The World Bank, Appraisal of the Gujranwala and Sialkot Industrial Estate, 1962.

[11] http://www.pakistantoday.com.pk/blog/2014/05/26/42-million-soccer-balls-exported-from-sialkot-for-fifa-world-cup/

[12] scci.com.pk/image/file.php?file=rand/rand-ENGLISH-14.pdf

[13] The Economist, 29 October 2016.

supplied directly from tube well to the distribution system. Majority of the pipelines are old and need replacement. In some areas of the city people are not satisfied with water quality.

71. In December 2016 TMA was providing water to 42,137 water connections in the city. The domestic water connections are 39,638, commercial connections are 2,370 and 223 industrial connections. Water connection are provided by 0.375, 0.5, and 0.75 inch diameter pipes to different types of water users. Domestic and commercial connections are provided by 0.375 and 0.5-inch diameter pipes and industrial connections are provided by 0.5 and 0.75 inch diameter pipes. The same size and types of water connections are charged slightly higher water rate in model town area of the city because of water supply for longer hours. Number and water rates of different types of water connections are given in Table No. 4.

Table No. 1: Number and Types of Water Supply Connections by Water Rates

Type of Connections	Number of Connections by Diameter of Pipe		
	0.375 inch	0.5 inch	0.75 inch
Domestic	38,827	67	0
Domestic - Model Town	7	737	0
Commercial	19	2,333	0
Commercial - Model Town	0	18	0
Industrial	0	221	2
Total	**38,853**	**3,376**	**2**
	Water Rate - Quarterly Bills		
Domestic	626	1,076	-
Domestic - Model Town	776	1,376	-
Commercial	1,376	1,976	-
Commercial - Model Town	1,826	6,076	-
Industrial	-	1,826	6,026

72. Water rate bills are payable at any branch of the Habib Bank in the city. About 50% of the consumers pay their bills regularly. About 30% of the consumers pay their bills after notice of recovery followed by home call. TMA has staff of 16 for recovery of water rates. Bills paid after due date of payment incur 10% penalty for delayed payment. About 20% are defaulters. Defaulters are dealt with disconnection of water and water supply is restored after clearance of payments and penalty for delayed payment. Every month on average about 100 connections are severed for non-payment and the same number is restored after clearance of bills. The annual water rate of the TMA for the FY 2016 was PRs 138.34 million, the amount recovered was PRs 117.93 million and the outstanding amount was PRs 20.95 million. Water connections by disconnected and restored by Superintendent of Tehsil Officer Infrastructure and Services and bill collection is handled by Tehsil Officer Finance in the TMA.

73. About 20% of the households have installed water pumps mostly at bore depth of about 100 to 150 feet in different areas of the city. The cost of installation of pumps was in range of PRs 25,000 to 30,000. Pre-Feasibility Study of Sialkot mentioned that 'depth to the water table

is 20-30 meters and that shallow ground water is polluted with industrial and domestic waste. Water drawn from more than 150-meter (500ft.) depth generally considered safe'.[14]

74. The quality of municipal water supply is generally considered acceptable. TMA staff informed that water was reportedly contaminated in a small number of areas due to very old pipelines, close to or passing through wastewater drains. Water quality of Sialkot City was analysed as part of the Punjab Cities Improvement Investment Programme and 9 out of 209 samples contained coliform bacteria showing bacteriological contamination.[15] The men and women FGD participants reported contamination of water in some areas of the Union Council Mubarak Pura. FGDs with men and women in other areas reported no problem about contamination of water in other localities. Old water supply pipelines and their proximity to drainage was considered main cause of water pollution.

75. There are 20 water filtration plants in different areas of the city provided by the government in addition to that several other plants were provided by local businesses or philanthropists. A vast majority of the people collect drinking water from these filter plants. Most of the people who have installed their water pumps use household level water filter equipment. There is some awareness about water borne diseases in the city and people use filtered water for drinking.

76. The municipal water supply is provided at least three times a day for one and half hour to two about hour duration each time. There were reportedly very few interruptions in water supply during the year. There is general satisfaction with the schedule and quantity of water supply in different city areas.

V. Sewerage System

77. The sewerage system, mostly comprised of pipelines (50%) and, in some areas, covered and open surface drains (50%), extends to all areas of the city. There are eight disposal pump stations in different areas of the city. The entire sewage is drained in two nullahs (streams), the Aik and Bhaid. The Aik stream drains the southern part of the city and the Bhaid stream northern part of the city including cantonment. The sewerage pipelines, open surface drains and covered drains discharge into these nullahs.

78. There is reportedly no problem in sewerage system in most areas of the city in normal weather. Participants in FGD informed that sewerage system is functioning and problems of blockage of sewers occurs in some areas and about once a month or so. On complaint, the TMA sanitary staff removes the blockage. A few sewers are blocked and work is ongoing in clearing the blockage. There is no staff for regular clearing of open surface and covered drains. Chief Sanitary Inspector of TMA informed that several complaints are received from different parts of city in a week and sanitary staff responds to these complaints.

79. Storm water drainage system is inadequate because the two streams Aik and Bhaid cannot drain the rainwater because of low capacity. Heavy rains cause serious problem because the two drainage streams have little carrying capacity is not enough to drain the storm

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[14] ADB, Pre-Feasibility Study of Sialkot - Final Report, April 2016, Page 289.
[15] Water Samples Testing Report Sialkot City, GHK, November 2010

water quickly. Some of the sewer drains outlets are lower than the surface of these streams which causes backword flow during rains. After rains both streams cause flooding in the streets for a few to several hours before the water is dissipated. The PFS reported that widening of both these streams is planned to overcome the problem of storm water drainage.

