

ANNUAL REPORT 2014



Aga Khan Rural Support Programme
(A Project of the Aga Khan Foundation)

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April 2015

Aga Khan Rural Support Programme (AKRSP)

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Acronyms

AD	Agriculture Development
A/EYDP	Adolescent Early Youth Development Project
AFC	Adolescent Friendly Center
AKDN	Aga Khan Development Network
AKF	Aga Khan Foundation
AKFC	Aga Khan Foundation Canada
AKRSP	Aga Khan Rural Support Programme
AKU	Aga Khan University
ALC	Adult Literacy Centers
ASF	Agri-Business Support Fund
ASRHR	Adolescent Sexual and Reproductive Health and Rights
CAT	Capacity Asset and Trust
CBSG	Community-Based Savings Group
CIGs	Common Interest Groups
CKNP	Central Karakorum National Park
CPIs	Community Physical Infrastructures
CPSG	Community Project Support Group
CSOs	Civil Society Organisations
DFATD	Department of Foreign Affairs, Trade and Development
DPAP	Diamer Poverty Alleviation Programme
EC	European Commission
ECD	Early Childhood Development
EELY	Enhancing Employability and Leadership for Youth
ERRIC	Economic Recovery through Rehabilitation of Irrigation Channels
ESF	Enterprise Support Facility
EU	European Union
FEG	Farmers Enterprise Group
FFS	Farmer Field School
GBC	Gilgit-Baltistan and Chitral
GIS	Geographic Information System
GLOF	Glacier Lake Outburst Flood
ICIMOD	International Center for Integrated Mountain Development
ID	Institutional Development
INGOs	International Non-Governmental Organisations
IUCN	International Union for Conservation of Nature
KIU	Karakorum International University
KKH	Karakorum Highway
KP	Khyber Pakhtunkhwa
LACIP	Livelihood Support and Community Infrastructure Project
LEP	Livelihood Enhancement and Protection
LG&RD	Local Government and Rural Development

LIP	Livelihood Investment Plan
LMA	Labor Market Assessment
LSO	Local Support Organisation
MIAD	Multi Input Area Development
NADRA	National Database and Registration Authority
NARC	National Agriculture Research Center
NGO	Non-Governmental Organisation
NRM	Natural Resource Management
PIP	Plan International Pakistan
PKR	Pakistani Rupee
PPAF	Pakistan Poverty Alleviation Fund
PPI	Productive Physical Infrastructure
PPP	Public-Private Partnership
RD	Resource Development
RSP	Rural Support Programme
SDC	Swiss Agency for Development and Cooperation
SDP	Satpara Development Project
SEED	Social Economic and Environmental Development
SME	Small and Medium Enterprises
SSD	Social Sector Development
TOT	Training of Trainer
TVET	Technical and Vocational Education and Training
UAP	USAID Agribusiness Project
UBR	Universal Birth Registration
UC	Union Council
UCDP	Union Council Development Plan
USAID	United States Agency for International Development
VDP	Village Development Plan
VO	Village Organisation
WDG	Workforce Development Group
WO	Women's Organisation
WUA	Water User Association
WWF	World Wildlife Fund for Nature
YCLDP	Young Community Leadership Development Programme
YMCA	Youth Micro Challenge Award
YO	Youth Organisation

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Aziz Ali Dad

Specialist

Knowledge Management and Communication
Aga Khan Rural Support Programme (AKRSP)

[illegible]

مارش و کاردان



COURSE TOPICS

- Day-1 Eastern & Economic
- Day-2 Entrepreneurial Skill & Business Structure
- Day-3 Understanding yourself (SWOT)
- Day-4 Marketing Tools
- Day-5 Customer Care
- Day-6 Strengthening of Skill
- Day-7 - do -
- Day-8 Certificate Distribution



An aerial photograph of a river valley. A river flows through the center, surrounded by lush green trees and vegetation. In the background, there are rocky hills and some buildings. A green banner with white text is overlaid on the upper part of the image.

EXECUTIVE SUMMARY

"This Annual Report 2014 is one of several review reports AKRSP produces on a periodic basis to assess, document and disseminate the results and progress of its major programmes and sub-programmes in the region."

EXECUTIVE SUMMARY

The Aga Khan Rural Support Programme (AKRSP) is a private, non-denominational development support agency established by the Aga Khan Foundation (AKF) in 1982. Since its inception, AKRSP has been supporting micro-level development in mountainous rural areas, using participatory approaches and several basic principles such as: collective management through social mobilisation, capital-building through regular savings, and upgrading productive and institutional management skills through training and learning from interaction with rural communities.

In its current phase, AKRSP's focus is on:

- a) Fostering inclusive grassroots governance institutions, both representative and participatory in nature, to promote peace, pluralism and sustainable local development
- b) Increasing the average per capita incomes of the extreme poor to a level comparable to that of the rest of the country.

The basic principles that guide AKRSP's current strategy remain the same. However, the current strategic focus is on:

- strengthening mid-level institutions both in the social and economic domain
- engaging youth in civic institutions and the labour market
- creating opportunities for women, the poor and marginalised groups including the mobilisation of rural people
- micro-savings and the provision of micro-credit
- the application of cost-effective methods for building rural infrastructure
- institution and capacity building
- youth development

- renewable energy
- market development
- successful partnership models of working with government and promoting public-private sector initiatives

This Annual Report 2014 is one of several review reports AKRSP produces on a periodic basis to assess, document and disseminate the results and progress of its major programmes and sub-programmes in the region. The report also includes progress of 2013 particularly with regard to target and achievement.

Institutional development is one of the key components of AKRSP's social development agenda. In 2013-14, significant progress was achieved in this area with special focus on the formation and capacity building of Local Support Organisations (LSOs). With active facilitation from AKRSP, Village and Women Organisations (V/WOs) have so far formed 73 LSOs, including the 14 LSOs formed in 2013-14. LSOs have a membership of over 3,709 V/WOs i.e. 1,997 Village Organisations (VOs) and 1,712 Women's Organisations (WOs). Over 149,000 people are now active members of V/WOs. In the review period, LSOs provided support to 70% of VOs/WOs across the Programme Area. The coverage of WOs is higher than that of VOs - 77% and 64% respectively.

V/WOs are the founding blocks of AKRSP's social development pyramid. AKRSP continued to support the process of V/WOs formation in 2013-14. During the reporting period 131 new organisations (73 VOs and 58 WOs) were formed. The total number of members adhering to these organisations is 5,247, 2,995 men and 2,252 women. In the same period, AKRSP embarked upon the formation of associations to strengthen civil society in the

region. In the reporting period, 227 Water User Associations were formed in Baltistan, bringing together 11,859 members. AKRSP continued its support to the formation of savings groups – 100 new Community Based Saving Groups (CBSGs) were formed in 2013-14, with 2,179 individual members.

The ultimate objective of AKRSP's Social Development Programme is institutional sustainability through long-term sustainable development in the Programme Area. AKRSP extended its support to 103 LSOs and financial resources to 18 LSOs to set up their offices. In the same period AKRSP supported 10 new LSOs to register and funded 20 LSOs to provide services in the social sector. During the review period 51 LSOs prepared Youth Development Plans with AKRSP's support. This effort assisted 15,254 young people, i.e. 9,202 young men and 6,052 young women. In addition, AKRSP supported 51 LSOs/LSOs in designing, implementing and monitoring effective youth programmes. Under its EELY project AKRSP granted 138 awards to young people in GBC.

Under its social pillar component AKRSP undertook several activities and initiatives, such as training courses, workshops, conferences, exposure visits and other special events for LSOs, VOs, WOs, YOs and other partner organisations. In 2013-14, AKRSP trained 895 people, 522 men and 373 women. Leadership, planning and management training occupied a central position among training courses; they brought together 253 participants including 137 men and 116 women. Issue-based training was provided to 45 participants and an equal number of people were trained in links development and resource management. Another group of 133 men and 81 women were trained in disaster response management. In the same period a new training for change-makers was attended by 15 participants and 30 participants were

trained in Village Development Planning (VDP) and project proposal. In the review period 178 participants from 7 LSOs were trained in social mobilisation and financial management.

Under the ELLY project AKRSP initiated the Young Community Leadership Development Programme (YCLDP). Overall, 96 participants were trained, who held 87 transfer training sessions in the 3 project regions, providing training to 2,773 youth (1,422 men and 1,351 women) in 2013-14. The internship programme provided opportunities to 269 men and women to work in different organisations. In the same period the Life-Skill Development Programme provided training to 66 master trainers, who further trained 5,048 community participants, 2,175 men and 2,873 women. AKRSP also introduced the innovative concept of Gender Pair Training of Trainers (ToT) in 2013. This training was attended by 29 participants (14 men and 15 women) in 2013 and 45 participants (23 men and 22 women) in 2014 representing all the 3 regions.

A major landmark reached in 2013 was the start of the "Diamer Youth Development Programme (DYDP)" in the Diamer district of Gilgit-Baltistan. With technical and financial support from AKRSP, Diamer Poverty Alleviation Project (DPAP) held 25 consultative workshops for stakeholders in Diamer, completed a Youth Mapping Exercise involving 174 Youth Organisations, carried out a study on the value chain of capsicum in Boner Valley, formed an association of capsicum growers and selected Diamer-based NGOs to receive training in management, accounting and resource mobilisation.

In 2013-14, AKRSP held a total of 19 workshops with 704 participants (416 men and 288 women). AKRSP organised 43 festivals, creative events and ceremonies in order to increase awareness – especially among local

youth - on different development issues; these events attracted 3,810 participants (1,760 men and 2,050 women).

In the review period the Livelihoods Enhancement and Protection (LEP) programme of AKRSP covered 18 UCs in the Ghizer and Skardu districts to reach a total of 4,000 ultra-poor and vulnerable families. During the review period, the LEP team conducted a participatory wealth ranking across 25,765 households covering 102 villages in 18 Union Councils. AKRSP facilitated the preparation of 4,244 Livelihood Investment Plans (LIPs) in different villages of GBC. In addition, 101 Common Interest Groups (CIG) with 1,127 members were formed.

Under the “Universal Birth Registration” (UBR) project, AKRSP supported 108 government run UBR Centres and provided training on the Civil Registration & Management System (CRMS) to 112 participants. In order to expand its geographical outreach, the UBR project held 400 dialogue sessions and meetings with Civil Society Organisations (CSOs) in GB. These meetings were attended by 3,302 members of the civil society, with women making 43% of participants. In the review year, AKRSP supported the registration of 264,845 children (137,719 boys and 127,126 girls). The Adult Friendly Centres (AFCs) linked with the UBR project conducted 1,995 sensitisation sessions with 74,141 participants, 55% of whom were women.

AKRSP’s collaboration with the Social, Economic and Environment Development (SEED) project resulted in the completion of 2 irrigation channels and 1 link road; additionally 8 awareness sessions were conducted. AKRSP also undertook collaborative projects and initiatives in partnership with the government and other service providers. In accordance with its policy research strategy, 25 policy-

related initiatives were introduced in the period, including case studies, joint research, policy analyses and impact assessments, policy briefs and an internal gender audit. A salient feature of this review period was a joint agreement between AKRSP and the Ministry of Youth, Culture and Tourism to formulate a youth policy for Gilgit-Baltistan.

In the period 2013-14, AKRSP’s economic pillar covered areas related to community infrastructure development, resource and institutional development, capacity building, natural resource management, livestock development, market development, action research and poverty targeting. A total of 613.78 million PKR was invested across the Programme Area to support different initiatives under this project. About one third of these investments were funded by CARITAS under the “Economic Recovery through the Rehabilitation of Flood-Affected Channels” (ERRIC). This programme is initiated for rehabilitation of irrigation channels, flood protection walls and water supply schemes damaged in flash floods of 2010. AKRSP initiated 547 such projects during the reporting period, of which 435 were completed.

A Micro-Hydel project was funded by PPAF under the carbon financing scheme. A total of 4 projects were initiated in 2013 and 2 in 2014 through this scheme. The projects initiated in 2013-14 assisted 29,732 households and this addition increased the total number of beneficiaries to 323,626 households.

In the review period, the resource development component of AKRSP provided 5,144 kg improved cereal seed and 449,400 kg potato seed to the community. Additionally, AKRSP organised a workshop on potato production and marketing, which was attended by 900 men and women.

AKRSP trained a total of 2,757 specialists in agriculture, livestock & poultry (1,543 men and 1,214 women) in the Programme Area during 2013-14.

The “Satpara Development Project” (SDP) assisted over 3,800 individuals through grants during the reporting period. Farmer Enterprise Groups (FEGs) were organised and trained in the handling of fruit post-harvest (e.g. cherries and apricots) assisting over 451 individuals, including 330 females. 255 greenhouses were established to increase the offseason agriculture produce and create employment. An Artificial Insemination Service Centre was established, assisting 2,463 farmers/entrepreneurs. 15 Farmer Field Schools were established with a focus on vegetable production, animal husbandry and livestock management. Around 189 farmers benefitted from the different interventions.

During 2013-14, farmers formed 159 Agri-business Farmer’s Groups in the Programme Area under AKRSP’s Market Development Programme. Overall 7,197 members joined 195 new enterprise associations, 66% of whom are men. AKRSP initiated this project in GBC in the reporting period, with funding from USAID through the “Agri-Business Support Fund” (ASF). AKRSP formed 144 FEGs, including 62 Potato FEGs, 80 Apricot FEGs, and 2 off-season FEGs. During the reporting period, AKRSP provided 449,400 kgs of seed potato to 1,086 FEG members. In 2013-14, this component trained 4,403 men and women in market development.

During the review year AKRSP initiated the project “Gilgit-Baltistan - The Jewel of Pakistan: Developing a Sustainable Value Chain in the Gems and Jewellery Sector in Gilgit-

Baltistan and Chitral”. The project is preceded by a thorough research of the value chain. 5 consultative sessions were conducted across GBC, to assess the existing situation and align project activities with the gemstone and minerals sector in the region. During the reporting the project trained 536 individuals in safe and improved mining and 304 men and women (35 men and 269 women) were trained in basic gems cutting, polishing and jewellery making. Moreover, AKRSP sponsored 10 stalls in a national exhibition.

In future AKRSP seeks to strengthen its support to grassroots civil society and elected institutions and envisions a significant increase in enterprise and employment creation efforts to promote a stable, socially cohesive and economically prosperous society in Gilgit-Baltistan and Chitral (GBC). Under its social pillar, AKRSP aims at intensifying its effort to create a network of independent and self-sustaining LSOs with strong roots in their constituent V/WOs. AKRSP will also increase its support to other Civil Society Organisations (particularly Youth Organisations) and the elected tiers of local government to deepen the tradition of participatory governance in GBC.

The economic pillar of AKRSP aims at significantly increasing its policy and value chain development work in promising economic sectors of GBC including energy, cross-border trade, gemstones/responsible mining, high value agriculture, tourism and local crafts. These sector development efforts will be complemented by the provision of specialised support to promising SMEs in accessing early-stage capital and tailored business advice.





INTRODUCTION

"The mission of AKRSP is to enhance the capacity of local communities in GBC to sustain and improve the quality of their lives. This is done through the provision of economic resources and opportunities and by building up the competence and confidence of local institutions and individuals."

1 INTRODUCTION

The Aga Khan Rural Support Programme (AKRSP) was established in 1982 by the Aga Khan Foundation. It is a private, non-denominational rural support programme working in Gilgit-Baltistan and Chitral (GBC) with funding from the Government of Pakistan and many bilateral and multilateral donor agencies. The mission of AKRSP is to enhance the capacity of local communities in GBC to sustain and improve the quality of their lives. This is done through the provision of economic resources and opportunities and by building up the competence and confidence of local institutions and individuals.

AKRSP supports the institutional and economic development of local communities as well as strengthening the collaboration and linkages between local communities and government departments, elected bodies and other development and environmental agencies. The initial overall objectives of AKRSP were to double the per capita income of local communities in GBC and develop a participatory rural development model for replication in Pakistan or any other regions with similar contexts. The initial major components of AKRSP's programme were:

- social organisation
- natural resource management
- community infrastructure development
- credit and savings
- enterprise promotion
- women's development

Despite the impressive development gains of the last three decades, the development mission in GBC is far from accomplished. The

region is increasingly facing new challenges such as rising unemployment rates among youth, inequitable access to social services and increasing social and environmental fragility.



“AKRSP strives to enhance the capacity of local communities in Gilgit, Baltistan and Chitral (GBC) to sustain and improve the quality of their lives”

However, new and emerging local opportunities on the economic, social and political fronts offer promise. AKRSP envisions a valuable contribution towards the overall vision of GBC by strengthening its two core pillars of programming:

a) social pillar encompassing its existing work with grassroots civil society institutions (including LSOs and their members) and new efforts to support youth institutions and local tiers of government;

b) economic pillar covering existing and new economic sector development activities, with an added focus on supporting SMEs and workforce development initiatives.

“AKRSP reviews its focus to address rapidly-changing external factors and internal socio-economic developments”



AKRSP constantly reviews its focus in order to address the rapidly changing external context and internal socio-economic developments. Currently AKRSP supports:

- institutional development
- community infrastructure
- the development of markets and entrepreneurship
- renewable energy
- gender mainstreaming
- youth development

Since its inception, a consortium of international donors and the Government of Pakistan have been providing funding to AKRSP for the implementation of development programmes in the region. Among them, DFATD (formerly CIDA) has been generously providing financial assistance as a strategic development partner for more than 32 years. Currently DFATD is the major donor of AKRSP for a six-year programme -“Enhancing Employability and Leadership for Youth (EELY)”, running between April 2011-March 2017. This programme supports the inclusion of young people in the economic mainstream by creating employment and entrepreneurship opportunities. AKRSP maintains a significant focus on women deriving from its firm belief that women play a crucial role in achieving real and sustainable development.

This Annual Report presents a thorough review of all AKRSP’s development programmes, sectors and themes. It consists of:

- Section 2 - An overview of AKRSP
- Section 3 - A description of the programme context
- Section 4 - A summary of major developments
- Section 5 - The Social Development Programme Component
- Section 6 - The Economic Development Programme Component
- Section 7 – Knowledge Management and Communications
- Section 8 - Future directions for AKRSP

Every section discusses in detail the cross-cutting issues of gender and development.





AKRSP OVERVIEW

"AKRSP has been supporting the development of mountainous rural areas for over 32 years"

2 AKRSP OVERVIEW

For more than 32 years AKRSP has been supporting micro-level development in mountainous rural areas, using participatory approaches and several basic principles such as: collective management through social mobilisation, capital-building through regular savings, and upgrading productive and institutional management skills through training and learning from interaction with the communities.

AKRSP currently focuses on:

- a) Fostering inclusive and competent local institutions of the people that contribute effectively and sustainably to local development.
- b) Increasing income and employment opportunities for local communities, particularly poor and vulnerable (including youth and women)

The basic principles remain the same. However, the strategic focus is on strengthening mid-level institutions in both the social and economic domains, engaging youth in civic institutions and the labour market and creating opportunities for women, the poor and marginalised groups, including:

- the mobilisation of rural people
- micro-savings and the provision of micro-credit
- the application of cost-effective methods for building rural infrastructure
- institution and capacity building
- youth development
- renewable energy
- market development

- successful partnership models to work with government and to promote public-private sector initiatives.

