

2007 Pakistan Development Forum
Closing Remarks
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I would like to congratulate Government on a highly successful PDF. The theme of the PDF was timely and the format gave us an opportunity to drill down to specific challenges. I commend the organizers, the session chairs, technical presenters and panelists for the stimulating discussions. Particularly I want to thank Dr. Salman Shah, Advisor for Finance; Minister of State Hina Rabbani Khar; and Mr. Akram Malik, EAD Secretary. The quality of the arrangements and, more importantly, the quality of the ideas was evident and highly appreciated.

In terms of substance, the theme of the PDF – Demographic Dividend: Unleashing the Human Potential – was particularly relevant. As Prime Minister Shauket Aziz said in his opening address, the demographics of Pakistan present both a challenge and an opportunity. As I see it, the critical twin challenge that Pakistan now faces is to further accelerate and sustain growth while making that growth more inclusive.

We welcomed the presentation by Minister of State Omar Ayub Khan on Government's draft summarized PRSP II. It is a strong vision for the future, identifying what is possible and highlighting the importance of implementation. We appreciate the consultative approach being taken by Government and we look forward to discussing the draft further as it is finalized.

The discussions on competitiveness highlighted key challenges moving forward. As a partner on the National Trade Corridor Improvement Program and in the water sector, we welcome the ambitious reform and investment programs presented by Government. The fact that world class infrastructure is a pillar of the draft PRSP II is a demonstration of the priority that government assigns to this sector.

Several of the sessions highlighted the importance of second generation reforms needed to create an enabling environment for enhanced growth and competitiveness. Speakers noted the challenge of regulatory bottlenecks – which if addressed can further open Pakistan to increased investment and international trade.

We were reminded of the critical linkages between competitiveness and human development. In particular, Professor Faisal Bari's excellent presentation showed that addressing skills gaps is a high priority. Continuing to increase quality and access to education at all levels, including higher education, remains an essential ingredient of Pakistan's growth and poverty reduction strategy. We are pleased to see this reflected in the draft summarized PRSP II.

We were also encouraged by Government's initiatives in agriculture and rural development. Both urban and rural poverty has decreased in all Provinces, but rural poverty remains high. Growth that enhances the welfare of the rural poor is essential for Pakistan's future.

This morning's discussion on FATA and the Border Areas was enlightening and encourages us to enhance our dialogue with Government. The FATA Sustainable Development Plan 2006-2007 is a solid beginning and we congratulate the FATA Secretariat for the comprehensive and detailed framework.

Likewise, we welcomed the continued discussion on harmonization. Government is playing a leadership role and all development partners will help to implement the Paris Declaration on Aid Effectiveness. Only through increased efficiencies will official development assistance reach the highest number of poor people – a goal we all support.

Finally, managing an economy that is already growing at 7% raises some important, albeit welcome, challenges. In particular, macro imbalances – internal and external – need to continue to be monitored and potential constraints to growth and poverty reduction constantly addressed.

I would like to once again thank the organizers and participants for this valuable opportunity to discuss Pakistan's development prospects in such a stimulating way.

Thank you.