80. There is no Sewage Treatment Plant in Sialkot.

W. Solid Waste Management

81. Solid waste management is carried by Solid Waste Management Company (SWMC) established in 2014. The entire sanitary staff of solid waste management and all the machinery owned by TMA was transferred to the SWM company. The SWMC has sanitary staff of 930 workers in December 2016. The TMA regular sanitary staff transferred to SWMC is 660 out of which 130 are Muslim and they are working in other departments as peon or on other duties. The company hired 400 sanitary workers from third party and its total sanitary staff strength is 930. The other staff which includes drivers is 40.

82. The SWMC has designated waste collection points on the main roads in different city areas and at some places it has provided receptacle for collection. These points are further away from many inner-city areas where dump trucks cannot go because of narrow streets. In some areas, solid waste is dumped on empty plots and it is not collected by the company because these sites are not designated collection points. In many areas, private sanitary workers collect solid waste from houses for disposal at the designated dump points of the company. These household pay PRs 100 to 200 per month for this service.

83. SWMC removes waste from the designated collection points in the city in morning hours. Disposal of waste on these points continues throughout the day. The company estimated daily disposal of 300 tons waste to the makeshift landfill.

84. There is no designated landfill site for the city. The company is dumping waste in some areas at the outskirts of the city. These temporary landfill sites are places where earth has been removed in large quantities for construction purposes and for brick making. These are deep pits where landowners have allowed the company to use it as temporary landfill. Once the pit filled to the natural surface level dumping is not allowed by the landowners. Company is searching these pits and negotiating with landowners to allow these as landfill.

85. Cattle are kept in almost all areas of the city by a tiny proportion of households. Cattle are set free and they roam on streets and roads during the day time. FGDs have not reported animal waste dumps in their localities.

86. SMWC informed that hospital waste disposal is responsibility of the hospitals and they have reportedly incinerators. Despite this hazardous hospital waste is dumped on designated waste collection points.

87. Decision about selection of landfill site was made after survey of eight potential sites. The summary of these surveys is given in PFS.

88. The SWMC or the TMA did not levy any service charges from households for solid waste collection.

X. Willingness to Pay

89. FGD conducted with male and female public representatives and political activist indicated that people are paying water rates to the TMA. About 80% of the people are dependent on municipal water supply and in case of default water connection is severed. Participants expressed that people will pay water rates. There is always a small number of people who delay in payment due to different reasons and some are defaulters. The TMA has good system of collection. The water rate bills can be deposited in any branch of the designated bank. The defaulters also pay water rate bills with fine or after their connection is severed and they apply for re-connection.

90. At present only water rate is charged and the monthly amount is small and affordable by even low-income households. The charges for the metered water connection and other municipal services to be levied by the company in future are not known. If the service charges in future are reasonable and little enhanced from the present water rate, then payment will not be a problem. If the services are expensive and considerably higher than the present rates then a vast majority of the low-income households may not afford payment. Willingness to pay is linked to the affordability. In this case, the government or the company shall provide some cushion to the low-income households.

Y. Public Transport

91. Sialkot is a large city with long distances between different localities. There is no public transport system provided by buses or vans on any route in the city. Public transport in the city is provided by rickshaws. Vans are used for transportation of children from home to school and back. A large number of industrial workers daily commute from neighbouring villages and towns on buses.

92. There are a large number of vehicles in the city as PFS (Annex-8) indicated that about 28% of the household own a car and 89% own motorcycles. Motorcycle rickshaws provide the main means of intracity transport. There is lot of congestion on roads and traffic flow is affected even on dual carriageways in the city. There are no operational traffic signals in the city. Intermittent traffic jams are frequent in the main bazaars of the city and on several other roads. Encroachments by vendors and shopkeepers exacerbate traffic jams in the city areas. Flow of traffic can be improved with removal of encroachments, provision of traffic signals and application of traffic rules.

93.

VIII. POVERTY ANALYSIS

Z. National Poverty Levels

94. Pakistan has achieved substantial reduction in the poverty headcount ratio, based on the national definition of poverty. The threshold of poverty was based on the availability of 2,300 calories per adult equivalent per day. About 51.7% of the population was below poverty line in 2005. The rural-urban distribution of poverty was such that 58.4% of the rural population was poor compared to 37.7% of urban population. In the 1998 census, 67% of the population lived in rural areas compared to 33% in urban areas. Rural areas of the country have witnessed and continue to experience higher levels of poverty compared to urban areas, largely because of limited income generating opportunities in rural areas, where agriculture continues to be the major economic activity. In 2014, the national level of poverty was 29.5% - in rural areas it was 35.6% and in urban areas it was 18.2%. Poverty reduction from 2005 to 2014 is shown in Figure 6.