“AKRSP provides skills, resources and creates economic opportunities for women, for the poor and marginalised groups in rural society”



AKRSP's approach of working in partnership with communities has brought remarkable changes in the lives of the 136,000 households who live in the Programme Area. Most of these

beneficiaries are widely dispersed across a region covering almost 87,300 square kilometres. Among many notable achievements have been:

- a significant increase in incomes
- the construction of hundreds of bridges, irrigation channels and other small infrastructure projects
- planting tens of millions of trees
- reclaiming hundreds of hectares of degraded land
- the mobilisation of over 5,045 community organisations that have established democratic, transparent and accountable patterns of local governance
- the establishment of 73 Local Support Organisations
- the promotion of renewable energy options through micro-hydel projects
- youth development through training, the creation of economic opportunities and access to markets



“AKRSP promotes inclusive grassroots governance institutions”

In order to respond to new development challenges and local needs, AKRSP reviews its programme strategies every 5 years and sets new targets and focus areas. Since 2003, it has been working to promote inclusive human development, eradicate extreme poverty and reduce gender inequalities in the Programme Area through a comprehensive strategy including major programmes of Social, Resource and Market development.

The new strategy led to the formation of a new tier of social mobilisation in 2004 in the form of Local Support Organisations (LSOs); these are representative apex bodies, accountable downwards to V/WOs and other CSOs at the Union Council level. The main objectives guiding the establishment of the LSOs were to indigenise the knowledge gained by AKRSP over decades and fill the role of intermediary organisation in the long run responding to new challenges and benefitting from emerging opportunities. The LSO model initiated by AKRSP has since been widely replicated by all RSPs in Pakistan. Currently, AKRSP fostered LSOs supported 3,709 organisations with 149,251 members across GBC.

In 2011, AKRSP started a new programme with a focus on ‘Enhancing Employability and Leadership for Youth (EELY)’, based on a deep awareness the value and vitality of youth in the context of drastic demographic changes and their repercussions on social development in the future. Funded by DFATD and AKF Canada, the programme aims to increase the engagement of youth as productive and full citizens of Gilgit-Baltistan and Chitral. The activities of EELY will result in the development of professional skills, increased support to enterprise and ultimately the enhanced participation of youth in community and civic activities and institutions.





PROGRAMME CONTEXT



"The region boasts mineral and water resources, eco-tourism, educated young people; all this offers excellent opportunities for socio-economic development."

3 PROGRAMME CONTEXT

The programme is situated in the north of Pakistan in a strategically important region with China in the North-East, Afghanistan in the North and North-West and Indian Administered Kashmir to the South-East. The area covers the districts of Gilgit, Hunza-Nagar, Diamer, Astore, Ghizer, Ghanche and Skardu in the federally-administered region of Gilgit-Baltistan, and Chitral district in the province of Khyber-Pakhtunkhwa.

The region's fragile geology, unpredictable ecology and diverse geography affect the livelihood systems of the inhabitants. Geological factors cause frequent and severe natural disasters. Snow covers high-altitude villages and valleys for more than six months every year, while high mountain peaks and mountain ranges remain under snow all year round. Moreover, the inhabitants have a precarious economic situation: poverty and severe food insecurity are very common in the region. Several ethnic and linguistic groups co-exist in the area, ever-vulnerable to sectarian tensions and strife.

With the opening of the Karakoram Highway (KKH), the region acquired additional strategic, economic and political importance. The Karakoram Highway links Gilgit-Baltistan (GB) with other parts of Pakistan, while the Dir Road over the Lowari pass and the Lowari tunnel (still under construction) link Chitral with the Khyber Pakhtunkhwa province; however, these land routes are highly unpredictable, easily blocked by heavy rains, flash floods or avalanches. Apart from this land connection, small passenger air planes belonging to the Pakistan International Airlines (PIA) operate

between Gilgit-Islamabad, Skardu-Islamabad, and Chitral-Islamabad. Again, air transport is easily disrupted by unfavourable weather conditions at any of these destinations. In conclusion, links with the rest of the country - by land or air - remain unreliable, which can seriously affect travel to Programme Areas.

"With the opening of the Karakoram Highway (KKH), the region acquired additional strategic, economic and political importance."



In addition to travel and access challenges, the long distances to the main markets, hospitals and educational facilities located in urban centres pose difficulties for the inhabitants of rural areas during emergencies. New communication networks such as mobile phones and internet facilities have recently been introduced in the area, but the service remains unreliable due to limited coverage and poor operation. The political and administrative structures governing the region

of Gilgit-Baltistan are different from those in Chitral (which falls within the administrative ambit of KP.) and other parts of Pakistan. Constitutionally, the Federal Government administers GB from Islamabad under a separate system of governance that has gone through several forms since Pakistan gained its independence; the current governance system provides a quasi-provincial status to Gilgit-Baltistan. Gilgit-Baltistan has a directly elected Legislative Assembly with jurisdiction over most social services, including health and education. Besides, the government has formed a Gilgit-Baltistan Council, which has jurisdiction over revenue-generating areas, including aviation, tourism, forestry, banking, insurance, interprovincial highways and mining.

“The security situation remains unstable and public spending in the area has been falling for the past 5 years”



For the last six years the government has been reducing public sector spending for social services and development programmes in GBC. These economic and financial challenges directly affected LSOs and V/WOs - limiting their ability to mobilise resources and thus deliver services and implement programmes within communities. Further setbacks were caused by the harsh climatic conditions such as heavy snowfalls, glacier outbursts and rains in GBC. The resulting avalanches and flooding caused severe damage to various parts of the Programme Area, wiping out roads and bridges; this posed severe challenges to transport and communication.

The security situation in Pakistan remained unstable in 2013 and 2014, with regular incidences of suicide attacks claiming innocent lives. Civil unrest and the poor law-and-order situation in Peshawar, Swat, Dir, Kohistan, and Chilas adversely affected the implementation of programmes in the bordering AKRSP programme regions of Chitral and Gilgit. As compared to previous years, the region of Gilgit witnessed a decrease in sectarian violence; however the situation remained precarious, which badly affected the smooth implementation of planned interventions. Tension and conflict not only restricted the implementation of planned activities, but also affected the economic situation in Gilgit. Although the law-and-order situation remained relatively better in GBC during 2013-14, but the region is still recovering from the wave of terrorism and violence in the previous years.

Despite all these constraints the region of GBC has enormous potential for development. The region boasts mineral and water resources, eco-tourism, educated young people; all this offers excellent opportunities for socio-economic development. In order to realize this potential it is imperative to invest in the social

and economic sectors. AKRSP's support of these sectors aims to empower and raise the capacity of local communities to tap into existing local resources.

"The programme covers a vast and challenging area"



A photograph of two women in a rugged, mountainous landscape. They are carrying large, heavy bundles of dry sticks or brush on their backs, secured with straps. The woman on the left is wearing a red headscarf and a brown jacket, while the woman on the right is wearing a black headscarf and a brown jacket. They are walking on a rocky, uneven path. In the background, there are steep, rocky mountains under a clear blue sky. The overall scene suggests a rural, possibly mountainous region where such activities are common.

"AKRSP's support of the social and economic sectors aims at empowering and raising the capacity of local communities to tap into existing local resources."

MAJOR REGIONAL DEVELOPMENTS

4 MAJOR REGIONAL DEVELOPMENTS IN 2013-14

During the reporting period GBC witnessed various developments in the political, economic and development sectors. At a political level the region of Gilgit-Baltistan witnessed a flurry of activities including the first ever visit of the Prime Minister of Pakistan, Nawaz Sharif.

The law-and-order situation remained precarious in Gilgit. In 2013, 9 foreign mountaineers were killed at the base camp of Nanga Parbat, geographically belonging to Diamer District in the Gilgit region. The situation in Baltistan and Chitral remained peaceful.

The government plans to start a major project in the Diamer district of Gilgit-Baltistan – the Diamer-Bhasha Dam. For this purpose the government of Gilgit-Baltistan acquired lands from local people. In October 2013, the Federal Government allocated PKR 3.5 billion to compensate would-be affectees.

During the reporting period the Prime Minister Nawaz Sharif announced the Kashgar-Gwadar Economic Corridor Project. The corridor is a 2,000-km transport link connecting Kashgar in North-Western China to the Pakistani port of Gwadar in Baluchistan. The project plans to generate employment opportunities and economic activity.

The Chitral region experienced devastation in August 2013 when flash-floods caused by heavy rain destroyed homes, mosques and essential infrastructure – bridges, roads and irrigation channels. Several inhabitants lost their lives and many vehicles and cattle were

washed away in the flood. The only bridge connecting Jughor village to Chitral Town was also damaged by the floods, leaving local people stranded. In September 2014 some parts of Gilgit-Baltistan suffered landslides and floods triggered by heavy rains.



"As compare to previous years law-and-order situation in year 2013-14 remained relatively calm."

By the end of 2014 Gilgit-Baltistan Legislative Assembly (GBLA), which was formed under the GB Self-Governance Order 2009, completed its

five-year term. During its five-year term GBLA held a total of 41 sessions which stretched over 241 days. The assembly legislated on 31 points and passed 104 resolutions, the highest in the parliamentary history of the region.

As compare to 2013 law-and-order situation in year 2014 remained relatively calm as no incident of sectarian violence and terrorist activity occurred in Gilgit-Baltistan.







SOCIAL PILLAR

“People – and the norms they follow when interacting in groups and in society - directly influence and shape social and economic development”

5 SOCIAL PILLAR

Social development occupies a central role in reducing global poverty. It is also one of the three major strategies used by AKRSP to support sustainable development. Social development puts people at the centre of the development process. Inclusiveness is the hallmark of AKRSP's social development pillar based on the belief that people – and the norms they follow when interacting in groups and in society - directly influence and shape social and economic development.

Since its inception, AKRSP has been building social capital through the formation of Village and Women's Organisations (V/WOs) and Local Support Organisations (LSOs) in order to enhance the social and institutional capacity of men and women in GBC. The LSOs take on a multi-sector agenda in partnership with a wide array of partners including local government departments. LSOs are increasingly adopting a development agenda that goes beyond the traditional AKRSP activities (i.e. infrastructure, agriculture and microfinance) to include service delivery in social sectors (i.e. health and education). Some LSOs are going even further by engaging in peace and policy dialogues.

The current AKRSP social agenda focuses on promoting participatory governance through five sub-themes:

- institutional development
- women's empowerment
- poverty targeting
- youth development
- policy dialogue and partnerships

"People at the centre of the development process"



These programme components are geared towards building the capacity of local civil society institutions including LSOs, Village and Women Organisations, Youth Organisations, business and farmers associations and public and private sector institutions.

5.1 Institutional Development

Institutional development is one of the key components of AKRSP's social development agenda. Through this component, AKRSP provides support to LSOs, V/WOs and other civil society groups in order to create social

capital, an essential factor in developing other forms of capital as well as forming linkages and partnerships with the government and other service providers. Civil society institutions are responsible for the planning, implementation,

management and ownership of sustainable development initiatives and programmes.

“Village and Women’s Organisations are the ‘atoms’ – the local units of social development”



Since community needs evolve over time, it is essential to ensure that institutional arrangements are in tune with the specific realities of local communities. For that purpose AKRSP follows a CAT (Capacity, Asset and Trust) strategy focusing on capacity development, financial asset creation and trust building. Since 2005 AKRSP has been supporting the formation of second-tier institutions – Local Support Organisations (LSOs) - in GBC. Over 73 registered LSOs are currently functional in the Programme Area. They have proved to be effective institutions, covering larger geographical areas, supporting development and building linkages and partnerships with higher level public sector institutions, private sector agencies and other development partners. At the same time, VOs and WOs still effectively plan, implement, manage, and own programmes and projects primarily at the hamlet and village levels.

In 2011 AKRSP initiated the “Enhancing Employability and Leadership for Youth” (EELY) project. Through this project AKRSP has been working with LSOs and local stakeholders to

increase youth engagement as productive and active citizens of GBC. To this end, EELY focuses on two complementary components:

- youth employability - which seeks to enhance the development of professional skills and the services that support enterprise
- youth participation as leaders – which promotes youth engagement and empowerment by encouraging youth to participate in community and civic activities and institutions

Given the nature of the project, AKRSP has to expand its institutional base by establishing partnerships with service providers and training institutions.

In time the region of GBC and its society and economy has also undergone drastic changes - new life styles, needs, economic activities, demands and challenges. Therefore, a diversification of the service base was imperative to cater to the various and heterogeneous demands evolving in the region. By diversifying institutional arrangements, AKRSP is able to address the diverse needs of communities living in the mountainous areas of GBC.

5.1.1 Local Support Organisations (LSOs)

In 32 years of social development through community-based structures like V/WOs, AKRSP has learnt that these institutions can ensure the participation of households in the development process at the village and hamlet levels. However, the scope of these informal institutions is limited: they can access development services provided by the state and private sectors, but they cannot influence the higher policy levels of government. In order to overcome these limitations, provide missing links and address higher-level

development challenges, AKRSP facilitated V/WOs to form their own Local Support Organisations (LSOs).

This initiative essentially strengthens the participatory approach to development by establishing LSOs as a mid-level tier of community representation and support as well as a link (so far missing) between communities and higher levels of governance. According to this model, grassroots institutions form LSOs with a clear and sound governance structure and a management system to properly govern and manage development affairs. The LSO governance structure has two tiers: a general body of V/WO members, and a Board of Directors. V/WOs select or elect at least two activists from their members to represent them in the general body of the LSO – a group of 20-50 members, depending on the number of V/WOs that form the LSO. The general body then elects members for the Board and the Board members elect a Chairperson for the LSO.

LSOs are formal and legal entities that work as intermediary organisations to ensure sustainable development by promoting collaboration and partnerships among all the key development partners in the region. They also fulfil the challenging task of creating connections and mediating between V/WOs and development agencies. To this end, they must first develop their human, financial and management capacities and then work with all development partners and service providers in order to mobilise resources and access services. In the past, it was AKRSP who performed this role, acting as an intermediary between local organisations and other development agencies; LSOs have already taken over some of these functions; currently they:



“Local Support Organisations adopt ambitious development agendas and promote participatory governance”

- serve as catalyst organisations, assisting V/WOs in the identification of opportunities to promote equitable and sustainable development;
- mobilise human, financial, and material resources, enabling local people to make full use of the opportunities available in the area;
- develop local capacity - managerial and technical skills - through participatory training programmes;
- help link community organisations with government agencies, NGOs, donor agencies, financial institutions and private businesses to access services such as extension, training, finance and marketing, all in support of local development initiatives;
- work with community organisations, relevant government agencies and NGOs, such as AKDN institutions, IUCN and WWF, to develop plans and programmes for the sustainable use and management of natural resources in their areas of operation; and

- pay particular attention to community needs and opportunities for involving women and the poorest community

members in their own development within the social and cultural context.

Table 1: Number of Local Support Organisations and their Membership

Indicators	Program Area			Gilgit			Chitral			Baltistan		
	2013	2014	Cumu.	2013	2014	Cumu.	2013	2014	Cumu.	2013	2014	Cumu.
Local support Organisations	8	6	73	5	4	37	1	1	16	2	1	20
Total Member Organisations	361	229	3,709	147	177	1,382	68	-	1,468	146	52	859
Total membership	14,482	10,242	149,251	7,092	7,695	67,282	2,133	531	50,514	5,257	2,016	31,455
- Village Organisations	211	126	1,997	71	106	689	48	-	821	92	20	487
- VO Membership	9,139	5,194	85,191	3,898	3,950	33,440	1,543	284	32,476	3,698	960	19,275
- Women Organisations	150	103	1,712	76	71	693	20	-	647	54	32	372
- WO Membership	5,343	5,048	64,060	3,194	3,745	33,842	590	247	18,038	1,559	1,056	12,180

“AKRSP indigenises the knowledge and experience of rural development through Local Support Organizations”

In 2013, LSOs in Gilgit, Baltistan and Chitral had 147, 146 and 68 new member VOs and WOs respectively. Considerable differences were noted in the numbers of individual memberships as LSOs in Gilgit had 7,092 new members, Baltistan 5,257 and Chitral 2,133. During the year 2014, LSOs in Gilgit had 177

and Baltistan 52 new member VOs and WOs. There were no new member organisations in Chitral during 2014. At the end of 2014 the total number of member organisations with LSOs in Gilgit, Baltistan and Chitral stands at 1,382, 859 and 1,468 respectively. Although Baltistan region has more individual members than Chitral during the reporting year, cumulatively the variance in individual membership numbers between the two regions is significant as the Chitral region has about 19,000 more memberships. Gilgit has the highest number of memberships, whereas Chitral has highest number of member organisations across the three regions.

Table 2: Percentage of V/WOs Covered by LSOs in 2014

Organisations	Program Area	Gilgit	Chitral	Baltistan
Village/Women Organisations	70%	70%	86%	52%
Village Organisations	64%	65%	77%	50%
Women Organisations	77%	76%	100%	55%

There is some variance in the coverage of V/WOs by LSOs among the three regions. LSOs provided support to 70% of VOs/WOs across the Programme Area. The coverage of WOs was higher than that of VOs - 77% and 64% respectively. At regional level Chitral LSOs

covered 86% of village-based organisations, with a membership of 100% WOs and 77% VOs. Coverage in Gilgit was 70%, equal to that of the overall Programme Area. However, it was slightly higher in the case of VOs (65% compared to 64% overall) and lower in the

coverage of WOs (76% compared to 77% overall). Baltistan had the lowest coverage among the regions with LSOs supporting only 52% of V/WOs (50% coverage of VOs and 55% coverage of WOs).

5.1.2 Formation of Village and Women's Organisations and Interest Groups

V/WOs are the founding blocks of AKRSP's entire social development pyramid. They play an instrumental role in promoting the participation of families and communities in development initiatives. These organisations acted as catalysts in the transitional period when the abolition of traditional governance structures rendered kinship-based institutions obsolete. In their stead V/WOs have been providing an interest-based platform for collective endeavours including development.

AKRSP continued to support the process of V/WOs formation in 2013-14. During the reporting period 131 new organisations (73 VOs and 58 WOs) were formed. The total number of members adhering to these organisations is 5,247 - 2,995 men and 2,252 women. The number and membership of Women's Organisations is proportionate to the population ratio of Gilgit-Baltistan and Chitral, ensuring an adequate representation of women in the development process. The new additions has raised the total number of V/WOs to 5,045 with a membership of 198,409.

In the reporting period Chitral had the highest number of newly-formed organisations (68 - 48 VOs and 20 WOs) bringing together 2,664 new members (1,827 men and 837 women), whereas Baltistan had 52 newly formed organizations (20 VOs and 32 WOs) with 2,016 new members. Only 11 new organisations

were formed in Gilgit, which was significantly lower than Chitral and Baltistan.