Figure 6: Poverty Reduction in Pakistan, 2005-2014
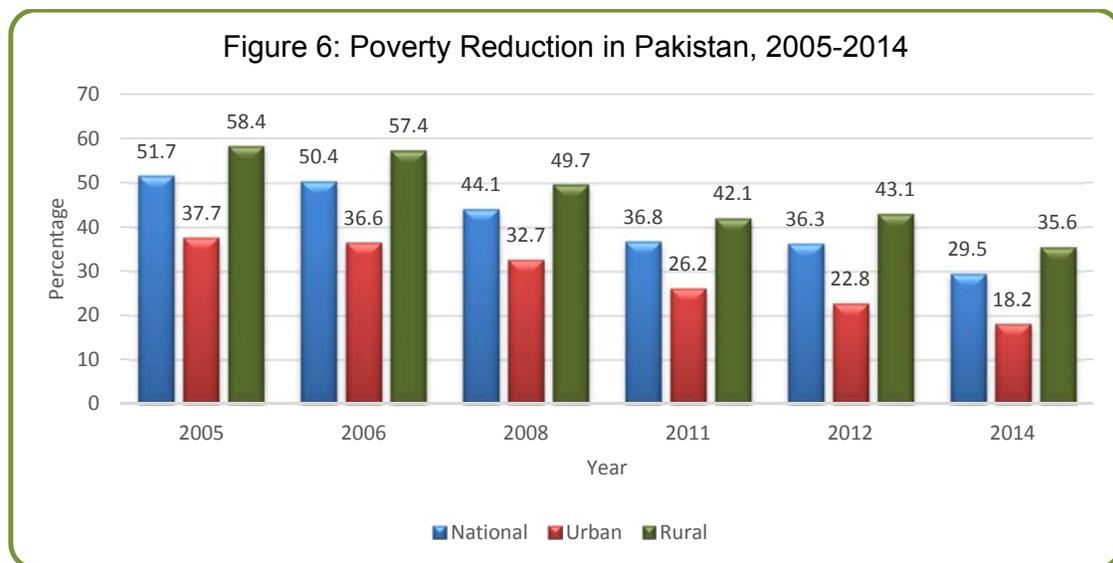
Multidimensional Poverty in Pakistan, Planning Commission, Government of Pakistan

AA.   Poverty Reduction in Sialkot

95. Incidence of poverty is not uniform in all geographical regions and agro-climatic zones of the country. Various studies have examined the spatial distribution of poverty at the district level. An income poverty study of districts based on the 2004-05 Household Income and Expenditure Survey and the Pakistan Social and Living Standard Measurement Survey (PSLM) was carried out by the Social Policy and Development Centre (SPDC). This study indicated that in Sialkot district 13.96% of population was below poverty line. The study also found much higher levels of poverty in urban areas compared to rural areas of Sialkot (opposite of the national trends presented above). In rural areas of Sialkot, 12.24% of the

22

population was below poverty line compared to 19.41% of the urban population.[16] The total urban population of Sialkot District was 26.2% and Sialkot tehsil was 35.2% in the 1998 census a. According to this study, the poverty ranking of Sialkot district was 30 among the 34 districts of Punjab. This indicated that 29 districts of Punjab have a higher incidence of poverty compared to Sialkot, and 4 districts have a lower incidence of poverty.

96.   Benazir Income Support Programme's (BISP) National Socio-Economic Registry (NESR), based on a Poverty Scorecard Survey of 2010-11, provided data on socioeconomic indicators of 27 million households in the country. This study divided districts of Pakistan into five levels of poverty: i) Least Poor, ii) Vulnerable, iii) Poor, iv) Very Poor, and v) Extremely Poor. Sialkot is one of the 13 districts of Punjab which are least poor, where 5.63% of the population was below the poverty line. Sialkot is the top-ranking district of Punjab with lowest incidence of poverty in 2010-11.[17]
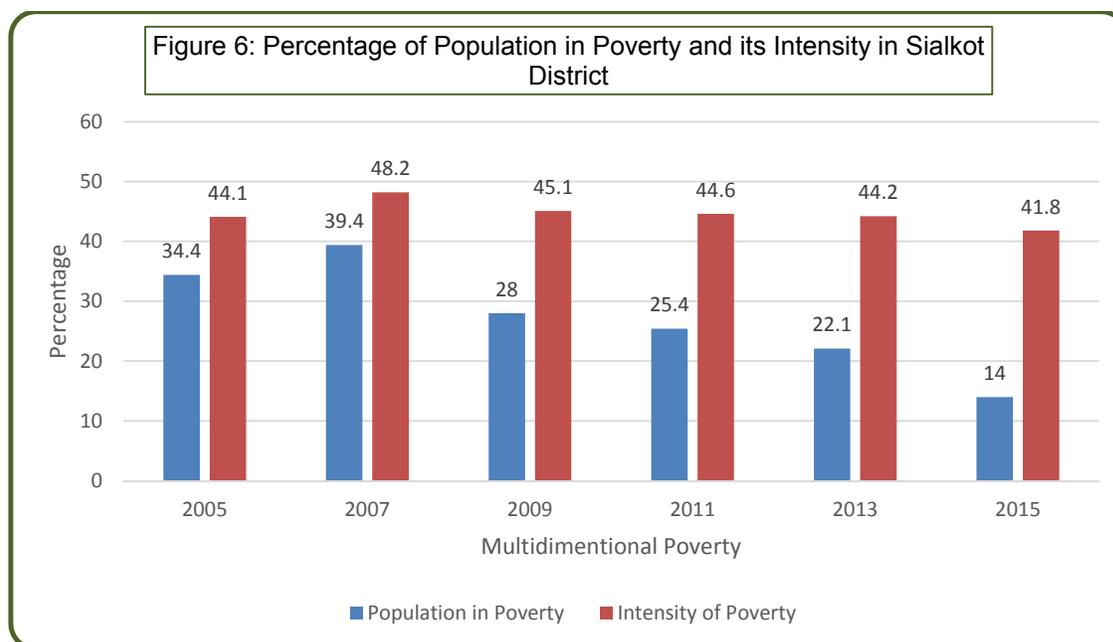
BB.   Multi-Dimensional Poverty in Sialkot

97. The traditional definition of poverty is linked only with income and is measured either in terms of calorie intake or in earning a dollar a day. Poverty is a complex and multi-dimensional phenomenon which cannot be measured by the level of income alone. The traditional definition of poverty does not take into consideration deprivations of a person or household in terms of access to education, health, and standard of living. These deprivations are the focus of the definition of multi-dimensional poverty. The Planning Commission of Pakistan, with the help of the United Nations Development Programme (UNDP), conducted a multi-dimensional poverty analysis and published a report in 2016. This poverty study selected 15 variables (five each for health, education, and standard of living) to measure multi-dimensional poverty in Pakistan.

98. Pakistan has achieved substantial income poverty reduction in the decade from 2004-5 to 2014-15, as shown in Figure 6. Pakistan has also achieved substantial reduction in multi-dimensional poverty over the same period, according to this study. Multi-dimensional poverty not only measures the headcount ratio or the number of persons facing poverty, but also measures the intensity of the poverty. In 2004-5, the percentage of the population facing multi-dimensional poverty was 55.2%, which was reduced to 38.8% by 2014-15. However, the intensity of the poverty (the extent of deprivation and suffering of the poor) only saw a 2% reduction over the same period. The intensity of multi-dimensional poverty faced by the poorest portion of the population has only reduced from 52.9% in 2004-05 to 50.9% in 2014-15. The poverty reduction trend in Sahiwal district is shown in Figure 8.

[16] Haroon Jamal, *Income Poverty at District Level*, Social Policy and Development Centre, 2007.
[17] Government of Pakistan, An Analysis of NSER 2010-11 Poverty Profile, BISP, Islamabad

Figure 6: Percentage of Population in Poverty and its Intensity in Sialkot District

Source: Multidimensional Poverty in Pakistan, Planning Commission, Government of Pakistan, 2016

99. The above data indicates a substantial reduction in the percentage of the population in poverty, from 34.4% in 2005 to 14% in 2015. It is notable that the intensity of poverty has experienced a smaller reduction than the prevalence of poverty. This means that the 14% of the district population faces deprivations of 45.6% in education, health, and standards of living. This had serious implications for payment of water rates and the willingness to pay.

CC.   Social Protection

100.   Poverty reduction cannot be achieved through economic growth and the development of physical and social sector infrastructure, which are the pillars of the Poverty Reduction Strategy Paper approach followed by the Government of Pakistan. The Asian Development Bank developed a social protection strategy and a Social Protection Index for its developing member countries. Social protection includes five categories: i) labour market programmes, ii) old-age and health insurance, iv) social assistance, v) programmes for people with disabilities and child protection. Several of these are considered below, as they relate to the poverty analysis in Sialkot City.

1. Labour Market

101.   The labour market programme includes increasing access to employment through technical education, vocational training, and employment exchange to assist job seekers. The level of employment, underemployment and unemployment are addressed as part of the labour market programmes.

102.   The unemployment rate for Sialkot City or District is not available. The Labour Force Survey of the 2014 reported a national unemployment rate of 6%, with a significant difference between rural and urban areas. In rural areas the unemployment rate was much lower at 5%, compared to 8% in urban areas. By 2015 the unemployment rate had declined

by one percentage point to 5.9% for the country, but without any significant change in rural and urban areas.

Figure 7: Unemployment Rates by Area and Sex Composition
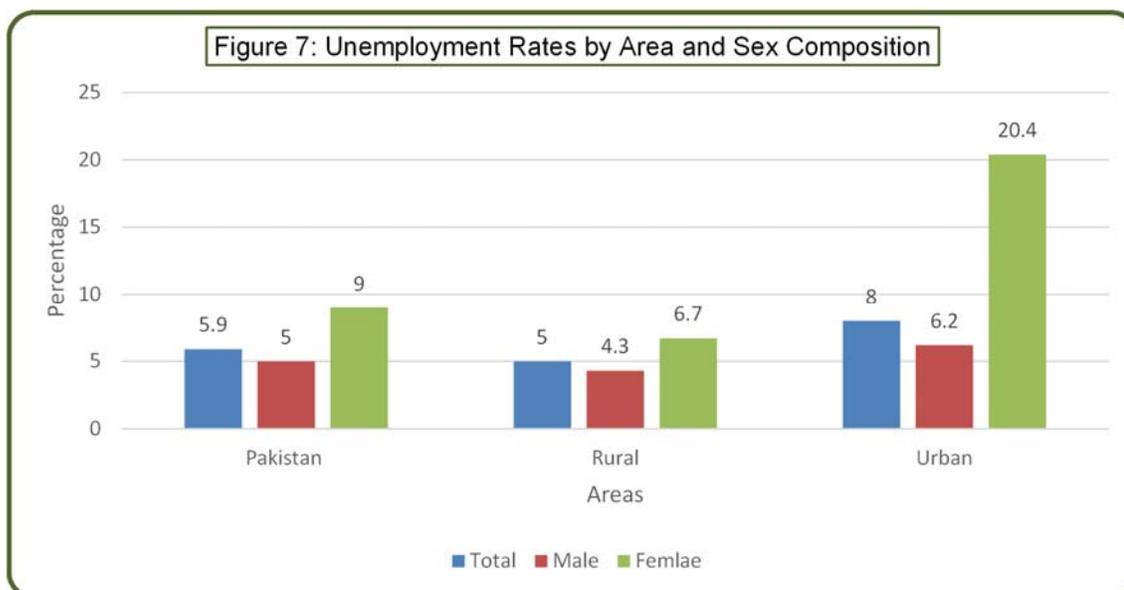
Government of Pakistan, Pakistan Labour Force Survey 2014-15, Pakistan Bureau of Statistics, Islamabad, Page 35