"LSOs help link community organisations with government agencies, NGOs, donor agencies, financial institutions and private businesses to access services needed for local development initiatives"



The proportion of newly formed VOs/WOs in the two regions is also interesting – over 3 times more VOs than WOs in Chitral (48:20), whereas Gilgit and Baltistan had more WOs than VOs (6:5 in Gilgit and 32:20 in Baltistan).

Table 3: Details of Village and Women's Organisations in GBC

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.
Community Organisations (V/WOs)	131	5,045	11	1,717	68	1,714	52	1,614
Total Membership	5,247	198,409	567	72,778	2,664	67,994	2,016	57,637
- Village Organisations	73	2,928	5	902	48	1,067	20	959
- VO Membership	2,995	124,260	208	40,022	1,827	47,617	960	36,621
No. of households covered by VOs	2,699	111,726	196	39,938	1,543	35,855	960	35,933
- Women Organisations	58	2,117	6	815	20	647	32	655
- WO Membership	2,252	74,149	359	32,756	837	20,377	1,056	21,016
No. of households covered by WOs	1,873	73,770	333	32,730	590	20,130	950	20,910

"Village and Women's Organisations are the founding blocks of AKRSP's entire social development pyramid"



The variance in numbers of organisations formed in the three regions is connected with LSO coverage vis-à-vis Union Councils. The basic role of LSO is to provide a UC-level

umbrella platform for community-based organisations. LSO works as intermediaries for their constituents V/WOs and play an important role in formation of organisations in its jurisdiction. It also play a crucial role in linking local organisations with service providers, donors and government line departments. Gilgit region has 50 UCs and 37 LSOs; Baltistan has 47 UCs and 20 LSOs and Chitral has 24 UCs and 16 LSOs.

Women and WOs in some areas either hesitate or altogether avoid setting up formal organisations or joining LSOs due to social and mobility constraints. In order to continue the social mobilisation process in these areas, AKRSP encourages selected trained and educated women and active WO members to form small groups and clusters of their own to further motivate other women to form WOs and join LSOs. This strategy has been successful across all regions and particularly in Chitral.

Over time, AKRSP has invested considerable time, money and other resources in V/ WOs. Now these organisations are playing an active role in the development of local communities. However, some factors continue to cause inactivity and slow progress. These mainly stem from demographic trends and social dynamics across GBC. Foremost among these are the lack of leadership and skills, as well as

the migration of youth from the region or insufficient engagement of youth in the development effort. AKRSP's EELY program aims precisely at building leadership skills and promoting the inclusion of the younger segments of society in governance of institutions. To this end AKRSP is investing in skills, training, leadership, entrepreneurship and other areas of economic and social development. The cumulative result of this investment will become apparent as youth in the region assume increased roles in leadership and social mobilisation. This will also have a positive influence on slow or stagnant V/WOs.

5.1.3 Water User Associations

As society shifts from institutions based on traditional kinship to interest-based associations, its very structure undergoes significant changes. Modern economy, society and state relies more on interest-based groups or associations, rather than the traditional kinship based institutions. The modern organisations and associations provide a platform for a strong civil society on the one hand, and facilitate the transformation of an economy previously based on barter and trade on the other. Realising the role of interest groups in strengthening institutions, AKRSP supported the creation of 227 Water User Associations in GBC during 2013-14, bringing together 11,859 members.

5.1.4 Community-Based Savings Groups

Savings groups are important actors in the social and economic development of

communities in GBC. AKRSP continued its support to the formation of savings groups – 100 new Community-Based Saving Groups (CBSGs) were formed in the reporting period (36 in 2013 and 64 in 2014), with 2,179 individual members. Interestingly, bulk of the membership in these groups was comprised of women, with 1,767 members against 412 male members. At the regional level Baltistan had the highest number of new CBSGs with 64 groups, followed by 33 in Chitral and 3 in Gilgit. Although Gilgit had fewer groups compared to Baltistan and Chitral, its membership base was higher if gauged against the number of saving groups: Chitral had 33 groups with 469 members, Baltistan had 64 groups with 1,311 members, whereas Gilgit had only 3 saving groups but 399 member.

“14 new LSOs were established in GBC during 2013-14 – with 590 member organisations (Village Organisations and Women's Organisations)”



Table 4: Details of Community-Based Savings Groups (CBSGs) in GBC – 2013-14

Indicators	Program Area	Gilgit	Chitral	Baltistan
Community-based Savings Groups (CBSGs)	100	3	33	64
Total membership	2,179	399	469	1,311
- Men Members	412	56	156	200
- Women Members	1,767	343	313	1,111

This is a great success story: it shows how women - with a strong will and a clear goal – found a way to carve a place for themselves in the local economy. AKRSP provided training and machinery to women in GBC under the EELY project. A combination of skill and equipment helped women modernise their work and increase their productivity. It improved the quality of their products, which in its turn attracted more clients.

Altit is a beautiful historical village in the Hunza-Nagar district, made up of 722 households and renowned for its ancient Fort jutting out above the land. The locals' main source of income is agriculture. A number of organisations such as Village and Women Organisations and a Local Support Organisation work in the area to improve socio-economic conditions. CIQAM is a women-led social enterprise in Altit. Since 2008, it has been providing technical education to develop women's mechanical skills with a twofold purpose: to earn their own livelihoods, and to become useful members of society by participating in local economy through non-farming and nontraditional skill development. This resonates well with the objectives of the EELY project implemented by AKRSP.

The quotation "Where there is a will, there's a way" best describes the history of CIQAM. In 2003, a Women's Social Enterprise (now CIQAM) was initiated as a pilot activity in order to engage young girls in the heritage development activities of the Aga Khan Cultural Service Pakistan (AKCSP). Initially, a group of twelve people, six boys and six girls, were trained in plan-table survey; the girls engaged in this training with enthusiasm, while the boys withdrew to explore other opportunities. In 2004, this technical enterprise trained 20 young girls in the tracing of images, motifs and carvings, free-hand sketching, scanning and drawing P lines on computer-scanned images.

In time the enterprise began to attract financial support from international donors and used the funds to improve the training of young girls by introducing new technologies and software. The enterprise tried for a long time to change the traditional mindset that viewed women doing woodwork as shameful. The work of CIQAM came to AKRSP's attention and, after successive meetings, the organisations signed an agreement in April 2013 'to promote green-wood as an alternative construction material and create income-earning opportunities for youth from ultra-poor households' under the Greenwood Value Chain Programme of EELY.

5.2 Institutional Sustainability

The ultimate objective of AKRSP's Social Development Programme is institutional sustainability through long-term sustainable development in GBC. To achieve this purpose, AKRSP uses a combination of short and long-term strategies that cover a range of areas; for instance, it works with the public sector to create an enabling policy environment; it invests considerable resources to enhance human and institutional capacity, creating a new cadre of youth leadership, skill and enterprise; it promotes youth participation in the economy, streamlines development support systems and links institutions to service providers and resources.

AKRSP works with the public sector to create an enabling policy environment. Also, AKRSP extends both financial and technical support to community institutions, with a particular focus on LSOs, to build their capacity, systems and assets. The financial support to LSOs includes: registration and documentation fees, office establishment costs, staff salaries, grants, planning support, financial and monitoring systems, proposals, management manuals.

The support AKRSP extends to LSOs and V/WOs is detailed in **Table 5**. This shows that AKRSP provided management support to 103 LSOs during the reporting period (103 in 2013-14) and financial resources to 18 LSOs to establish their offices in 2013-14.

Table 5: Financial Assistance to LSOs

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2014	2013-14	2014	2013-14	2014	2013-14	2014	2013-14
Management Support to LSOs (Staff salaries)	49	103	31	54	7	19	11	30
Office Establishment Support to LSOs	7	18	4	11	1	2	2	5
Registration support to new LSOs	5	10	3	8	-	-	2	2
Funding to LSOs for Social Sector Services	-	20	-	20	-	-	-	-

Formative period is the most crucial phase in the evolution of LSOs. Timely assistance during this period ensures that LSOs build and maintain a strong foothold in the local communities they represent. To this end AKRSP supported 10 new LSOs to register and funded 20 LSOs to provide services in the social sector during 2013-14.

The numbers of LSOs receiving support varied across sectors and regions. Overall LSOs in Gilgit region received maximum support across different sectors. For instance, 54 LSOs in Gilgit received management support (staff salaries), compared to 30 LSOs in Baltistan and 19 in Chitral. Similarly 11 LSOs in Gilgit, 5 in Baltistan and 2 in Chitral received assistance to establish their offices during the reporting period. Only LSOs in Gilgit received support to register and funding for social sector services during 2013. In 2014 registration support for new LSOs was provided in both Gilgit and Baltistan.

For the last 4 years AKRSP has been actively involved in youth-related development initiatives and activities through the EELY program in GBC. One of the salient features of EELY is the support to youth in different economic sectors and spheres of life. LSOs enact an important role in the implementation of youth-related activities in GBC. For that reason it is essential to have a thorough contextual understanding of the needs of youth in the LSOs' respective areas of operation. In 2013-14, 51 LSOs prepared Youth Development Plans (YDPs) in the Gilgit, Baltistan and Chitral regions with the support of AKRSP. This effort assisted 15,254 young people, including 9,202 young men and 6,052 young women. Majority of the beneficiaries (12,297) of these YDPs were in Chitral, whereas Baltistan and Gilgit had only 2,157 and 800 beneficiaries respectively.

Table 6: LSO Youth Development Plans – 2013-14

Indicators	Program Area	Gilgit	Chitral	Baltistan
Youth Development Plans (YDP)	51	19	18	14
Total Beneficiaries	15,254	800	12,297	2,157
- Men	9,202	450	7,432	1,320
- Women	6,052	350	4,865	837

Given the increasing involvement of LSOs in the EELY program and youth-related activities, AKRSP collaborated with them in youth initiatives from inception to completion. AKRSP supported 51 LSOs/LSONs in designing,

implementing and monitoring effective youth programmes. As a part of EELY, AKRSP grants awards to YOs in GBC.

The Youth Micro Challenge Award (YMCA) is an initiative that aims to encourage youth

organisations and informal youth groups to come up with innovative plans for youth engagement, social development ideas or innovative social enterprise and business ideas designed to add value and scale up the engagement and mobilisation of youth and to promote leadership among youth groups, businesses, associations and village-based

institutions. In the reporting period, AKRSP granted 82 awards in 2013 and 56 in 2014. Across the region, Gilgit received 61 awards, Baltistan 40 and Chitral 37. Compared to 2013 with only 6 female entrepreneurs out of 82 awardees, the number of female awardees in 2014 was higher with 16 out of the total 56 awardees.

Table 7: Youth Micro Challenge Awards (YMCA)

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2013	2014	2013	2014	2013	2014	2013	2014
Youth Micro-Challenge Awards	4	4	2	2	1	1	1	1
Total Awardees	82	56	34	27	23	14	25	15
- Male	76	40	31	19	22	10	23	11
- Female	6	16	3	8	1	4	2	4

5.3 Capacity Building

Capacity building is an important component of the AKRSP Social Development Programme. It is comprised of training courses, workshops, conferences, exposure visits and other special events organised by AKRSP to build the capacity of LSOs, VOs, WOs, YOs and other partner organisations. Through this programme, AKRSP tries to ensure the efficiency, effectiveness and sustainability of its programmes, projects and systems undertaken by all its development partners. In 2013-14, AKRSP continued to focus its efforts and resources on a multi-faceted capacity building programme, confirming its value in promoting rural development.

5.3.1 Training/Courses

During the review period, AKRSP worked with partner organisations, communities and other

stakeholders to identify key areas of support. AKRSP organised training courses for all partners, with special focus on community members. In addition, the EELY program entails a comprehensive training component to support youth engagement, leadership and employment. In its third year of operation, the EELY program expanded its activities. As a result, the scope and outreach of training courses also grew. Areas of skill development encompassed leadership, planning, management, poverty targeting, capacity building, issue-based training, life skills, links development, resource mobilisation, disaster resource management, change-maker training, training of trainers and proposal writing.

Table 8: Social Development Training Participants

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2013	2014	2013	2014	2013	2014	2013	2014
Total Participants	547	348	31	-	516	299	-	49
- Male	310	212	18	-	292	186	-	26
- Female	237	136	13	-	224	113	-	23

In 2013-14, AKRSP trained 895 people - 522 men and 373 women. 547 of these participants were trained in 2013, whereas trainings were conducted for further 348 people in 2014. With 815 participants, Chitral region had maximum number of the training, compared to 49 in Baltistan and 31 in Gilgit. Leadership, planning and management training occupied a central position among training courses, with 253 participants including 137 men and 116 women. This demonstrated the growing acceptance and prominence of new activities launched under the EELY project. At the same time AKRSP remained committed to capacity building in other areas that are crucial to the development of local communities and partner organisations. For example, 24 participants received training in poverty targeting. One of the goals of the EELY project is to create a cadre of young leaders. To this end, 85 activists (50 men and 35 women) received training in capacity building in 2013-14. Issue-based training was provided to 45 participants and an equal number of people were trained in linkage development and resource management.

“Capacity building initiatives comprised of training courses, workshops, conferences, exposure visits and other special events organised by AKRSP to build the capacity of LSOs, CBOs and other partner organisations”



This is the story of a widow's struggle to overcome the chronic poverty she and her children faced after her husband's death. During the darkest period of her life, as she eked out a basic existence with dwindling resources and faced growing insecurity and poverty, Naik Perveen got an opportunity to enroll in AKRSP's Youth Entrepreneurship Development Programme. She learned some basic business principles essential to the success of a women's enterprise that would allow to earn livelihood. She started a small initiative along with some of her colleagues and expanded her business gradually. They used their resources and abilities wisely and found a sustainable way to defeat the crippling cycle of poverty and vulnerability.

Naik Perveen is a young mother-of-two from Aliabad, Hunza-Nagar. Perveen's carefree existence came to an abrupt end when her husband's passed away from cancer in 2007. After his demise, one of Perveen's relatives provided some financial assistance for groceries and school fees of children, but this help could not continue indefinitely. The widow found it increasingly difficult to support her family.

*It was during that period of distress and uncertainty that Perveen heard an announcement made by the Women's Organisation Youth Entrepreneurship Development Programme (YEDP) – ran by the EELY project in Jamat Khana (religious place). She registered as a trainee in the Golden Jubilee Local Support Organisation. She said, regarding the selection phase, **“I was not sure that I would be selected from the large number of educated women who had also applied. I thought preference would be given to them, but it turned out that uneducated housewives were given priority.”** Perveen had the good fortune to be selected for the training.*

She attended a six-day training organised by the Karakorum Area Development Organisation (KADO) in March 2013. The selected trainees learned the basic principles of business, essential in order to become successful businesswomen and to earn their own livelihood. During the training, a seed grant of PKR 1,000 was given to each trainee to implement a creative idea and earn the highest possible profit. Perveen, along with two other trainees, decided to invest PKR 500 each into the sale of various local dishes in the Jamat Khana. They each earned a profit of PKR 1,000.

Another opportunity arose when the Lahore Resolution Day was commemorated on March 22-23 at the Boys' Degree College in Aliabad. After the success of their first creative enterprise, Perveen was confident enough to take another initiative and the three women again invested PKR 5,000 to sell chicken spiced rice (Biryani), butter milk (Lassi), Channa Chat and Chap Shorro (a kind of local pizza) to guests at the ceremony. The venture yielded a profit of PKR 9,300 to the small group headed by Perveen.

According to Naik Perveen, the YEDP training helped local women learn how housewives can run their own businesses and gave new ideas about the better use of their resources towards increasing their income. She also learnt new techniques for managing plant seedlings, which helped her establish a small greenhouse.

*She said, **"Before training, I gave seedlings to the local people free-of-cost, but this training gave me the idea to sell them. As a result, I earned PKR 8,000 in the last season."***

*Perveen is also running a livestock business and selling milk for PKR 70 per litre. In the future, Perveen intends to start a poultry business as well. The Youth Entrepreneurship Development Programme, part of the EELY chain of activities, assisted a number of women in Hunza to learn new techniques and procedures for fruitful entrepreneurship, engage in constructive activities and play their role in local economy. Perveen is of the opinion that **"there is always some ray of hope at the end of tunnel, and this training is the ray that has given me a new life"**.*

For the past ten years frequency of disasters in GBC has been increased dramatically. Disasters have a debilitating impact on communities, posing major hurdles to the development process. AKRSP believes that the impact of disasters can be mitigated only by developing the capacity of local communities - especially youth – to manage risks and respond to calamitous events. In 2013, AKRSP trained 30 men and 15 women in disaster response management, the number increased to 169 participants in 2014. The total number of participants in disaster response management trainings in this reporting period was 214, 133 men and 81 women.

During the same period a new training for change-makers was attended by 15 participants. Another major training area was ToT; 30 participants were trained in Village Development Planning (VDP) and project proposal development. Although LSOs work in localised contexts, the minimum standards required to obtain funding are often above their existing capacity. For example, writing quality proposals remains a major challenge. Consequently, proposal writing was the training topic for 64 LSOs staff (42 men and 22 women), aiming to build capacity within LSOs. **Table 9** provides further details of the training courses provided in 2013-14.

Table 9: Social Development Trainings and Participants

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.
Leadership, Planning & Management	253	7,182	31	3,257	222	2,222	-	1,703
- Men	137	2,789	18	872	119	1,030	-	887
- Women	116	4,393	13	2,385	103	1,192	-	816
Literacy and Numeracy	-	16,218	-	6,060	-	3,497	-	6,661
- Men	-	160	-	99	-	6	-	55
- Women	-	16,058	-	5,961	-	3,491	-	6,606
Partnership Building	-	1,102	-	254	-	301	-	547
- Men	-	789	-	191	-	195	-	403
- Women	-	313	-	63	-	106	-	144
Poverty Targeting	24	830	-	213	24	311	-	306
- Men	21	654	-	143	21	239	-	272
- Women	3	176	-	70	3	72	-	34
Capacity building of Activists	85	85	-	-	85	85	-	-
- Men	50	50	-	-	50	50	-	-
- Women	35	35	-	-	35	35	-	-
Issue Base Training	45	45	-	-	45	45	-	-
- Men	-	-	-	-	-	-	-	-
- Women	45	45	-	-	45	45	-	-
Linkage development & Resource mobilization	45	45	-	-	45	45	-	-
- Men	30	30	-	-	30	30	-	-
- Women	15	15	-	-	15	15	-	-
Disaster Response management training	214	214	-	-	165	165	49	49
- Men	133	133	-	-	107	107	26	26
- Women	81	81	-	-	58	58	23	23
Change maker training	15	15	-	-	15	15	-	-
- Men	10	10	-	-	10	10	-	-
- Women	5	5	-	-	5	5	-	-
ToT on VDP/UCDP for field staff	15	15	-	-	15	15	-	-
- Men	11	11	-	-	11	11	-	-
- Women	4	4	-	-	4	4	-	-
ToT on Project Proposal for field staff	15	15	-	-	15	15	-	-
- Men	11	11	-	-	11	11	-	-
- Women	4	4	-	-	4	4	-	-
Project Proposal writing Training	64	64	-	-	64	64	-	-
- Men	42	42	-	-	42	42	-	-
- Women	22	22	-	-	22	22	-	-

Besides social development AKRSP is sensitive to emerging challenges faced by local communities. In the review year 178 participants from 7 LSOs were trained in social mobilisation and financial management.