103.   The unemployment rate by sex indicates a significant difference between male and female unemployment, with urban women having the highest rate of unemployment. In rural areas, 4.3% men were unemployed compared to 6.7% women. In urban areas, the unemployment rate among men was 6.2%, while it was 20.4% for women.

104.   The District Level Employment Trends 2009-10 study of four districts (Karachi, Hyderabad, Faisalabad and Sialkot) by Pakistan Bureau of Statistics indicated high level of unemployment in Sialkot district at 6.6% compared to the national average of 5.3% in 2009. The survey did not provide rural-urban distribution but provides distribution by sex. Accordingly, unemployment rate for men was 7% and for women 4.1% in the district.

105.   The FGDs participants in Sialkot informed that unemployment is an important problem, mainly for the unskilled daily wage earners who cannot find work for 25 days a month. In their view the highest proportion of unemployed comprised highly educated men (graduates and post-graduate) who cannot find white collar jobs. In their view about one third of the households have one or more unemployed educated youth. Although the proportion of educated women is also high but majority of them are not looking for work. Majority of the families have more interest in marriage of girls than their jobs. Women both educated and without or with little education are employed in industry in the city in small proportion.

2. Social Insurance

106.   Social insurance includes both old-age insurance (pensions) and the provision of health insurance. A health insurance system is not developed in Pakistan. Health insurance currently has a very limited scope and is almost entirely restricted to a small number of corporate entities. Public sector health services are accorded to all citizens where available

and are restricted mainly to the provision of medical consultations. Supply of medicines by government is scarce and restricted only to certain types of medicines. Public sector facilities are limited, highly overcrowded, mismanaged and are of poor quality. Therefore, the private sector has taken the lead in providing medical facilities, but at a high cost not affordable by about 75% of the population.

107.   Old-age insurance includes the provision of pensions to retired persons. All employees of the federal and provincial government, armed forces and civilian armed forces are entitled to receive a pension and gratuity according to government rules. In case of death of the pensioner, survivors are eligible to receive a reduced amount of the pension. All pension funds for public sector employees are non-contributory. In the private sector, the Employees Old-age Benefits Institution (EOBI) are responsible for management of a contributory pension fund collected from contributing private sector organisations. Under the EOBI Act, all private sector establishments employing 10 or more persons are required to register their employees with the EOBI. The employer and employee both are required to contribute toward the pension fund. In Pakistan, only a small proportion of large scale industries register about one quarter of their workers with EOBI, to avoid payment of the pension contribution. The small industries and commercial establishments rarely register their employees with EOBI. Therefore, a small proportion of private sector workers are provided old-age insurance in the country.

108.   Statistics on EOBI beneficiaries or registered employees was not available. The FGD participants informed that only a small proportion of workers are given employment contracts and registered with EOBI. In their view majority of the industries have registered about 10 to 15% of their workers with EOBI. This means that a vast majority of the small industry workers are excluded from these benefits. These unregistered workers are not eligible for other benefits in case of injury or death in the workplace.

109.   Under the law, all establishments employing 10 or more workers are required to register these workers with the Punjab Employees Social Security Institution (PESSI). For every registered worker, the employer is required to pay 7% of their wage toward the social security fund. PESSI provides health facilities to workers in its hospitals and other benefits, including maternity leave. In case of injury and death on workplace, PESSI provides compensation to registered workers. According to FGD participants, it is common practice in all industries to register a small proportion of workers with social security. In their view the percentage of workers registered with social security could be 20%. This could not be substantiated from other sources. There is a large social security hospital in Sialkot City on Daska Road which is almost industrial zone of Sialkot.

3. Social Assistance

110.   The nationwide Benazir Income Support Programme (BISP) provides a stipend to eligible women, although the number of recipients in the city is not known. Participants of the FGD believed that some women in every locality received the stipend.

111.   Another unconditional social assistance benefit is zakat, managed by the Provincial Zakat Council and distributed by local zakat committees in the district. There are about two to three local zakat committees in every union council of Sialkot City. Only meagre sums of about PRs 2,000 is provided to about 10 persons by zakat committee on annual basis.

The eligible persons are selected by local zakat committees. Each zakat committee provided financial assistance to about 10 people per annum.

112.   Punjab Bait-ul-Mal provides a small amount of financial assistance to people in financial difficulties. The District Bait-ul-Mal committee comprising 30 members, is entrusted with selection of eligible people. The District Officer for the Social Welfare Department is the secretary of the committee. The committee receives 20 to 25 thousand applications from all areas of the district and a small fraction of recipients are selected for cash assistance. In FY 2015, PRs 2.5 million were allocated for the district and payment of PRs 2,000 each was made to selected applicants.

4. Child Protection

i. Child Labour

113.   The Pakistan Labour Force Survey of 2014-15 indicated that 3.97% of children between the ages of 10 and 14 years were working in Punjab. This child labour was more prevalent in rural areas (4.71%) than in urban areas (2.09%). District-level statistics are not available from this survey.

114.   Child labour became the major issue for football industry of Sialkot in 1990s when objections were raised about engagement of child labour. This created serious challenge for export as international brands were manufactured in Sialkot. The industry was assisted by international agencies including International Labour Affairs Bureau of the US Department of Labour, International Labour Office's International Programme on Elimination of Child Labour (ILO-IPEC) and UNICEF to eliminate child labour from the sector. This was accomplished within a few years.[18] There is no study on prevalence of child labour in Sialkot in other sectors.

115.   FGD participants were of the view that about 5 to 8% of the households in different low-income areas of the city do not send their children to school. Most of the girl children are working as domestic help in houses or helping their mothers. Male children are working in shops, restaurants, automobile workshops as apprentice while earning small amount of money to support family income.

116.   According to the 2014 MICS, child labour of 5-17 years' age group in Sialkot was 19%, much higher than the provincial average of 16.4%. is high compared to the provincial average. Prevalence of child labour in Sialkot was higher than 24 districts of Punjab and less than 11 district. in Sialkot district. The percentage of child labour reported in MICS is high because of its wide definition of 5-17 years' age group compared to Labour Force Survey's definition of 10-14 years' age group.

ii. Children Out of School

117.   Child labour has a significant impact on school enrolment. About 26% of children (5-16 years age) do not attend school in Pakistan. In Sialkot district 6.4% children of 6-16 years do not attend school. Rural-urban and sex distribution of out of school children was

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[18] US Department of Labour, 2004 Findings on the Worst Forms of Child Labour, 2005

not available. Sialkot district has the highest net primary school enrolment in Punjab province and enrolment of girls was higher than boys (see Section M above)

IX. SOCIAL DEVELOPMENT PLAN

DD.   Introduction

118.   Sialkot was described as handsome, well built and clean town having wide and open paved or metalled streets with excellent sanitary arrangements about 120 years ago (Section A), no longer retains these qualities with the exception of street pavement in 2016. Population of the city has increased by 10 times in this period. The municipal services experience capacity, management, service delivery, infrastructure and financial limitations which need to be addressed in effective and efficient manner to respond the challenge of urbanisation.
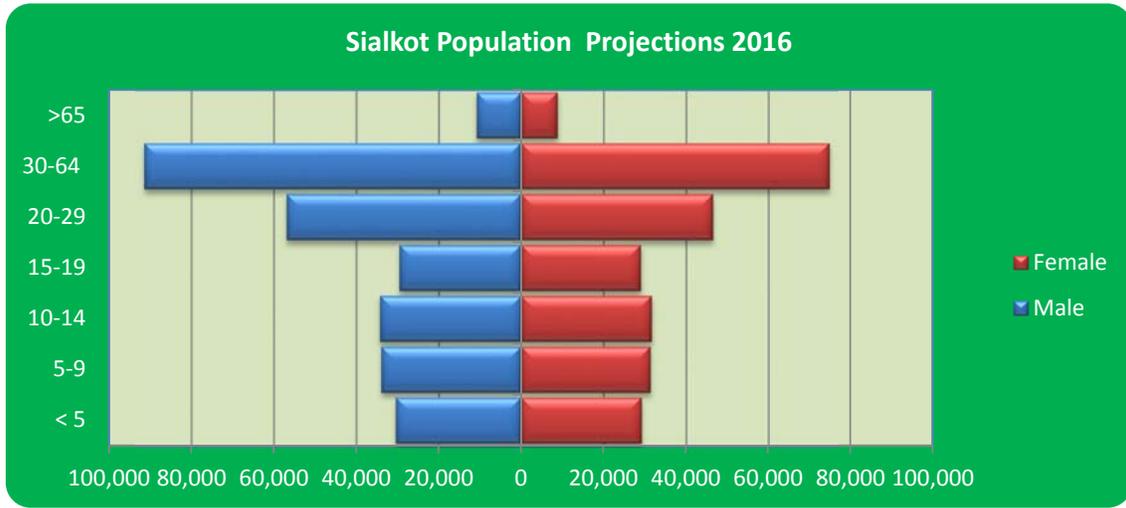
119.   Housing in the city has become very congested because of population growth, water supply, and sanitation infrastructure is very old and in some cases in state of disrepair. Solid waste management is in shambles without landfill and efficient disposal. Encroachments in markets and on main roads have worsened the flow of traffic. PICIIP will help solve these problems with multi-faceted approach aimed at improvement of management, capacity building, service delivery, infrastructure improvement with viable financial management. The social development plan indicates important areas to be considered for planning of services for the future social development of the city.
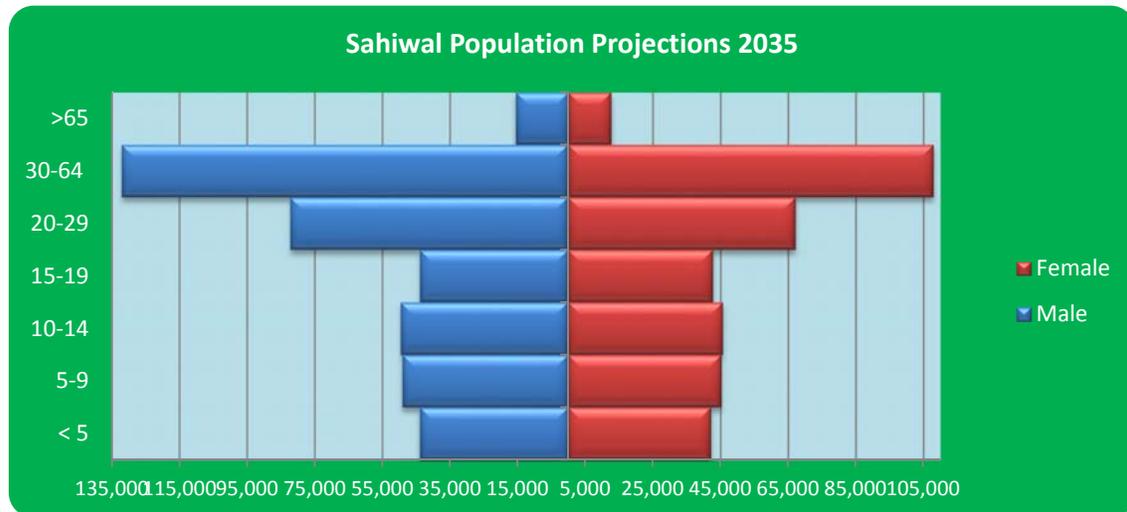
120.   Sialkot is a major industrial city with vibrant business community and good example of private public partnership in development of international airport and dry port in the city in addition to many small community welfare projects. It will be appropriate to create private-public partnership in urban development infrastructure and social sector services to ensure the quality and efficient management.