Strengthening the LSOs based on regional requirements. Among the 178 trainees Baltistan region had 100 participants, compared to 58 from Chitral region and 20 from Gilgit region.

Table 10: Social Mobilisation and Financial Management Training to LSOs – 2013-14

Indicators	Program Area	Gilgit	Chitral	Baltistan
Social Mobilization and Financial Management Training to LSOs	7	1	2	4
Total Participants	178	20	58	100
- Men	111	19	31	61
- Women	67	1	27	39

Under the EELY project AKRSP initiated the Young Community Leadership Development Programme (YCLDP), a comprehensive short-term training course that aimed at training youth as future leaders. The basic goal was to develop a cadre of community-based trainers and mentors to facilitate the development of young community leaders at grassroots level.

YCLDP programme trained 96 youth (51 young men and 45 young women) from GBC to conduct multiplication trainings. During the reporting period 87 sessions were held in the 3 project regions, providing training for 2,773 youth (1,422 young men and 1,351 young women).

Table 11: Young Community Leadership Development Programme (YCLDP) Participants

indicators	Program Area	Gilgit	Chitral	Baltistan
YCLDP Participants	96	47	19	30
- Men	51	25	10	16
- Women	45	22	9	14
YCLDP (Multiplication)	87	43	17	27
Total Multiplication Participants	2,773	1,370	544	859
- Men	1,422	809	237	376
- Women	1,351	561	307	483

The internship programme provided in 2013-14 attracted a large numbers of young people across GBC. Through this programme AKRSP hires interns and places them in different organisations and institutions to gain practical experience and apply their academic training to real-life situations. The programme was able

to place 269 youth (162 young men and 107 young women) in various organizations in the reporting period. During 2013-14 AKRSP provided internship opportunities to 269 men and women. In Gilgit 153 men and women participated in the internship programme, followed by 76 in Baltistan and 40 in Chitral.

Table 12: Internship Programme and Participants

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2013	2014	2013	2014	2013	2014	2013	2014
Youth Internship Programmes	7	6	2	3	1	1	4	2
Total Participants	114	155	54	99	10	30	50	26
- Male	68	94	29	63	5	15	34	16
- Female	46	61	25	36	5	15	16	10

The Life-Skill Development Programme was implemented across the Programme Area in 2013-14, providing training to 66 men and women in the GBC region. The number of

master trainers in Gilgit region was highest with 37, followed by Chitral with 18 and 11 in Baltistan. Being a core aspect of the programme, male and female participation in

master training was almost equal, with 31 male and 35 female participants. The 66 master trainers cascaded over 117 sessions reaching out to more than 5,000 youth, 2,175 young men and 2,873 young women. The number of community session participants varied greatly

across the programme area; 3,359 participants were trained in Gilgit, 989 in Baltistan and 700 in Chitral. The number of male participants was higher in Baltistan, whereas Chitral and Gilgit had more women than men attending these community sessions.

Table 13: Life Skill Development Programme and Participants

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2014	2013-14	2014	2013-14	2014	2013-14	2014	2013-14
Life Skill Development ToT	3	6	1	2	1	2	1	2
Total Participants	48	66	25	37	14	18	9	11
- Male	22	31	11	17	6	8	5	6
- Female	26	35	14	20	8	10	4	5
Life Skill Development Community Sessions	31	117	2	72	15	25	14	20
Total Participants	1,176	5,048	65	3,359	399	700	712	989
- Male	550	2,175	35	1,361	164	309	351	505
- Female	626	2,873	30	1,998	235	391	361	484

As a cross cutting theme gender occupies an important position in AKRSP's activities and interventions. In 2013, AKRSP introduced the innovative approach of Gender Pair ToT. During the ToT pairs were selected on the basis of their active role in promoting gender equality within the community. These pairs were formed by either a brother and a sister or

a wife and a husband. Since these pairs act as models within their communities, the development of their capacity paves the way towards involving both men and women in development activities and gender equality. 74 participants (37 men and 37 women) were trained during the reporting period through 6 sessions in Gilgit-Baltistan and Chitral.

Table 14: Gender Pair ToT and Participants

Indicators	Program Area	Gilgit	Chitral	Baltistan
Gender Pair ToT	6	2	2	2
Total Participants	74	33	23	18
- Male	37	18	10	9
- Female	37	15	13	9

A social activity or initiative cannot take place in isolation because our acts are enmeshed with the broader societal, cultural, religious and political relations within a particular milieu. In the social context of GBC, the idea of gender equality sometimes triggers opposition from some sections of society who deem it as a women-related issue only. However, a novel and culturally-sensitive approach can pave the way for gender equity as well as holistic development by bringing both men and women within the ambit of development initiatives.

This case study narrates the story of a couple from Chitral who have not only transformed their personal lives and outlooks, but also caused a domino effect by becoming inspirational figures for the youth in their community.

In 2013, the EELY project organised a Gender Training of Trainers (GTOT) for LSO pairs from the Chitral and Ghizer Districts. A total of 5 couples and 2 pairs from Chitral district, and 5 couples and 2 pairs from Ghizer District were nominated by the LSOs to participate in the training. The participants went through the TOT cycle attending three phases; each week-long phase was organised at a different interval of time and a different location, while the last week was devoted to a final review for certification and graduation. The month-long ToT included practical demonstrations, group work, individual assignments, pair/couple assignments, case studies and other activities such as multiplication and roll out at the LSO.

Two TOT cycles - each with four phases - were completed in 2013; 12 couples/pairs from Chitral and Ghizer districts graduated and were assigned the task of developing comprehensive training module for LSO members and other Youth Organisations (YOs) for multiplication as part of the roll-out programme. Mrs. Nazia Akbar and Mr. Javed Akbar are a young couple hailing from Lone area which falls under the ambit of LSO Terichmir Area Development Organisation in Chitral. They were one of the LSO nominated couples who received the Gender Training of Trainers. After the training they participated in the LSO Youth Convention held in Skardu in October 2013. At the LSO Youth Convention Mr. and Mrs. Akbar presented themselves as a role model couple. At the convention they made a formal presentation about the GTOT.

*Sharing their experience the young couple said that they participated in such an event for the first time in their lives and were able to speak in front of a large audience only as a result of the training and the exposure that was provided to them by AKRSP. Mr. Akbar stated, **"Before this training, I had never considered my wife's household chores as an important work. I always believed that I was the only one who worked hard for the family, but now I value my wife's continuous struggle for the family. Whenever I am free, I help her with the housework. Now we both enjoy doing our tasks and feel much valued by each other"**.*

*The couple said that they were unaware of "Gender" issues before the training. They also did not have full awareness about the true status of women in Islam. They believed in certain stereotypes that have been perpetuated by the conservative society in Chitral. During the training they learned about the concept of gender in Islam, gender and development, gender analysis and other gender-related concepts. The training helped in building the confidence level of the young couple and now they believe that, **"A woman is a human being, she is not less wise, less strong or less responsible than a man, and likewise she has never had a lower status in religion. Equality is bestowed on her by religion, which mentions woman as a human being"**. Now Mrs. Nazia and Javed Akbar are inspirational figures in the area and looking forward to sensitise other young couples and community members.*

A major landmark reached in the period was the start of the Diamer Youth Development Programme (DYDP) in the Diamer district of Gilgit-Baltistan. AKRSP provided financial aid to DYDP that includes four programme components:

- employable skills
- entrepreneurship/employment creation
- civic participation/leadership
- institutional development

Using this funding and with technical support from AKRSP, DPAP held 25 consultative workshops for all the stakeholders in Diamer, completed a Youth Mapping Exercise involving 174 Youth Organisations, hired staff, carried out a study on the value chain of capsicum in the Boner Valley, formed an association of capsicum growers and selected Diamer-based NGOs to receive training in management, accounting and resource mobilisation.

5.3.2 Workshops, Conferences, Events and Exposure Visits

AKRSP organises workshops on a range of themes and topics addressed to community members, officials from various government departments, elected representatives, NGO staff, etc. The subjects covered by AKRSP in 2013-14 included gender sensitisation, good governance and Public-Private Partnership (PPP), human and women's rights, political empowerment, value chain, poverty targeting, social and cultural issues, gender responsive budgeting, ToT review and stakeholder workshop. **Tables 15 and 16** present the details of the workshops held on these themes. In 2013-14, AKRSP held a total of 19 workshops with 704 participants (416 men and 288 women); this brought the total of workshops organised by AKRSP to 529.



“A major landmark reached in the period was the start of the Diamer Youth Development Programme (DYDP) in the Diamer district of Gilgit-Baltistan”

Table 15: Social Development Workshops

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.
No. of Workshops Organised	19	529	4	241	7	140	8	148
Total Participants	704	19,582	72	8,216	453	6,277	179	5,089
- Male	416	10,049	55	3,642	266	3,726	95	2,681
- Female	288	9,533	17	4,574	187	2,551	84	2,408
Participants per workshop	75	37	18	34	151	45	29	34

Table 16: Social Development Workshops and Participants

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2013	2014	2013	2014	2013	2014	2013	2014
Gender Sensitisation	1	11	1	-	-	4	-	7
Total Participants	17	255	17	-	-	80	-	175
- Male	6	135	6	-	-	40	-	95
- Female	11	120	11	-	-	40	-	80
Good Governance and PPP	-	1	-	-	-	1	-	-
Total Participants	-	173	-	-	-	173	-	-
- Male	-	106	-	-	-	106	-	-
- Female	-	67	-	-	-	67	-	-
Poverty Targeting for V/WOs and LSOs	2	-	2	-	-	-	-	-
Total Participants	4	-	4	-	-	-	-	-
- Male	3	-	3	-	-	-	-	-
- Female	1	-	1	-	-	-	-	-
TOT Review Workshop	1	-	0	-	-	-	1	-
Total Participants	4	-	0	-	-	-	4	-

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2013	2014	2013	2014	2013	2014	2013	2014
- Male	0	-	0	-	-	-	-	-
- Female	4	-	0	-	-	-	4	-
Stakeholder workshop for implementation of UCDP	2	-	0	-	2	-	-	-
Total Participants	200	-	0	-	200	-	-	-
- Male	120	-	0	-	120	-	-	-
- Female	80	-	0	-	80	-	-	-
Value Chain Review and Investment Potential	1	-	1	-	-	-	-	-
Total Participants	51	-	51	-	-	-	-	-
- Male	46	-	46	-	-	-	-	-
- Female	5	-	5	-	-	-	-	-

Four workshops were held in Gilgit and 7 in Chitral, while Baltistan hosted 8 workshops in the same period. A gender sensitisation workshop was organised for 17 participants in 2013 and in 2014 11 more workshops were organized for 255 participants (135 men and 120 women), highlighting the fact that gender is a cross-cutting theme in all AKRSP programmes. Other important workshops included poverty targeting for V/WOs and LSOs and a workshop on good governance and PPP. Two workshops on the implementation of UCDP brought together 200 people - 120 men and 80 women in Chitral.

In collaboration with ICIMOD, AKRSP organised a one-day value chain review and investment potential workshop with key stakeholders of the Karakoram Pamir Landscape (KPL) and GBC

in the Hindu Kush and Himalaya (HKH) region in Pakistan. The workshop was attended by 51 participants from the regional, national and international levels. Another workshop related to health and hygiene was held in Baltistan region.

AKRSP organised 43 (22 in 2013 and 21 in 2014) festivals, creative events and ceremonies in order to increase awareness – especially among local youth - on different development issues; these events attracted 3,810 participants. With 1,760 men and 2,050 women participating in these events, more focus was given to female participation in the awareness activities. The events were almost equally distributed equally in the programme area with 15, 15 and 13 events in Gilgit, Chitral and Baltistan regions respectively.

Table 17: Festivals, Creative Events and Ceremonies

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2014	2013-14	2014	2013-14	2014	2013-14	2014	2013-14
Festivals, Events and Ceremonies	21	43	9	15	6	15	6	13
Total Participants	1,617	3,810	268	805	523	1,908	826	1,097
- Male	561	1,760	154	436	242	1,041	165	283
- Female	1,056	2,050	114	369	281	867	661	814
LSO Youth Convention	1	2	-	-	1	1	-	1
Total Participants	173	367	-	61	173	230	-	76
- Male	106	240	-	41	106	141	-	58
- Female	67	127	-	20	67	89	-	18

In 2013-14, the AKRSP EELY program entered its fourth year. This was marked by an increased number of EELY-related activities across the Programme Area. The activities addressed youth development issues, reflecting the programme's exclusive focus on youth. A salient aspect of such activities were LSO Youth Conventions, in 2013 it was held in Baltistan and in 2014 in Chital, around the themes "empowered youth, empowered communities" and "Creative Linkages for Productive Youth Engagement". These conventions brought together major stakeholders including youth groups, youth entrepreneurs, LSO representatives, development partners, Youth Organisations (YOs) and local government authorities working for youth either directly and indirectly. The conventions became representative gathering, bringing together 367 delegates from GBC.

AKRSP also arranged exposure visits for representatives of LSO, V/WO, elected members, journalists, government line

department officials and staff members in Chital. Additionally, AKRSP organised a youth sport and recreational programme with the participation of 365 women.

"Assets transfer activity provided assets to 4,772 households and small general stores and ladies shops"



5.4 Social Protection and Poverty Targeting

AKRSP's major socio-economic surveys, such as the Socio-Economic Survey of the Northern Areas and Chitral (SESNAAC), have repeatedly highlighted core issues surrounding poverty. Despite significant reduction in the incidence of absolute poverty, some people and sections of the population still live in extreme poverty. AKRSP designed special initiatives with a focus on poor and extremely poor families in the Programme Area, addressing the factors that lead to extreme poverty. These pro-poor interventions include endowment funds, financial grants, skill and enterprise development, physical and social projects and training programmes.

In 2013-14, AKRSP provided support to the establishment of five Early Childhood

Development Centres (ECDs) in the Gilgit region. This brought the total number of ECD centres established with the support of AKRSP to 26. Regionally, Gilgit is ahead of Chitral and Baltistan with 16 centres against 7 in Baltistan and 3 in Chitral.

AKRSP was tasked by PPAF to implement a "Livelihoods Enhancement and Protection Programme (LEPP)" funded by the World Bank in Gilgit-Baltistan. The project covers 18 UCs in the Ghizer and Skardu districts to reach a total of 4,000 ultra-poor and vulnerable families.

During the review period, the LEPP team conducted a participatory wealth ranking across 25,765 households covering 102 revenue villages in 18 Union Councils. The

project intends to target 13,000 households. In order to triangulate the findings a poverty score card exercise was conducted with 7,747 poor households in GB. The Gilgit region covered the highest number of households in this exercise. As a result, 785 ultra-poor and 3,459 vulnerable households were identified based on a pre-designed poverty score ranking level of 0 to 18. In 2013-14, AKRSP facilitated the preparation of 4,244 Livelihood Investment Plans (LIPs) in different villages of GBC. In addition, 101 Common Interest Groups (CIG) with 1,127 members were formed. Capacity building is an integral component of AKRSP's rural development programme. Trainings organised under the LEP component

developed the skills and capacity of 6,390 entrepreneurs through 24 marketing and promotion courses, 42 livestock management courses, 11 book-keeping and capacity building courses, 5 trade and 6 vocational training programmes. An assets transfer activity provided assets to 4,772 households and small general stores and ladies shops; the project provided canteen items, carpentry tools, sewing machines, electrician tools and livestock (cows, sheep's and goats) up to a fixed value of PKR 30,000 per beneficiary household. These asset transfer beneficiaries included 2,836 men and 1,936 women engaged in various livelihood activities to support their households.

Table 18: Social Protection and Poverty Targeting – 2013-14

<i>Indicator</i>	<i>Program Area</i>	<i>Gilgit</i>	<i>Chitral</i>	<i>Baltistan</i>
Participatory Wealth Ranking Session	18	9	-	9
Participatory Wealth Ranking Households	25,765	12,588	-	13,177
Poverty Score Cards (Households)	7,747	3,967	-	3,780
Livelihood Investment Plans (Households)	4,244	1,972	-	2,272
Support to Ultra-Poor Households	785	298	-	487
Support to Vulnerable Poor Households	3,459	1,674	-	1,785
Common Interest Group (CIG) Formed	101	59	-	42
Membership of CIGs	1,127	642	-	485
- Men	970	642	-	328
- Women	157	-	-	157

Table 19: Asset Management and Vocational Skills Training – 2013-14

<i>Indicator</i>	<i>Program Area</i>	<i>Gilgit</i>	<i>Chitral</i>	<i>Baltistan</i>
Asset Management & Vocational Trainings	81	41	17	23
Total Participants	6,390	3,477	468	2,445
- Men	4,247	2,217	468	1,562
- Women	2,143	1,260	-	883
Marketing & Promotion	24	11	-	13
Total Participants	1,896	948	-	948
- Men	1,389	652	-	737
- Women	507	296	-	211
Livestock Management	42	25	-	17
Total Participants	3,638	2,141	-	1,497
- Men	2,002	1,177	-	825
- Women	1,636	964	-	672
Trade Wise Youth Trainings	5	5	-	-
Total Participants	388	388	-	-
- Men	388	388	-	-

<i>Indicator</i>	<i>Program Area</i>	<i>Gilgit</i>	<i>Chitral</i>	<i>Baltistan</i>
- Women	-	-	-	-
Book-Keeping and Capacity Building	11	-	11	-
Total Participants	220	-	220	-
- Men	220	-	220	-
- Women	-	-	-	-
Vocational Trainings (heavy machinery, driving, electrician, plumbing, surveyors, auto mechanic)	6	-	6	-
Total Participants	248	-	248	-
- Men	248	-	248	-
- Women	-	-	-	-

Table 20: Assets Transferred to Individuals

<i>Indicators</i>	<i>Program Area</i>	<i>Gilgit</i>	<i>Chitral</i>	<i>Baltistan</i>
Total Beneficiaries	4,772	1,972	667	2,133
- Men	2,836	1,468	545	823
- Women	1,936	504	122	1,310

During the last 14 years the region of GBC witnessed a sharp increase in the occurrence of natural calamities such as floods, landslides leading to lake formation, Glacier Lake Outburst Floods (GLOF) and avalanches. These have not only caused irreparable loss of human life, but also losses of shelter, infrastructure, health and sources of livelihood. In order to address issues and challenges related to natural disasters, AKRSP initiated a programme of “Economic Recovery through the Rehabilitation of Flood-Affected Channels” (ERRIC). The aim of the project is to contribute to inclusive human development and reduction of poverty in Gilgit-Baltistan and support increased food security among rural population through the restoration of flood-affected irrigation channels in the Hunza-Nagar District of GB. 78 projects were implemented under this initiative; 234 young men and women were trained in masonry; 180 women-headed and ultra-poor households received farming supplies.

During the reporting period AKRSP further implemented 2 projects related to social protection: the Universal Birth Registration (UBR) and “Adolescent/Early Youth

Development”. These projects were funded by Plan International Pakistan.

The first project was initiated in August 2012 with the goal of increasing birth registrations up to 70% and registering 300,000 children in seven districts of Gilgit-Baltistan. The project worked in close collaboration/coordination with its implementing partners and stakeholders such as the Local Government & Rural Development (LG&RD). Under the UBR project, AKRSP supported 108 Government-run UBR Centres and provided training on the Civil Registration & Management System (CRMS) to 112 male participants.

In order to expand its geographical outreach, the UBR project held 400 dialogue sessions and meetings with Civil Society Organisations (CSOs) in GB. These meetings were attended by 3,302 members of the civil society, with women making up 43% of participants. Government departments have an important role in the registration of children. In recognition of this factor, AKRSP held 2,332 dialogue sessions and meetings with stakeholders and government departments. Stakeholders included in the dialogue sessions

and meetings included: LG&RD, NADRA, the Health Department, the Education Department, Public Administration, Ullama, Schools, Youth Organisations/ Volunteers,

Health Facilities and Lady Health Workers. A total of 9,359 people - 6,377 men and 2,982 women - participated in these dialogue sessions and meetings.

Table 21: Dialogue Sessions/Meetings with Stakeholders and CSOs

Indicators	Total GB
Dialogue Sessions/Meetings with Civil Society Organisations in GB	400
Participants in Sessions/Meetings	3,302
- Men	1,882
- Women	1,420
Dialogue Sessions/Meetings with Government Stakeholders	2,332
Participants in Sessions/Meetings	9,359
- Men	6,377
- Women	2,982

In the review period, AKRSP supported the registration of 264,845 children (137,719 boys and 127,126 girls). Gilgit region registered more children than Baltistan region (179,588 and 85,257 respectively). One purpose of the UBR project was to build the capacity of

project partners at UC level. Through this project AKRSP provided computers to 108 UC offices in Gilgit-Baltistan. At the same time, 160 UC secretaries attended ToT refresher courses and on-the-job training on Civil Registration and Management System (CRMS).

Table 22: Number of Births Registered

Indicators	Gilgit	Baltistan	Total GB
Birth Registrations Forms Distributed/Placed	379,347	202,100	581,447
Number of Births registered	179,588	85,257	264,845
- Boys	93,385	44,334	137,719
- Girls	86,203	40,923	127,126
UC Offices Computerised	61	47	108

During 2013, training component of UBR project mainly focused on capacity building of the project implementation team and related staff. In 13 trainings, 7 project staff were trained in social mobilisation, 10 in child rights, 17 in Civil Registration and Management System (CRMS) and 65 AKRSP staff were trained in child rights. At the implementation level 112 UC secretaries were trained on CRMS, with 80 UC secretaries also receiving refresher trainings and the same number given on-the-job trainings. In 2014, the project

focused on strengthening of civil society organization (CSO) on child rights and birth registration. These CSOs organized 50 trainings for members of Local Support Organizations, V/WOs, LHV/Ws, secretary union council and community activists and for children themselves on child rights, protection and birth registration. More than 1529 (643 female and 886 male) community members were trained from 50 CSOs and members of grassroots level CSOs across Gilgit-Baltistan.

Table 23: Capacity Building Trainings

Indicators	Gilgit	Baltistan	Total GB
Total No of Trainings Conducted	9	4	13
Trained staff on Social Mobilisation	5	2	7
Trained project staff on Child rights	7	3	10
ToT for UC Secretaries on Civil Registration and Management System (CRMS)	64	48	112
ToT Refresher of Union Council Secretaries on CRMS	-	-	80
On-the-job training of UC Secretaries on CRMS	-	-	80
Trained project staff on CRMS	-	-	17
Trained AKRSP middle management and professional staff on Child Rights	-	-	65
Total No of Community Mobilisation Trainings	-	-	50
Total Participants	936	593	1,529
- Men	550	336	886
- Women	386	257	643

AKRSP - with funding from Plan International Pakistan - worked on a rights-based project named Adolescent / Early Youth Development Project (A/EYDP), aiming to protect the socio-economic rights of children and adolescents in the age bracket of 9-19 across GBC. Adolescence is considered a transitional stage between childhood and adulthood marked, in human development terms, by specific physical, biological, social and cognitive landmarks. In order to foster the holistic developments of adolescents and increase their awareness level regarding health issues and Adolescents' Sexual and Reproductive Health and Rights (ASRHR), 24 Adolescent-Friendly Centres (AFCs) were established. In the review period 10,748 students were registered in these centres (52.5 % of whom were girls/females) and over 74,000 adolescents participated in various project activities, from trainings to co-curricular activities.

"In the review period, AKRSP supported birth registration of 264,845 children in GB (137,719 boys and 127,126 girls)"



Table 24: Adolescent Friendly Centres (AFCs) and Registered Adolescents – 2013-14

Indicators	Program Area	Gilgit	Chitral	Baltistan
Adolescent Friendly Centres (AFCs) established	24	12	6	6
No. of Registered Adolescents	10,748	4,992	3,217	2,539
- Boys	5,108	2,487	1,439	1,182
- Girls	5,640	2,505	1,778	1,357

“Adolescent / Early Youth Development Project (A/EYDP), aimed at protecting the socio-economic rights of children and adolescents in the age bracket of 9-19 across GBC”



AFCs are the hubs of activity where trained AFC managers carry out sessions on health and hygiene, life skills, communication skills, STDs, puberty changes and early marriage in a very

interactive manner. Through co-curricular activities including debate, theatre, quizzes, puppets, and other means adolescents are given an opportunity to explore their skills and knowledge. Trained doctors and nurses also delivered lectures and conduct sessions focusing on adolescents' health and potential health risks during this period. To this end, 90 Health Service Providers (HSPs) were trained on STI management, counselling and communication skills to work with adolescents across the project area.

During the review period, AFCs conducted 2,704 sensitisation sessions with 74,141 participants, 55% of whom were women. This training comprised of: 426 Health & Hygiene Sessions, 367 Communication Skills Sessions, 335 Peer Education Sessions, 285 Life Skills Sessions, 262 Hepatitis Sessions, 179 Sexual Abuse/Child Protection Sessions, 153 Child Rights Sessions, 191 Puberty Changes Sessions, 143 HIV & AIDS Sessions, 134 Sexually Transmitted Infection (STI) Sessions, 149 Early Marriage Sessions, and 80 Gender Sessions.

Table 25: Sensitisation Sessions Conducted by AFCs – 2013-14

Indicators	Program Area	Gilgit	Chitral	Baltistan
No. of Session conducted by AFCs	2,704	1,245	814	645
Total Participants	74,141	22,347	13,123	38,671
- Boys	33,261	10,901	4,939	17,421
- Girls	40,880	11,446	8,184	21,250
Child Rights Sessions	153	69	35	49
Total Participants	5,033	1,254	418	3,361
- Boys	2,208	429	156	1,623
- Girls	2,825	825	262	1,738
Communication Skills Sessions	367	197	98	72
Total Participants	9,644	3,592	1,530	4,522
- Boys	4,132	1,807	601	1,724
- Girls	5,512	1,785	929	2,798
Early Marriage Sessions	149	58	40	51
Total Participants	3,564	697	680	2,187
- Boys	1,534	343	204	987
- Girls	2,030	354	476	1,200
Gender Sessions	80	29	24	27
Total Participants	3,605	549	385	2,671

Indicators	Program Area	Gilgit	Chitral	Baltistan
- Boys	1,853	236	179	1,438
- Girls	1,752	313	206	1,233
Health & Hygiene Sessions	426	187	158	81
Total Participants	11,617	3,657	1,837	6,123
- Boys	5,559	2,011	681	2,867
- Girls	6,058	1,646	1,156	3,256
Hepatitis Sessions	262	130	71	61
Total Participants	6,569	2,121	1,352	3,096
- Boys	3,119	1,101	476	1,542
- Girls	3,450	1,020	876	1,554
HIV & AIDs Sessions	143	65	43	35
Total Participants	3,347	1,012	938	1,397
- Boys	1,375	452	396	527
- Girls	1,972	560	542	870
Life Skills Sessions	285	97	119	69
Total Participants	8,219	2,004	1,608	4,607
- Boys	3,237	867	557	1,813
- Girls	4,982	1,137	1,051	2,794
Peer Education Sessions	335	197	72	66
Total Participants	9,312	3,459	1,385	4,468
- Boys	4,474	1,671	636	2,167
- Girls	4,838	1,788	749	2,301
Puberty Changes Sessions	191	94	51	46
Total Participants	5,523	1,970	1,355	2,198
- Boys	2,429	979	526	924
- Girls	3,094	991	829	1,274
Sexual Abuse/Child Protection Sessions	179	79	47	53
Total Participants	5,076	1,554	809	2,713
- Boys	2,294	725	265	1,304
- Girls	2,782	829	544	1,409
STIs Sessions	134	43	56	35
Total Participants	2,632	478	826	1,328
- Boys	1,047	280	262	505
- Girls	1,585	198	564	823

In the review period, 2,287 Game Sessions were also held with the participation of 51,870 young men/ boys and women/girls (54.8% young men/boys). The young people played

cricket, football, volleyball, badminton, board games (Carom, Ludo, Draft), malamaal games, aflatoon, bhaid, skipping rope and frisbee.

Table 26: Game Sessions Conducted by AFCs – 2013-14

Indicators	Program Area	Gilgit	Chitral	Baltistan
Total Game Sessions	2,287	1,330	480	477
Total Participants	51,870	20,253	6,624	24,993
- Boys	28,416	11,122	3,638	13,656
- Girls	23,454	9,131	2,986	11,337

Entertainment and educational activities were also organised during the reporting period. 1,923 sessions of various types were held with

the participation of 92,979 boys and girls (52% girls). The sessions included celebrations, debates, quiz competitions, poster-making

competitions, computer, embroidery, sewing classes, book reading, English language classes and theatre shows.

Table 27: Entertainment and Education Activities – 2013-14

Indicators	Program Area	Gilgit	Chitral	Baltistan
Overall Activity Sessions	1,923	611	520	792
Total Participants	92,979	12,945	7,691	72,343
- Boys	44,367	5,126	2,605	36,636
- Girls	48,612	7,819	5,086	35,707

Zulekha lives in a hamlet in Skardu district. There are around 120 households in the hamlet. The inhabitants have mixed sources of income: public and private jobs, business and agriculture. Zulekha belongs to a middle class family solely dependent on her husband's photo lab business. Her family lived in a precarious financial situation and faced numerous economic problems. In this context, Zulekha decided to share her husband's task of supporting the family. She got basic beauty-parlor training and started her career at the Annie and Amina Technical Company, located in Skardu. While there, she also got an advanced diploma in facial and skin care.

Equipped with new skills, and after acquiring more work experience, Zulekha felt confident to establish her own beauty parlour business. Initially she faced resistance from family and pressure of society, but she finally succeeded in convincing her family to support her beauty parlour business named "Honey Beauty Salon".

A major hurdle in establishing the business was financing, which she overcame by accessing funds from the First Micro-Finance Bank. In the initial phase, she invested PKR 70, 000 in her business. Gradually her business started to flourish. While interacting with clients Zulekha realised that there was a huge demand for photography and photo studio services among women. She wanted to establish her own photo studio attached to the beauty salon and got basic training in photography. Her plan awaited financial backing.

In the meantime Zulekha learned about AKRSP's EELY project through the Annie and Amina Technical Company. She contacted AKRSP in order to get information about the eligibility criteria for financial assistance to upgrade her business. Zulekha's business was eligible to get assistance through the EELY program and the project staff assisted her in preparing a new business plan. Zulekha was selected and placed in the entrepreneurship category, which primarily focuses on the development of markets for the youth and the development of youth for entry into markets. EELY financial and material assistance enabled Zulekha to purchase cosmetics for the beauty salon, a DSLR camera for photography and decoration materials for the shop.

The EELY's intervention helped Zulekha to expand her business and improve shop standards including maintenance and establishment of a garments and cosmetics section; she also completed the registration of her business under Section 58(1) of the Partnership Act 1932, Govt. of Pakistan. Zulekha has also succeeded in establishing a photo studio for her clients, specialising in wedding photography. She is now planning to expand her business again by relocating her salon in an area where she can provide training and classes.

As the business expanded, Zulekha's work load also tripled. To meet the growing demand Zulekha employed five beauticians with advanced beautician training. Now she has human resources, financial stability and expertise to cater for more clients.

In 2009 AKRSP initiated its collaboration with the Social, Economic and Environment Development (SEED) project for the integrative development of the communities living in Central Karakoram National Park (CKNP) buffer zone and the conservation of depleting natural resources in the subject area. Under the SEED Project, AKRSP – as an implementing partner - focused on Natural Resource Management, Social Sector Development and Community Physical Infrastructure. AKRSP undertook project activities in five Union Councils - Braldo, Basha, Tisar, Dasso, and Gulabpur of Shigar valley, District Skardu and in Talis, a village of District Ghanche. During 2013, AKRSP completed 2 irrigation channels and 1 link road. Under the auspices of the same project AKRSP conducted 8 awareness raising workshops on health issues bringing together

457 female participants. Moreover, 1 fruit tree nursery was established in 2013 in Tisar village.

“LSOs promote collaboration & partnerships among key development partners in the region”



5.5 Policy Dialogue and Partnerships

AKRSP holds policy dialogues with the government and works in partnership with all development partners to create an environment that enables communities to engage in their own sustainable development.

An enabling environment provides development partners a platform and opportunities to develop common understanding of development issues and challenges in the area. This understanding further paves the way to formulate policies and share services, resources, knowledge, facilities and funds to address the development needs and challenges of the population and especially youth. The policy dialogue and partnerships component has several sub-components that include development fora, community linkages, collaborative projects, development networks, skills development, internships and joint research initiatives with the government and development agencies. These collaborative interventions helped

partners share and benefit from the knowledge, best practices and experiences that individual development partners gain from their work with communities.

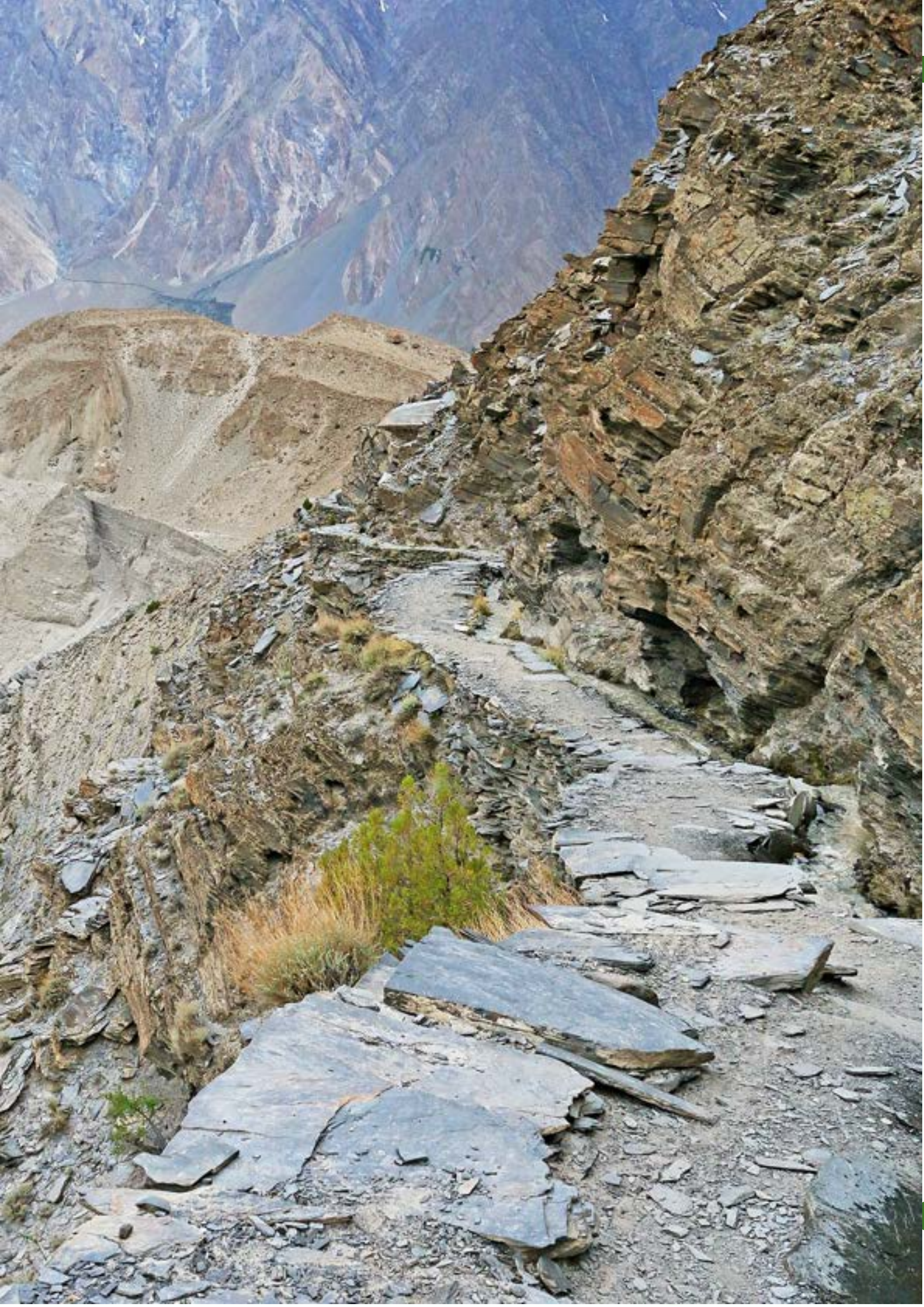
AKRSP undertook collaborative projects and initiatives in partnership with government and other service providers. During the reporting period 24 LSOs established linkages with line departments in the programme area. The objective of such collaborative initiatives is to create a participatory development culture to guide development partners' direct work with target communities.

Similarly, following its policy research strategy, AKRSP in the same period undertook 25 policy related initiatives, including case studies, joint research, policy analyses and impact assessments, policy briefs and an internal gender audit. A salient feature of this review year is a joint agreement between AKRSP and the Ministry of Youth, Culture and Tourism to formulate a youth policy for Gilgit-Baltistan.

The research component of AKRSP now encompasses a cumulative total of 114 projects. Gilgit region produced the highest

number of research reports among the three regions. Additionally, AKRSP held 1 multi-stakeholder forum in the Chitral region.







“Progress in economic development manifests itself through improvements in the quality of life”

ECONOMIC PILLAR

6 ECONOMIC PILLAR

Given the multiplicity of factors influencing economic development, it is imperative to intervene in multiple areas and address economic and social issues simultaneously. Progress in economic development manifests itself through improvements in the quality of life. In the particular socio-economic setting of GBC, a sustained improvement in the inhabitants' quality of life hinges upon inclusive economic growth and shared employment opportunities. AKRSP's past efforts in developing economic infrastructure (e.g. roads, irrigation and land development projects), promoting agricultural productivity and improving farming skills have been instrumental in this regard, for it increases farm surplus and incomes from the subsistence farming sector.