121.   Population growth rate of the city was 1.95% per annum in 1998 census which was considerably lower than the previous census years. With this rate of growth population of the city is estimated at 538,583 in 2016. This will increase to 640,823 in 2025 and to 777,339 in 2035. The rate of population growth must be considered in all future planning of municipal services and social sector infrastructure in the city. The social development plan for the city provides suggestions for planning of social sector services with growing population.

122.   This social development plan includes the provision of services to protect the well-being of the community. Sialkot has many areas where social development efforts are needed, some in the short term and others for a medium and long-term. These are explored below. The population of city is increasing at a relatively rapid rate, as forecast in the population pyramids in Figure 11. Thus, planning to service an increasing population is necessary, and is also required as part of the PICIIP.

Figure 8: Population Pyramids showing forecasted age and sex composition of the city for 2016, 2025 and 2035.

Sialkot Population Projections 2016

Sahiwal Population Projections 2025

Sahiwal Population Projections 2035

EE. Water Supply System Improvements

123. The water supply system requires a considerable renovation, due to its age and lack of maintenance in recent years. As described in section W, the present water supply is contaminated in varying degrees in different areas of the city. Participants of the FGDs unanimously confirmed that water supplied by the municipality is contaminated in different city areas and poses a major health hazard.

124.   Municipal water supply is the major source in city with only 15% using water pumps. Water pumps draw from about 100 to 150 feet depth and at this level water is contaminated because of sewage and untreated industrial waste. PFS indicated bore depth of 500 feet for clean water. There is no regime for approval of water pumps in the city and it can be installed without any regulatory mechanism. Water pump installation needs to be regulated to ensure that safe water is drawn from pumps.

125.   Private housing colonies have their own water supply system but no information is available about the depth of these tube-well bores. The TMA planning section which regulates housing colonies shall also include regulations and set standards for water supply tube-well development to ensure good quality water supply. Similarly, sewerage system of these housing colonies shall be regulated to ensure that they have proper disposal, treatment and pumping arrangements.

FF. Upgrades to the Sewerage and Storm Water Drainage System

126.   As discussed in section V, the sewerage system of the city needs major improvements while storm water drainage which causes flooding in streets during monsoon is major problem. In some areas covered and opens surface drains discharge close to the bed

of streams which causes backflow of sewage in rainy season. Sewerage and storm water drainage system needs improvement.

GG.   Solid Waste Management

127.   Solid Waste Management Company is providing services for collection and disposal of waste from main roads in the city area. The waste collection points in the city are confined to the major roads excluding localities away from main roads. Waste collection points on main roads are far away from many inner-city areas. Households in these areas depend on private waste removers who collect from house and transport it to the designated collection point of the SWMC. In low-income city areas, this service is not available and household waste is dumped on open plots in these localities. There is no landfill site and makeshift arrangements are in place. Solid waste collection needs major improvement with extension of its outreach with provision of more waste collection point inside neighbourhoods. But the most important of all is establishment of sanitary landfill for the city.

HH.   Solid Waste Management

128.   Traffic flow is severely affected on main roads in the city, particularly, in main bazaars in city centre. There are encroachments caused by vendors in market area which create take and which have taken and   and but more in the , particularly in here extreme congestion of encroacjment on many roads, particularly the markets, is   Solid Waste Management Company is providing services for collection and disposal of waste from main roads in the city area. The waste collection points in the city are confined to the major roads excluding localities away from main roads. Waste collection points on main roads are far away from many inner-city areas. Households in these areas depend on private waste removers who collect from house and transport it to the designated collection point of the SWMC. In low-income city areas, this service is not available and household waste is dumped on open plots in these localities. There is no landfill site and makeshift arrangements are in place. Solid waste collection needs major improvement with extension of its outreach with provision of more waste collection point inside neighbourhoods. But the most important of all is establishment of sanitary landfill for the city.