To further the agreed goals of employment and income generation AKRSP has more recently added enterprise development activities and tried a wide variety of approaches such as: promoting collective marketing of agricultural produce, providing intensive support to select micro-enterprises in the farming and non-farming sectors, setting up AKRSP-owned lead enterprises. These initiatives have had varying degrees of success and impact.

In the review period AKRSP's economic pillar covered areas related to community

infrastructure development, resource and institutional development, capacity building, natural resource management, livestock development, market development, action research and poverty targeting.

"It is imperative to intervene in multiple areas and address economic and social issues simultaneously"



6.1 Community Infrastructure Development

The Community Physical Infrastructure Programme is one of the key components of AKRSP's resource development strategy in

GBC. It includes irrigation development projects, link roads, bridges, protective works, water supply schemes, and micro-hydel plants.



“CPI Component of AKRSP implemented 465 projects during 2013-14 in irrigation, communications, energy, land development, natural resource management, social sector interventions, water supply, sanitation and power generation”

Initially, these projects were implemented under the institutional development programme; however, it soon became clear that infrastructure investments also create sustainable sources for generating incomes and produce social benefits for communities

by opening up new land, increasing the productivity of existing agricultural resources (including existing land) and increasing farmers’ access to markets for the supply of inputs and the sale of surplus produce.

The Community Physical Infrastructure Programme is funded by the Pakistan Poverty Alleviation Fund. Its objectives are:

- to protect community property from flooding and erosion by streams and rivers;
- to provide storage facility to communities where the availability of potable water is scarce;
- to improve communities’ access to clean water ;
- to reduce the incidence of water-borne diseases at community level

Under the Community Infrastructure Component, AKRSP implemented a wide variety of projects including: irrigation, communications, energy, land development, natural resource management, social sector interventions, water supply, sanitation and power generation.

Table 28 presents a detailed picture of the progress of this programme in 2013-14.

Table 28: Community Physical Infrastructure Projects Overview – 2013-14

Indicators	Program Area			Gilgit			Chitral			Baltistan		
	2013	2014	2013-14	2013	2014	2013-14	2013	2014	2013-14	2013	2014	2013-14
Overall Projects	372	175	547	60	114	174	149	38	187	163	23	186
Project Cost (PKR Million)	298.35	315.43	613.78	43.53	183.52	227.05	125.34	114.08	239.42	129.48	17.83	147.31
completed	285	150	435	45	38	83	90	57	147	150	55	205
Households	23,705	28,834	52,539	7,546	22,007	29,553	10,577	3,405	13,982	5,582	3,422	9,004

A total of 613.78 million PKR was invested across the Programme Area to support different initiatives under community physical infrastructure projects during the review period – 298.35 million PKR of which was invested in 2013 and 315.43 million PKR in

2014. A major portion of investments into new community infrastructure were made in Chitral and Baltistan region about 239 million PKR and 148 million PKR respectively. In Gilgit region only 43.5 million PKR of the total 227 million PKR were invested in new projects. Flash

floods of 2010 and associated landslides not only resulted in human fatalities and other infrastructure losses, but also damaged many irrigation, communication and water supply schemes in Gilgit region, particularly in Astore, Ghizer and Hunza-Nagar districts. In an effort to mitigate these losses and assist the recovery of affected communities, AKRSP has started “Economic Recovery through the Rehabilitation of Flood-Affected Channels” (ERRIC). This programme funded by CARITAS is aimed at rehabilitation of irrigation channels, flood protection walls and water supply schemes. Out of the 174 infrastructure projects initiated in Gilgit region, 111 projects are implemented under this initiative. In 2014 ERRIC programme started:

- Rehabilitation of 95 irrigation projects in various villages of Astore, Ghizer and Hunza-Nagar districts, covering about 20,000 beneficiary households. One third of the work on these projects has been completed by the end of 2014.
- Rehabilitation of 12 damaged water supply schemes in Astore and Ghizer districts
- Rehabilitation of 4 flood protection walls in Ghizer district, with 20 percent of the work completed.

“AKRSP added about 3,366 hectares of new agricultural land and improved 4,861 hectares of existing agricultural land in 2013-14”



The number of projects initiated in 2014 were lower (175 projects) than 2013 (372 project). In 2014 more focus was given to complete projects that were initiated early. During the reporting period AKRSP initiated 547 such projects, of which 435 were completed. Although Gilgit region had the lowest number of completed projects, it has more households / beneficiaries than the other regions.

Table 29: Community Physical Infrastructure Projects

Indicators	Programme Area		Gilgit		Chitral		Baltistan	
	2014	2013-14	2014	2013-14	2014	2013-14	2014	2013-14
Irrigation Projects	119	325	95	121	14	69	10	135
Project Cost (PKR Million)	184.49	340.04	157.48	168.63	19.15	53.98	7.86	117.43
Completed	80	246	26	45	25	57	29	144
Households	22,678	32,026	20,364	23,871	1,426	3,575	888	4,580
Communication Projects	20	81	2	8	15	62	3	11
Project Cost (PKR Million)	22.77	63.69	1.03	5.18	19.45	51.93	2.29	6.58
Completed	36	72	7	11	22	45	7	16
Households	1,540	6,352		540	1,405	5,445	135	367
Energy Projects	2	6		1	2	5		0
Project Cost (PKR Million)	69.03	108.59		12.51	69.03	96.08		0.00
Completed	0	4		0		3		1
Households	0	1,509		817		692		0
Land Development Projects	14	84	4	25	2	35	8	24
Project Cost (PKR Million)	19.93	59.22	8.50	20.14	4.74	24.08	6.69	15.00
Completed	18	72		20	7	28	11	24
Households	3,006	9,082	683	3,105	224	2,838	2,099	3,139

Indicators	Programme Area		Gilgit		Chitral		Baltistan	
	2014	2013-14	2014	2013-14	2014	2013-14	2014	2013-14
Water Supply/Sanitation	20	51	13	19	5	16	2	16
Project Cost (PKR Million)	19.21	42.24	16.51	20.59	1.71	13.35	0.99	8.30
Completed	16	41	5	7	3	14	8	20
Households	1,610	3,570	960	1,220	350	1,432	300	918

Irrigation channels dominated the portfolio of new projects in the Programme Area with a total of 325 schemes - 69 in Chitral, 135 in Baltistan, and 121 in Gilgit. More than half of the monetary investments were also made in these projects with about 340 million PKR. Other projects focused on land development, communications, water supply/sanitation and energy with 84, 81, 51 and 6 projects respectively. With the 547 infrastructure projects in 2013-14, the overall infrastructure base supported by AKRSP reached a total of 4,419 projects across the Programme Area. Chitral region completed the highest number of projects in communication, energy and land development sectors, with Baltistan region completing higher number of projects in irrigation and water/sanitation.

A Micro-Hydel project was funded by PPAF under the carbon financing scheme. The purpose of the project is to provide a clean source of energy that communities can use for cooking, heating and lighting throughout the year. This would reduce or altogether eliminate the use of wood and fossil fuels with a significant decrease of carbon emissions into the atmosphere. 4 projects were initiated in 2013 and 2 in 2014, out of which 4 projects were completed, two in each year. Chitral region implemented 5 power generation projects with a capacity of 661 KW. The Gilgit region implemented 1 power generation project with 200 KW capacity.

Beside the infrastructure projects carried out under Livelihood Support and Small Community Infrastructure Project (LACIP), the engineering section is also implementing small infrastructure projects with the support of PPAF under CPI-09 and renewable energy projects (Hydro-Power) with financial support from PPAF, SDC, ACUMEN Fund and AKRSP itself. The Swiss Development Cooperation generously supported AKRSP to build two mini hydel projects in the most remote areas of Chitral. The Hydel Project of Raman Harcheen has a generation capacity of 500 KW and that of Pawoor Yarkhoon has 800 KW. Additionally, two micro hydel projects were initiated in Istore Golain and Oveer Arkari of Chitral region in 2014. Chitral region formed two power utility companies - YADGAR Utility Company and Shandoor Power Utility Company - and offices were established during the reporting period.

With the highest number of projects in irrigation and land development, AKRSP added

“Infrastructure investments create sustainable sources for generating incomes and produce social benefits for communities”



about 3,366 hectares of new land for agriculture purposes and also improved 4,861 hectares of existing agricultural land. The completed land and irrigation projects covered about a total 8,081 hectares of land in the

project area. Gilgit region benefited most with 6,655 hectares of the land development, followed by Baltistan 1,119 hectares and Chitral 307 hectares.

Table 30: Power Generation and Land Development – 2013-14

Indicator	Programme Area		Gilgit		Chitral		Baltistan	
	2014	2013-14	2014	2013-14	2014	2013-14	2014	2013-14
Power Generation (KW)	261	861	-	200	261	661	-	-
Total land (Ha)	453	8,081	339	6,655	-	307	114	1,119
New land developed (Ha)	107	3,366	-	3,021	28	28	79	317
Existing land benefited (Ha)	492	4,861	339	3,634	118	425	35	802

The overall project completion rate during the review period is 80%, however it varies regionally: Baltistan has the highest completion rate (110%) followed by 79% in Chitral and 48% in Gilgit. Highest completion rates were in the communication projects (89%) and land development projects (86%). In terms of average cost per CPI, energy projects

are the most investment intensive, consuming about 18 million PKR per project, whereas average cost of irrigation, communication, land development and water/sanitation projects is around 6.5 to 8 hundred thousand PKR per project. Due to this difference of project cost the number of energy projects was lower as compared to other CPI projects.

Table 31: Completion Rate of PPIs – 2013-14

Indicators	Programme Area	Gilgit	Chitral	Baltistan
Irrigation Projects	75.69	37.19	82.61	106.67
Communication Projects	88.89	137.50	72.58	145.45
Energy Projects	66.67	-	60.00	-
Land Development Projects	85.71	80.00	80.00	100.00
Water Supply/Sanitation	80.39	36.84	87.50	125.00
Overall Projects	79.52	47.70	78.61	110.22

Table 32: Average Cost of Community Projects – 2013-14

Indicators	Programme Area	Gilgit	Chitral	Baltistan
Irrigation Projects	0.794	0.429	0.782	0.870
Communication Projects	0.793	0.691	0.838	0.598
Energy Projects	18.097	12.508	19.215	-
Land Development Projects	0.634	0.554	0.688	0.625
Water Supply/Sanitation	0.677	0.680	0.835	0.519
Overall Projects	0.778	0.725	0.911	0.679

The infrastructure projects benefit all the participating households across the villages without any discrimination. **Table 33** shows that the projects initiated in 2013-14 assisted 52,539 households. This addition has increased the total number of AKRSP CPI projects

beneficiaries to 345,633 households. This makes Community Infrastructure Development the component with the highest number of beneficiaries among AKRSP programmes. Gilgit had the highest beneficiary base when compared cumulatively to Baltistan

and Chitral. Gilgit had the highest number of beneficiaries with 29,553 households, as compared to 13,982 households in Chitral and 9,004 households in Baltistan.

Among the different projects implemented under the Community Infrastructure Development component, irrigation projects provided direct benefits to the highest number

of households across the Programme Area. Regionally, Baltistan has the highest number of beneficiaries from irrigation projects. Land development projects stands second in terms of beneficiaries. As compared to Gilgit and Baltistan regions, AKRSP Chitral has most beneficiaries in communication, water supply and sanitation.

Table 33: Multiple Beneficiary Households of Community Projects – 2013-14

Indicators	Programme Area		Gilgit		Chitral		Baltistan	
	2014	2013-14	2014	2013-14	2014	2013-14	2014	2013-14
Irrigation Projects	22,678	32,026	20364	23,871	1,426	3,575	888	4,580
Communication Projects	1,540	6,352	-	540	1,405	5,445	135	367
Energy Projects	-	1,509	-	817	-	692	-	-
Land Development Projects	3,006	9,082	683	3,105	224	2,838	2,099	3,139
Water Supply/Sanitation	1610	3,570	960	1220	350	1,432	300	918
Overall Projects	30,848	52,539	24,021	29,553	5,419	13,982	5,436	9,004

Nasirabad is a distinct village located in southern part of Hunza along Karakorum Highway (KKH). The village is rich in minerals and gems especially marble and blood red Garnet. Since October 23, 2013 a large number of the miners have been mining garnet at a mining site. This new activity of mining has provided a new source of income for local community members who earn PKR 4000-5000 per day on average.

The garnet miners of Nasirabad mine from the two extremely vulnerable sites; one lies above the Karakorum Highway (KKH), whereas the second site is situated below the KKH. As the mining is carried out on trial basis and controlled mining techniques are not practiced, it sometimes results in incidents. In one such miners were buried under the debris, though they were rescued later on. Most of the youth, children and elders are engaged in the mining, but they do not utilize any safety means of mining and do not possess any safety kit.

Another main issue faced by the miners of Nasirabad is lack of protective or a "gabion" wall on the mining site near KKH as the road is exposed to mining site. It has resulted in some accidents and causing landslide. Keeping these issues in mind Deputy Commissioner Hunza restricted the community from mining and instructed the villagers to take precautionary steps to control the sliding onto KKH before mining garnet. This ban has affected the community severely as almost 80% of the local community depends upon mining for their livelihood.

These issues were identified by the EU Gems & Jewellery project team along with the Shinaki Area Support Organization (SADO). Both SADO and Nasir Multipurpose Society (NMS) conducted a series of meetings with National Highway Authority (NHA) for the approval and feasibility of the gabion wall along the KKH. After the approval of gabion wall from the NHA, NMS and SADO approached AKRSP for technical support in the form of some safety trainings for the miners and necessary equipment to construct the gabion wall.

The EU funded Gems and Jewellery Development project of AKRSP aims at improving the value chain of gems sector, from mine to market through strengthening sustainable market based services, improving performance and strengthening competitiveness, skill enhancement and technology up gradation and improved national and international access to market. The project provided technical support to the Nasir Multipurpose society. The support was provided in the form of trainings on safe and improved artisanal mining, provision of

different safety kit to ensure safety of the miners and also provided the equipment for the gabion wall, though the community members constructed the wall by themselves under the technical guidance of AKRSP.

The initiative taken by AKRSP Gems and Jewellery Project team resolved two major issues i.e. first, the miners have resumed mining on a low risk area without the fear of accidents on KKH, and secondly the miners are fully equipped in terms of safety as they were capacitated on extraction of the specimen without damaging it while taking to consideration the safety of miners.

The project's task was to sensitize and educate the communities about the safety measures essential at mining sites to ensure the safety of their lives and extraction of the specimen without damaging it. It is for the first time that the communities are equipped with required skills and protection measures. Similarly, the stalemate between the government and local community on restriction on mining was resolved. Now miners are working round the clock to maximize their daily earning from garnet mining.

6.2 Resource Development

Since its inception in 1982, AKRSP has invested significant financial resources in its Resource Development Programme to create a local-level resource base that improved the livelihood options and structures for the population of GBC, with a special focus on the poorest segments. This programme has several sub-components such as institutional development, human development, productive physical assets development and natural resources' development and management (NRM). The single largest sub-component is infrastructure development, which is further divided into different small projects ranging from irrigation projects to link roads, bridges, protective works and hydel power stations. Similarly, the NRM component consists of agriculture, livestock, poultry, forestry, wildlife and environment. These productive physical resources pay immediate and quick returns to beneficiaries.

6.2.1 Agriculture Development

Agriculture remains the mainstay of rural economy and the strategic focus of AKRSP's investment and support is to develop this sector along modern patterns. In the review period, AKRSP Gilgit provided 5,144 kg improved cereal seed to the community.

Priorities in the agriculture sector varied from region to region, but one of the most successful AKRSP initiatives has been the introduction of the potato as a cash crop – this continues to occupy a dominant share among AKRSP interventions, with 449,400 kg potato seed distributed.

“Building on its long experience in resource development, AKRSP continues to support initiatives that strengthen local agriculture, e.g. through seed distributions, establishment of greenhouses and fruit production”



Additionally, AKRSP Gilgit organised a workshop on potato production and marketing, which was attended by 900 men and women. Building on its long experience in resource development, AKRSP continues to support initiatives that strengthen local

agriculture, e.g. through seed distributions, establishment of greenhouses and fruit production. In 2013-14, AKRSP Baltistan built 255 greenhouses, developed 27 tree nurseries and 18 orchards.

Table 34: Agriculture Development Initiatives – 2013-14

Indicators	Programme Area		Gilgit		Chitral		Baltistan	
	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.
Total Fruit Trees Planted (mil)	0.000	3.558	0.000	2.174	0.000	0.574	0.000	0.810
Fruit Trees supplied to V/WOs (mil)	0.000	0.999	0.000	0.828	0.000	0.171	0.000	0.000
Fruit Trees self-planted by V/ WOs (mil)	0.000	2.559	0.000	1.346	0.000	0.403	0.000	0.810
Improved Cereal Seed (kgs)	5,144	400,756	5,144	198,342	-	105,025	-	97,389
Vegetable Seed (kgs)	-	174,201	-	30,079	-	6,875	-	137,247
Fodder Seed (kgs)	-	383,824	-	51,126	-	27,957	-	304,741
Potato Seed (kgs)	449,400	449,400	374,400	374,400	75,000	75,000	-	-
Support farmers in vegetable seed production	-	600	-	-	-	600	-	-
Orchards Established	18	18	-	-	-	-	18	18
Green Houses Established	255	255	-	-	-	-	255	255
Fruit Nurseries Established	27	27	-	-	-	-	27	27

6.2.2 Livestock Development

In the review period AKRSP support to the livestock and poultry sector remained exclusively confined to the Gilgit region, where

698 animals were distributed to local communities. Of these, 368 were improved-breed sheep/rams and 330 were improved-breed goats.

Table 35: Livestock Development – 2013-14

Indicators	Programme Area		Gilgit		Chitral		Baltistan	
	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.
Improved-Breed Cattle/Bulls	-	716	-	459	-	54	-	203
Improved-Breed Sheep/Rams	368	8,797	368	6,549	-	274	-	1,974
Improved-Breed Goats	330	597	330	453	-	6	-	138
Improved-Breed Animals	698	10,110	698	7,461	-	334	-	2,315

6.2.3 Capacity Building

The capacity building component in the Resource Development Programme of AKRSP comprises formal training courses, workshops and conferences. Under this programme AKRSP trains both men and women in selected sub-sectors of agriculture, livestock management and environment. Increasingly, LSOs have developed their capacity to organise

most of the training courses for their members in the traditional areas of plant protection, management, tree nurseries, forestry development and management.

AKRSP continues to organise training courses in seed production, organic farming, fish farming, honey-bee farming, vaccination, food and vegetable processing, guild management, livestock management and treatment in the

livestock sector. AKRSP trained a total of 1,751 specialists in agriculture and livestock & poultry (1,163 men and 588 women) in the Programme Area during 2013 and 1,006 specialists in 2014 (380 men and 626 women). The total number of specialists trained in the review period was 2,757 in the Programme

Area. Gilgit region had the highest number of participants with 1,253 specialists trained in livestock and poultry, compared to 258 in Baltistan and no trainings in Chitral. Agriculture training courses focused on Chitral and Baltistan region with 608 and 648 participants respectively.