II.   Planning for Education Services

129.   The school-aged population (5-14 years) has increased by 41% from 1998 to 2016. This represents an increase from 61,767 children in 1998 to 86,891 in 2016, and will further increase to 103,219 in 2025 and 124,840 in 2035.

130.   There is strong preference for enrolment in government schools in the district - 66% of the children are enrolled in government schools compared to 23% in private schools in 2015 (11% were out of school).

131.   The government needs a plan to increase the number of schools to provide education to 19% more children in 2025 and 21% more children in 2035.

JJ. Health Facilities

132. Because the population of the city is increasing rapidly and because lifespan has increased, more health facilities will be required to serve the population. The government needs to plan for an expansion of health services.

KK. Urban Traffic

133. The situation of traffic flow is problematic on many city areas and the number of vehicles is increasing in the city. PFS (Annex -12) indicated that the city has witnessed 17% growth in the number of vehicles in the past three years. If this trend continues then flow of traffic will be severely affected in the city. The future planning of the city must take into consideration the increasing number of vehicles and how to improve the flow of traffic on city roads. Measures to eliminate encroachments on road sides may help to some extent. Some flyovers or underpasses may be required to improve flow of traffic in the city.

LL. Regulate Housing Societies

134. Despite disciplinary actions by TMA unregulated housing societies operate in the city and police cases were registered against violators. Instead of allowing many land subdivisions comprising housing colonies of less than 12.5-acre area large housing colonies shall be planned. TMA can assist these small land subdivisions to pool their resources and plan large housing colonies with appropriate civic amenities, water supply, sanitation and solid waste removal systems integrated with city municipal services of the city. Small land sub-divisions rarely invest in provision of good quality municipal services.

MM. Conclusion

135. Sialkot presently faces problems in management and delivery of quality municipal services in addition to unplanned growth of housing colonies. Water supply, sewerage system and solid waste management services are inadequate in terms of management and service delivery. Consequently, increased burden of disease was reported from different city areas. Social sector services in health and education may be enhanced corresponding to the increasing population of the city in the coming years. PICIIP will provide revamping of the management and service delivery in the city. The benefits of the PICIIP will improve the urban environment and enhance provision of adequate services to improve the living conditions of the residents in the city. The expected outcomes of the PICIIP may include significant reduction in disease burden and savings on health expenditure. This may also bring improvement in socioeconomic conditions of the households due to increased work days because of morbidity reduction. The liveability of the city will be enhanced with provision of quality municipal services and smooth flow of traffic.

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OO. List of Persons Met

No.	Name	Designation / Occupation
1	M. Ashraf Bajwa	Water Supply Superintendent
2	Malik Allah Yar	Assistant Superintendent
3	M. Younus	Water Rate Superintendent
4	Zafar Qureshi	Tehsil Municipal Officer Sialkot
5	Farooq Anawar	Patwari New colonies
6	Samina Zafar	Urban Unit Sialkot
7	Zeeshan Ishaq	Urban Unit Siakot
8	Mujahid Mehmood	Senior Manager Operation SWMC
9	M. Sheeraz	MD SWMC Sialkot
10	Amjad Ali	District Labour Officer
11	Mehmood Ahmed	State Labour Officer
12	Ali Raza	Labour Officer
13	Mustansar Hussain Khan	Chief Sanitary Inspector
14	M A Ghumman	Deputy Director Social Welfare
15	Abdul Shakoor Mirza, NGO	Community Development Concern
16	Ch. Naseer Ahmed	Vice Chairman UC 22 / Businessman
17	Mehr M. Arif	General Councillor UC 22 / Property Dealer
18	Zulfiqar Khan	General Councillor UC 22 / Businessman
19	M. Naseem Butt	General Councillor UC 22 / Businessman
20	Ch. Abdul Hameed	Social Worker
21	Mirza Ilyas Baig	General Councillor UC 22
22	Manzoor Hussain	Social Worker / Property Dealer
23	Ms. Saira Haider	Social Worker
24	Ms. Farah Deeba	Social Worker
25	Ms. Irshad Bibi	Social Worker
26	Ms. Rukhsana Ejaz	Social Worker
27	Ms. Zahida Siddique	Social Worker
28	Ms. Bushra Begum	Social Worker
29	Ms. Naseem Akhtar	Lady Councillor UC 22
30	Ms. Fareeda Arshad	Lady Councillor UC 22
31	Mian Muhammad Rashid	Vice Chairman UC 9 / Businessman

32	Amjad Ali	Social Worker / Shopkeeper
33	Mehr Irfan Majeed	General Councillor UC 9 / Transporter
34	Ch. Waseem Pehlwan	General Councillor UC 9 / Businessman
35	Mehr Allah Ditta	Labour Councillor UC 9 / Private Job
36	Mian Aftab Ahmed	Social Worker / Businessman
37	Mian Asif Javed	General Councillor UC 9 / Teacher
38	M. Rasheed	Social Worker / Shopkeeper
39	Ms. Shabana Zia	Lady Councillor UC 9
40	Ms. Robi Rasheed	Social Worker
41	Ms. Musarrat Rasheed	Social Worker
42	Ms. Shahida Mukhtar	Social Worker
43	Ms. Fatima Javed	Student Leader
44	Ms. Nusrat Ejaz	Social Worker