Table 36: Resource Development Training Participants

Indicators	Program Area		Gilgit		Chitral		Baltistan	
	2014	Cumu.	2014	Cumu.	2014	Cumu.	2014	Cumu.
Total Participants	1,006	2,757	-	1,253	427	608	579	896
- Men	380	1,543	-	815	225	364	155	364
- Women	626	1,214	-	438	202	244	424	532
Agriculture	758	1,256	-	-	427	608	331	648
- Men	335	683	-	-	225	364	110	319
- Women	423	573	-	-	202	244	221	329
Livestock & Poultry	258	1,511	-	1,253	-	-	258	258
- Men	45	860	-	815	-	-	45	45
- Women	213	651	-	438	-	-	213	213

In 2013, the majority of specialists were trained in Gilgit – the numbers show a significant difference from the other two regions, Baltistan and Chitral. As compare to 2013, all the trainings in 2014 were organized in Chitral and Baltistan. The statistics presented in **Table 36** also highlight the different sectoral priorities of the three regions. For example, all the specialists trained in the agriculture sector originate from Chitral and Baltistan, and no training in this sector was held in Gilgit. On the other hand, all the specialists trained in livestock and poultry hail from Gilgit and Baltistan, Chitral providing no training in this sector.

The review period witnessed a significant increase in the participation of local men in the livestock and poultry training sessions, where women previously outnumbered men. This highlights a possible trend among men to focus on areas with business potential, but hitherto ignored by menfolk.

“More than 2,700 men and women were trained in selected sub-sectors of agriculture, livestock management and environment”



A major project implemented during this reporting period under the Economic Development component is the Satpara Development Project (SDP). This is a 5-year project funded by the United States Agency for International Development (USAID), aiming to

enhance the water-efficiency and productivity of high-value horticulture, develop market linkages and create an enabling environment for growth in the agriculture sector. The project strives to maximise the impact of the Satpara dam project for inhabitants of the right- and left-bank canals. During the review period under SDP:

“AKRSP purposely incorporates the needs, interests and demands of women, with a particular focus on educated young men and women”



- To increase the hydraulic efficiency of watercourses, pre-cast parabolic segments were introduced in the region. After 6 pilot projects a pre-cast parabolic segments yard has been established in Skardu, which has already produced about 20,000 segments.
- In 2013, Farmer Enterprise Groups (FEGs) were organised and trained in the handling of fruits post-harvest e.g. cherries and apricots, assisting over 300 individuals including 179 women. Women Processors Groups were formed and trained in processing of apricots, cherries, mulberries, apples, almonds etc.
- During 2014, 7 FEGs on dairy were formed that consisted of total of 151 female members. These FEGs emphasized on capacity building and value chain improvement of dairy farming.
- 255 greenhouses were established to increase off-season agriculture produce and create employment.
- An Artificial Insemination Service Centre was established which is assisting farmers/entrepreneurs in the area. During the review period the centre provided services to 2,463 farmers.
- 15 Farmer Field Schools were established in 2013-14, with a focus on vegetable production, animal husbandry and livestock. During the review period, a total of 189 farmers (58 men and 149 women) were attending the school sessions.
- Farmers were also trained in preparing mulberry feed for animals to reduce the costs involved in procuring feed from the market and improve the nutrition of the animals. Around 60 farmers benefitted from these interventions.
- Communities were organised to form Water User Associations (WUAs) and for the first time in Gilgit-Baltistan they registered themselves with the government on Farm Water Management Department. WUAs contributed (labour and material) towards the improvement of water courses.
- Grants were provided to assist over 3,800 individuals.

Interventions carried out to improve watercourses (one of the programme components) provided improvements to 195

tertiary level water channels in 2013-14. This component contributed to local employment with an equivalent of 145 full-time jobs (145 Full-Time Equivalent - FTE). The improved infrastructure is anticipated to contribute towards a substantial reduction in the time taken to irrigate a field, besides reducing water loss during irrigation by 35-40%.

Through courses women farmers were trained to handle and package fruit post-harvest. As a result they doubled their output and earned additional income. Farmers who received sub-grants for greenhouses not only improved

their technical know-how but also doubled their off-season output and increased their seasonal sales by almost 100% compared to the previous year. This enabled them to earn an additional income of at least \$500 in one season.

Organising farmers into Farmer Field Schools (FFS) helped them produce fodder in more efficient and cost-effective ways. Farmers can now prepare fodder on their own – which reduces the costs involved in procuring the feed from the market and helps them improve the health of their livestock.

This is the story of a young man who had to discontinue his education and assume the responsibility of supporting his family. Without any training or resources, Arman was facing a seemingly insurmountable challenge when he seized an opportunity to gain a valuable skill. Rigorous training enabled him to find a lucrative job locally and then internationally.

Arman Ali comes from a disadvantaged family in Gulmit-Gojal. He finished his basic education in Karachi but could not continue his studies after grade 8 due to the demise of his father. He was the eldest among 8 siblings so the role of supporting the family fell upon his shoulders. The only asset bequeathed by his father was a small guest house in Gilgit. Under great economic pressure, Arman started running the guest house, which provided a modest but unstable income. Due to the remoteness of the region, the guesthouse relied only on a handful of customers from Gojal. Arman's business suffered and ultimately closed down when the links with Gojal region were severed by the formation of the lake in Attabad, Hunza. It marked a difficult time for Arman, who neither had the required education nor any skill to secure employment. With no source of income there seemed to be no light at the end of the tunnel.

This was when Arman saw an advertisement of AKRSP for a short training course in heavy machinery operation, offered in collaboration with the Construction Technology Training Institute (CTTI) in Islamabad. The training aimed at assisting youth in the region to fight poverty by equipping them with marketable skills. Arman applied and was selected for the course.

The course was fully sponsored by AKRSP and conducted in Islamabad. During the training Arman learned how to operate excavators, cranes and other heavy equipment. In addition, he gained knowledge and skills related to the maintenance of different construction machinery and learned about the calibration and diagnostic systems of machines. Arman was able to successfully complete the training and was awarded a certificate by the National Training Bureau.

Soon after the completion of training, Arman started working for the China Road and Bridge Corporation (CRBC). After a two month probation at CRBC, Arman was offered a full-time job in the company. Meanwhile he kept looking for other opportunities. With hard work, determination and a certificate to attest to his skills, Arman was able to secure a job in a UAE-based company. Arman is now waiting for his visa to start his new job. He is grateful for the help he received from AKRSP and hopes that such training programmes continue to be conducted in the future to build the capacity of the less fortunate residents of his region.

6.3 Market Development

There are several market-related challenges that hamper the development of potential enterprises and businesses and the expansion of potential markets to meet the demands for local goods and services. The importance of enterprises, businesses, service providers and institutions has increased manifold with the inception of the EELY program, which seeks to make youth a part in the economic mainstream by equipping them with the required skills through training. To understand the various market-related hurdles and issues, AKRSP has undertaken an extensive study – a Labour Market Assessment (LMA). Following the findings of this study and the lessons learnt from its previous programmes of marketing and enterprise development, AKRSP has developed a comprehensive strategy to support and promote market development.

“AKRSP has been working with service providers to improve supply-side conditions and with the service recipients to improve demand-side conditions”



The findings of the study and AKRSP's experience show that the development of the private sector in this region is essential to ensure a broad-base growth and to sustain the

development gains achieved. The demand for business development services in the Programme Area has been growing; consequently civil society - the public, private and NGO sectors - should develop partnerships and linkages to meet this demand for services. AKRSP has been working with service providers to improve supply-side conditions and with the service recipients to improve demand-side conditions. To accelerate this process, AKRSP first identifies the demand for currently unavailable products and services and then searches for competitive service providers within the Programme Area and in Pakistan.

The Market Development Programme has different sub-components that include:

- Institutional Development
- Capacity Building
- Poverty Targeting
- Action Research.

To ensure a fair distribution of the benefits of these services and programmes, AKRSP purposely incorporates the needs, interests and demands of women, with a particular focus on educated, young men and women.

6.3.1 Institutional Development

Through its Market Development Programme AKRSP supports entrepreneurs, producers, traders and suppliers of goods and services to form enterprise and business associations and networks. It also encourages them to manage their enterprises, businesses, production processes and surplus production. This strategy enables entrepreneurs and business representatives to derive the highest possible benefit from economies of scale through large, collective transactions of inputs and marketing of surplus production. Another very important part of the market development strategy is to

create linkages, hold dialogues and lobby with policy-makers in the public and private sectors and with other service providers to increase the bargaining position of entrepreneurs and create an enabling environment in which markets for products and services can function sustainably.

AKRSP assists farmers to form associations through its Agri-Business Support Fund (ASF); this fund aims to link small farmers with supply chains and markets. Apart from forming farmers' associations, this project helps small farmers in the Programme Area to access new

technology and inputs, improve the quality of produce and pool their produce to accumulate a marketable surplus. Most associations formed by farmers in the agribusiness sector collectively manage and market the production of honey, apples, cherries, poultry and livestock. During 2013-14, farmers formed 159 Agri-business Farmers' Groups in the Programme Area, 32 in Baltistan, 10 in Chitral, and 117 in Gilgit. 29 sector-specific and 8 enterprise associations were formed. With this addition in this period, the network has expanded to 509 associations - 248 in Gilgit, 158 in Baltistan, and 103 in Chitral.

Table 37: Enterprise and Sector Specific Associations – 2013-14

Indicators	Programme Area		Gilgit		Chitral		Baltistan	
	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.	2013-14	Cumu.
Enterprise and Sector-specific Associations	195	509	120	248	12	103	63	158
Total membership	7,197	11,456	4,046	6,289	191	1,153	2,960	4,014
- Men	4,754	7,185	1,949	2,855	181	915	2,624	3,415
- Women	2,443	4,271	2,097	3,434	10	238	336	599
Agri-business Farmer's Groups	159	442	117	228	10	94	32	120
Total Membership	2,095	5,241	1,596	2,996	150	957	349	1,288
- Men	1,178	3,065	817	1,347	150	734	211	984
- Women	917	2,176	779	1,649	-	223	138	304
Enterprise Associations	8	24	2	13	-	4	6	7
Total Membership	2,696	3,463	2,422	3,069	-	80	274	314
- Men	1,358	1,686	1,104	1,334	-	80	254	272
- Women	1,338	1,777	1,318	1,735	-	-	20	42
Sector Specific Associations	29	44	1	7	3	6	25	31
Total Membership	2,477	2,823	28	224	161	236	2,288	2,363
- Men	2,289	2,505	28	174	151	221	2,110	2,110
- Women	188	318	-	50	10	15	178	253

Enterprise associations have the high number of members despite the fact that there are fewer such associations than farmers' groups and sector-specific associations. Overall, 7,197 members joined these associations in the Programme Area in 2013-14, 66% of whom are men. The level of participation of men and women in the associations differed in the three regions - Gilgit for example was the only region with more women members than men, while gender ratios in Chitral and Baltistan were

much more uneven during the reporting period. At the same time women participants in farmers' groups and sector-specific association were fewer than men. There was a negligible difference between men and women members in enterprise associations.

AKRSP has been providing this type of support in GBC since February 2013, with funding from USAID through the Agri-Business Support Fund (ASF). The objectives of the initiative were:

- to increase farmers' incomes through the development of agriculture-based micro-enterprises in the Programme Area.
- to form Farmers' Enterprise Groups (FEGs) for agri-business development - thereby contributing towards AKRSP's broader goals.

The project also supports the goal of USAID's Agribusiness Project's to increase incomes and employment generation through a value chain

approach. The main activities of this project are: the formation of FEGs, capacity building among farmers and support to enterprise development to establish and operate FEGs on a commercially viable and sustainable basis.

AKRSP formed 144 FEGs, including 62 Potato FEGs, 80 Apricot FEGs, and 2 off-season FEGs. During the reporting period, AKRSP provided 449,400 kgs of seed potato to 1,086 FEG members.

Table 38: Water User Associations Formed in Baltistan – 2013-14

<i>Associations and Membership</i>	<i>2013</i>	<i>2014</i>	<i>Cumu.</i>
Water User Associations	203	24	227
Total Membership	5,776	6,083	11,859
- Male	5,776	6,083	11,859
- Female	-	-	-

6.3.2 Capacity Building

Within the Market Development Programme, AKRSP mainly builds the capacity of individual men, women and business associations through the organisation of formal training courses, workshops, conferences, exposure visits and exhibitions. This programme has three purposes:

- 1) to develop an enterprise culture among communities and service providers working in different sectors in the area
- 2) to increase the interaction between local business people and service providers
- 3) to encourage community members - especially youth - to initiate their own enterprises and businesses

During the review period, 4,403 participants were trained through this component, with 2,459 men and 1,924 women. Among the different training programmes business management and technical courses had more male participants than female. Other training components, i.e. product development, and vocational skills catered to a greater number of women than men. AKRSP Baltistan delivered trainings to the largest number of people among the regions, followed by Gilgit and Chitral. In 2013-14, these courses focused mainly on technical trainings, with about 45% of the participants, followed by business management 27%, vocational trainings 23% and product development have only 4% of the participants.

Table 39: Market Development Training Participants – 2013-14

<i>Indicators</i>	<i>Programme Area</i>		<i>Gilgit</i>		<i>Chitral</i>		<i>Baltistan</i>	
	<i>2014</i>	<i>2013-14</i>	<i>2014</i>	<i>2013-14</i>	<i>2014</i>	<i>2013-14</i>	<i>2014</i>	<i>2013-14</i>
Total Market Development Participants	2,579	4,403	1,021	1,673	734	1,020	824	1,710
- Men	1,577	2,459	579	1,030	528	685	470	744
- Women	982	1,924	442	643	206	335	334	946
Business Management	854	1,199	620	688	-	99	234	412
- Men	419	524	339	370	-	46	80	108
- Women	435	675	281	318	-	53	154	304

Indicators	Programme Area		Gilgit		Chitral		Baltistan	
	2014	2013-14	2014	2013-14	2014	2013-14	2014	2013-14
Product Development	33	186	5	112	28	39	-	35
- Men	17	79	5	62	12	17	-	-
- Women	16	107	-	50	16	22	-	35
Technical Trainings	957	1,987	357	769	174	174	426	1,044
- Men	789	1,363	235	598	174	174	380	591
- Women	148	604	122	171	-	-	26	433
Vocational Skills	735	1,031	39	104	532	708	164	219
- Men	352	493	-	-	342	448	10	45
- Women	383	538	39	104	190	260	154	174

The large numbers of female participants in the training is explained by the fact that the vocational skill component caters mostly to women and forms almost half of the cumulative numbers of trainees. Regionally, AKRSP Chitral focused more on skill development. Trainings in business management and product development remained the top priority area in the Gilgit region while Baltistan focused on technical topics.

In addition to formally train community members in a variety of enterprise and business skills, AKRSP held several workshops on various themes related to enterprise and business promotion - 2 workshops on business development were held in Gilgit, with 32 and 36 workshops organised in Chitral and Baltistan respectively. The themes of these workshops in Baltistan and Chitral region included business development, business sensitisation, and awareness-raising, an additional facilitative workshop was held in Baltistan.

“Market Development Programme mainly builds the capacity of individual men/women and business associations through the organisation of formal training courses, workshops, conferences, exposure visits and exhibitions”



Table 40: Enterprise and Business Promotion Workshops - 2013-14

Indicator	Program Area	Gilgit	Chitral	Baltistan
Enterprise and Business Promotion Workshops	70	2	32	36
Business Development Workshop	13	2	9	2
Business Sensitisation Workshop	40	-	14	26
Facilitative workshops	1	-	-	1
Awareness Raising Workshop	16	-	9	7

Exposure visits and exhibitions were among other activities undertaken by AKRSP during the review period to promote business and entrepreneurial culture in young men and women. AKRSP organised 18 exhibitions and

20 exposure visits for youth and entrepreneurs from the three regions. Over 118 men and 175 women from local communities attended these exposure visits in GBC and other parts of Pakistan.

Table 41: Exhibitions and Exposure Visits – 2013-14

Indicators	Programme Area	Gilgit	Chitral	Baltistan
Exhibitions	18	6	6	6
Exposure Visits	20	4	4	12
Total Participants	293	90	42	161
- Men	118	23	42	53
- Women	175	67	-	108

“Gilgit-Baltistan - The Jewel of Pakistan targets all the stakeholders in the gems sector, from mine to market”



In 2013, AKRSP initiated the project “Gilgit-Baltistan - The Jewel of Pakistan: Developing a Sustainable Value Chain in the Gems and Jewellery Sector in Gilgit-Baltistan and Chitral”. The project targets all the stakeholders in the gems sector, from mine to market, including miners, processors, marketers and final consumers. The objective of the project is to develop a sustainable value chain in the gems and jewellery sector in GBC by improving the mining situation, upgrading technology and

skills for processing and value addition, improving design and product development and developing the market for the final products.

The project is preceded by a thorough research of the value chain, currently ongoing. Additionally, coordination meetings and awareness session are being conducted prior to initiating target activities. A baseline study on the gems and jewellery sector was conducted and preliminary training provided towards a needs assessment on safe mining. During the reporting period the project:

- Conducted 5 consultative sessions across GBC, to assess the existing situation of gemstone and minerals sector in the region. These sessions resulted in designing and aligning the project activities according to local needs.
- Trained 536 individuals in 24 safe and improved mining training sessions.
- A total of 304 men and women were trained in basic gems cutting, polishing and jewellery making in GBC. These training participants included 88 (11 men and 77 women) in basic gems cutting and polishing, 72 (10 men and 62 women) in advanced gems cutting and polishing and

- 144 (14 men and 130 women) in jewellery making.
- AKRSP sponsored 10 stalls at “4th Islamabad Gems Exhibition” organised by the Pakistan Gems and Jewellery Development Company in Islamabad. In 2014 a local exhibition titled “Finished Gems and Jewellery Exhibition 2014” was organized in Karimabad, Hunza.
- Three dialogue sessions were conducted to build linkages with national and international gems and jewellery market players to build synergies with the local entrepreneurs.
- Provided technical, physical and financial support to Al Nasir Cooperative Society in Gilgit region, Institute of Technology & Skill Development in Chitral region and Shigar Gems and Minerals Association in Baltistan region.

“Research on economic enterprise and business dynamics places the local economy in the national context and develop local business plans accordingly”

Ms. Najma belongs to Gitch Village located in District Ghizer of Gilgit-Baltistan. She started her business in 2013 with the name of ‘Unique Gems and Jewellery’ enterprise. Her shop is located in district Ghizer Gahkuch Paeen which is 25 kilometers away from her native village Gitch. She daily commutes 50 kilometers to run the enterprise. Despite several odds and opposition, Najma decided to enter into hitherto male dominated domain because it provides livelihood of her family. Initially, she had a small business setup with only one machine and she was the only person in the production unit. At inception stage of the shop, she faced mobility and financial constraints. It constricted her plans to expand the business. Her income at that point in time was hardly PKR 5000 per month.

Despite financial constraints, she kept her plan of expanding business at an opportune time. The project staff held meetings with Najma and provided technical guidelines to improve her gems business and carried out assessment of her enterprise’s technological needs. With the technical support of the project “Gilgit-Baltistan: The Jewel of Pakistan” with the theme of “Developing a sustainable value chain for gems and jewellery sector in Gilgit-Baltistan and Chitral” a project funded by European Union and implemented by AKRSP, she received 2 faceting units machines for improvement in cutting and polishing of gems and jewellery to get refined products on small scale. Therefore, she hired four woman master trainers as laborers in gems cutting, polishing and jewellery making. The target market is Gahkuch and Gilgit, with some of the customer’s hailing from Faisalabad. Unique Gems and Jewellery is the only existing woman owned enterprise in the district of Ghizer, which has the expertise in gems cutting, polishing and jewellery making. Najma was supported in six months training on gems cutting and polishing facilitated by AKRSP.

Ms. Najma also got the opportunity to participate in exhibition organized by the project on 3- 4 September, 2014. The enterprise has both forward and backward linkages at the local and national level. She developed linkages with customers in the gems sector at the local and national level. For raw stones she has contact with miners from different districts. After processing the raw material, she sales the products to customers at a very good price. Currently, the enterprise has customers at the local market particularly the traders located in the Gilgit Gems and Jewellery market, Faisalabad and Peshawar.

Ms. Najma provides the services in making jewellery in silver and studs gems embedded in it, and cutting and polishing stones, and making beads. Her business targets are both male and female customers. The female customers buy jewellery and the male customers buy cut and polished gems. After the support from EU funded Gems and Jewellery Project her current income has increased to PKR 50000 per month.

6.3.3 Action Research and Poverty Targeting

Owing to the growing complexity of the national and international economy, a thorough understanding of market dynamics is indispensable. It allows AKRSP to place the local economy in the national context and develop local plans accordingly. For that purpose AKRSP carried out research on economic enterprise and developed business plans with local entrepreneurs.

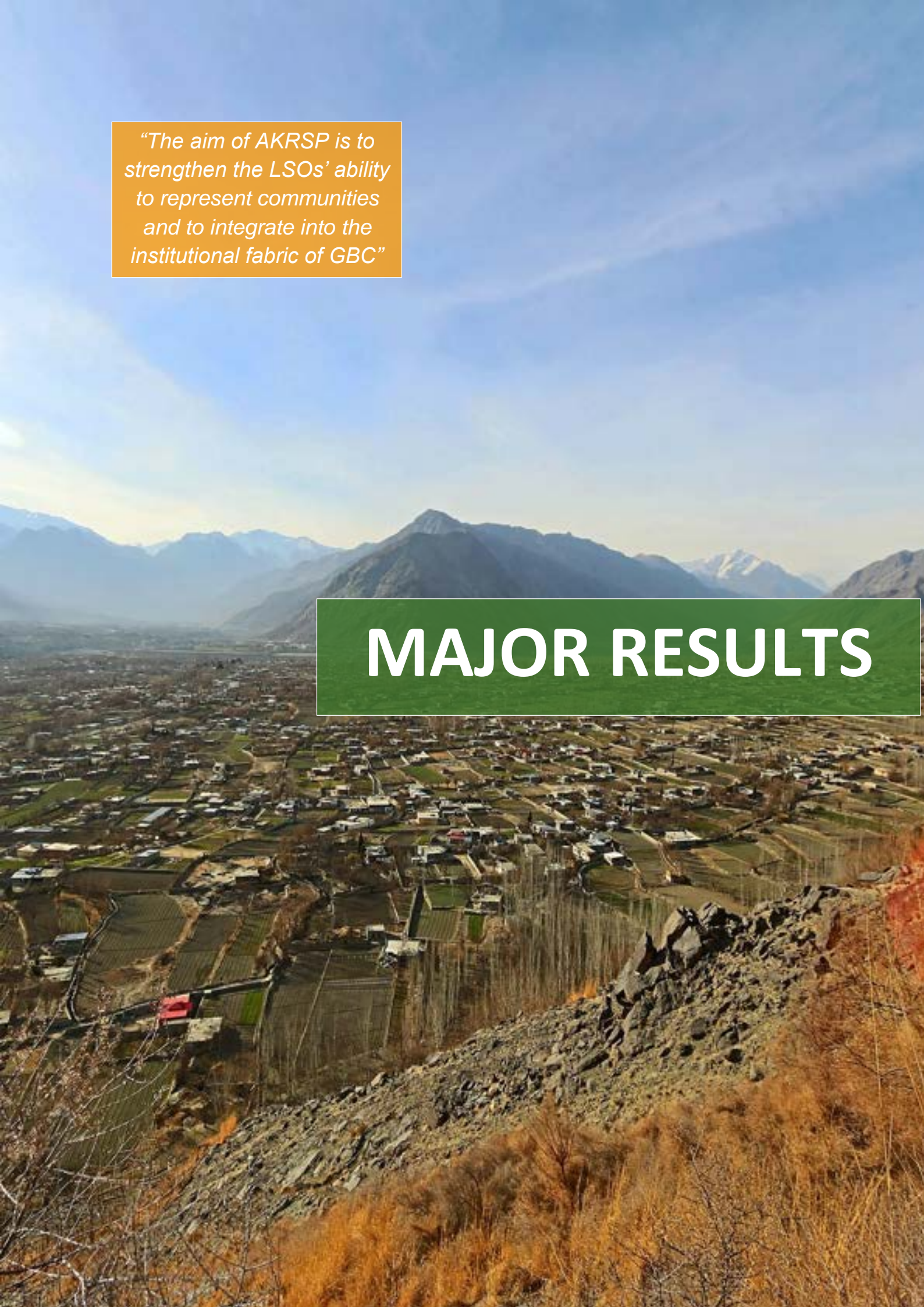
Under the Poverty-Targeting component of the Market Development Programme, AKRSP implemented a number of projects in 2013-14 to address the specific economic needs of the poorest segments of society and those of women. This project established vocational centres in Chitral and Baltistan. In the reporting period AKRSP continued its support for women entrepreneurs by providing assistance to create a women's market in Baltistan. The women's market proved instrumental in helping women to establish a foothold in a market hitherto dominated by men.





“The aim of AKRSP is to strengthen the LSOs’ ability to represent communities and to integrate into the institutional fabric of GBC”

MAJOR RESULTS



7 MAJOR RESULTS

Review of LSOs

A review of Local Support Organisations (LSOs) was carried out by senior AKRSP staff with support from the AKF Geneva office and the AKRSP Board in order to gain information on the success of LSOs and understand how well they represent the interests of local communities. The review consisted mainly of Focus Group Discussions (FGDs) with the stakeholders of 8 LSOs, including VO and WO members, LSO boards, youth groups and LSO partners including government officials and elected representatives. The generally positive findings presented below are consistent with two earlier external assessments commissioned in 2009 by the Department of Foreign Affairs, Trade and Development (the former CIDA) and AKF.

Since its formal launch in 2006, AKRSP's LSO initiative has led to the formation of 73 LSOs representing 70% of the V/WOs in GBC. The initiative was replicated by other organisations across Pakistan, leading to the formation of 1128 LSOs countrywide. The LSOs are formal federations of V/WOs governed by their member organisations and managed by one or two professional staff. Typically, an LSO covers about 50 V/WOs. LSOs were introduced to overcome institutional constraints related to the non-formal status of V/WOs, scale constraints due to limited area coverage by V/WOs and scope constraints owing to the fact that a focus on AKRSP-type activities limited the V/WOs' ability to become sustainable, multidimensional and outward looking institutions.

"73 LSOs in Gilgit-Baltistan and Chitral represent 70% of the V/WOs in the area"



LSO representativeness: The ability of V/WO representatives to guide older LSOs and the willingness of government and other stakeholders to use LSOs to implement projects and establish rapport with communities is encouraging. However, challenges remain with women and youth sometimes feeling inadequately represented by LSOs. To address this, focus group participants recommended more dialogue between LSOs and groups devoted to women's and youth affairs and more regular elections in LSOs and V/WOs.

LSO relevance: Many stakeholders see LSOs as fora to exchange ideas and information, facilitate service delivery and respond to emerging needs such as disaster preparedness. LSOs are also valued for building consensus around social reforms, such as wedding rituals

and expenses, and security matters, such as efforts to safeguard peace in Chitral after the militant insurgency in the neighbouring Dir region. V/WO members also noted LSOs' multisectoral work with local government, which highlights LSOs' role as important platforms for communities to participate in the devolving governance of GBC. It also suggests that LSOs can play a useful role in the joint planning of Multi Input Area Development (MIAD) between communities, local government, AKDN and other organisations.

“Support LSOs will focus on catalysing innovation and entrepreneurship in economic growth areas”



LSO sustainability: Records and self-assessments on more established LSOs suggest

that approximately half of these are expected to be sustainable and most of the rest have reasonable prospects of sustainability. For example, LSOs have mobilised an estimated 3 million US\$ over the past 5 years, most of which comes from non-AKRSP sources. Despite external factors like economic cycles, funding, security and the policy context, community and government interest in LSOs suggests that they will be a cohesive force in GBC development. The success achieved in federating VOs in Tajikistan and indications that the LSO experience has broader application within AKDN.

The future role of AKRSP: Considering the current and potential success of the LSO concept, AKRSP will continue to support LSOs whilst focusing on catalysing innovation and entrepreneurship in economic growth areas. Thematically, this support will have 2 distinct components: social and economic. Immediate steps under the social component include working with:

- UCA, AKU and the Karakorum International University to institute a mechanism for leadership development among V/WO and LSO leaders, local elected representatives and civil society professionals;
- Pakistan Centre for Philanthropy and the Civil Society Resource Centre to prepare a new certification tool for LSOs and other small NGOs; and
- LSOs to build their resource mobilisation skills and technical competencies to address food security, adaptation to climate change and management of public goods.

The overall aim is to strengthen the LSOs' ability to represent communities and to integrate into the institutional fabric of GBC.

Over the next 10 years, the number of LSOs is expected to increase to approximately 100, which would cover all V/WOs in GBC and would complete the transfer of direct programme delivery from AKRSP to LSOs and their networks. AKRSP would thereby transform its social component into an advisory body for promoting participatory governance in GBC.

“LSOs in the area have mobilised an estimated 3 million US\$ over the past 5 years, most of which comes from non-AKRSP sources”



DOCUMENTATION AND DISSEMINATION OF KNOWLEDGE

“AKRSP conducts large surveys, evaluations, assessments and case studies; documents best practices, prepare documentaries and develops communication materials for the dissemination of messages and knowledge to wider audiences”

8 DOCUMENTATION AND DISSEMINATION OF KNOWLEDGE

AKRSP has been producing and disseminating knowledge since its inception in the programme area. For this purpose, it conducts large surveys, evaluations, assessments and case studies; documents best practices, prepare documentaries and develops communication materials for the dissemination of messages and knowledge to wider audiences. Given the diversity of actors and stakeholders involved in AKRSP's initiatives, it employs multiple mediums and sources for communicating key messages. AKRSP distributes its knowledge products among donors, AKDN institutions, Rural Support Programs (RSPs), Local Support Organisations (LSOs), development practitioners, academics, academic institutions, individual researchers, NGOs, and local communities for their benefit. In this entire process, AKRSP invests considerable financial, human, material, and logistical resources every year.

During the review period, AKRSP carried out 14 researches regarding different activities. Moreover, AKRSP also completed 64 case studies on all the activities of programmes and projects. Other products include newsletters, documentaries, briefs, brochure, leaflets, manual, banner, boards, standees, plaques, informative booklet, study guidelines, radio programs, and communication policy. Details of knowledge and communication products are given below:

Studies:

1. Linkages and partnership development of LSOs in Gilgit-Baltistan
2. Assessment of Public Sector Engagement for Youth Development in GBC under EELY Program
3. Post Internship Gender Review Report
4. Youth Internship Programme Chitral
5. Assessment of Youth Development Plans Of LSOs
6. Assessment of AKRSP Supported LSO's Initiatives in Developing and Implementation of Youth Development Plans in Gilgit Region
7. Assessment of AKRSP staff capacity building & youth induction plan
8. Sustainability of Local Support Organizations (LSOs): Gap Analysis for Capacity Development of LSOs in Downward Accountability



Video Documentaries:

1. Voices of the Youth.
2. Employment Opportunities for Youth.
3. Investment Potential in Gilgit-Baltistan.
4. Social Enterprise: Gulmit Carpet Centre

Communication Material:

1. Communication Policy
2. Employer Survey Brief (English and Urdu)
3. Labour Force Survey Brief (English and Urdu)
4. Service Providers and Training Institutions Brief (English and Urdu)
5. Youth Skill Development and Perception Brief (English and Urdu)
6. LSO Youth Convention Report
7. Development Vistas (Newsletter)
8. Gender Voice
9. Photo bank
10. ELLY Brief
11. Folders
12. Research Study on Women's Economic Empowerment
13. Women's Business Directory
14. Radio Messages (in 5 local languages) on:
 - 14.1. Skills
 - 14.2. Entrepreneurship
 - 14.3. Value Chain
 - 14.4. Economics
 - 14.5. Youth

15. Informatics on

- 13.1 Youth Internship Programme (YIP)
- 13.2 Young Community Leadership Development Programme (YCLDP)
- 13.3 Traceability Systems and Access to High-end-Markets
- 13.4 Technical and Vocational Skill Development Programme for Youth
- 13.4 Youth Micro Challenge Award (YMCA)

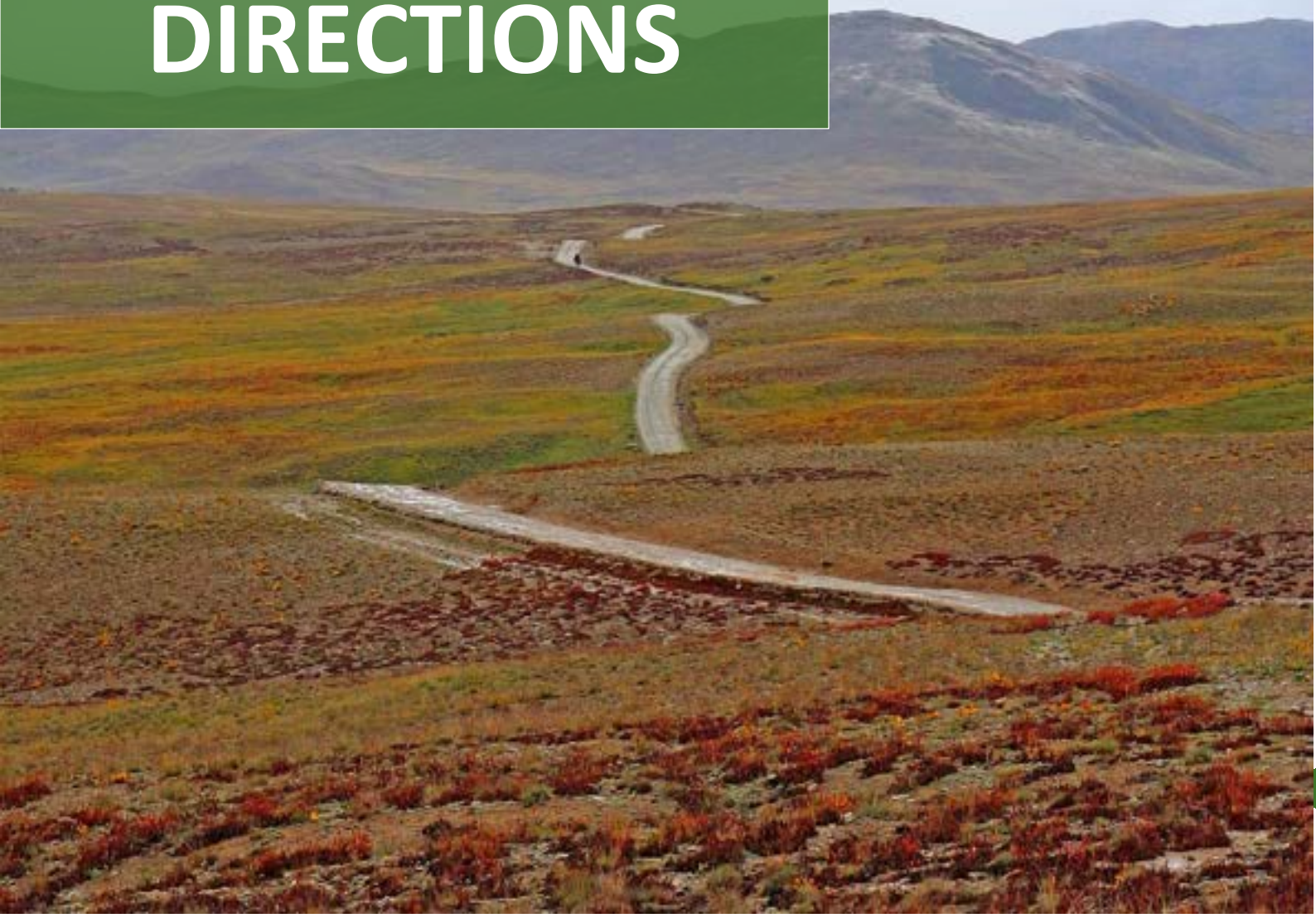
Case Studies: (Printed)

1. Chiselling Skills
2. Creating Multiplier Effect
3. Every Cloud Has a Silver Lining
4. Gearing Knowledge into Practice
5. Gender Pair an Inspirational Model
6. Giant Leaps
7. Glorious Contribution
8. Investment in Ripe Time
9. Mainstreaming Parts for Holistic Development
10. Propelling On Professional Path
11. Ripple Effect
12. Literacy and Library
13. Skill and Struggle
14. Step to Stride
15. Trade and Training
16. Where There Is a Will There Is Way
17. Women and Venture



AKRSP's new strategy seeks to strengthen support for grassroots civil society and elected institutions and envisions a significant increase in enterprise and employment creation efforts to promote a stable, socially cohesive and economically prosperous society in Gilgit-Baltistan and Chitral (GBC)

AKRSP'S FUTURE DIRECTIONS



9 AKRSP'S FUTURE DIRECTIONS

AKRSP's new strategy seeks to strengthen support for grassroots civil society and elected institutions and envisions a significant increase in enterprise and employment creation efforts to promote a stable, socially cohesive and economically prosperous society in Gilgit-Baltistan and Chitral (GBC).

Under its social pillar, AKRSP aims to intensify its effort to create a network of independent and self-sustaining LSOs with strong roots in their constituent V/WOs. AKRSP will also increase support for other civil society organisations (particularly youth organisations) and the elected tiers of local government to deepen the tradition of participatory governance in GBC.

AKRSP will pursue a focused effort to transfer programme development capacities to LSOs and their networks to further strengthen LSOs' position as 'institutions of the people'. It will also ensure that LSO programmes are better customised to the needs of their member communities. With the transfer of programme development and management competencies, AKRSP envisions that LSOs will play an increasingly direct role in the delivery of programmes related to small-scale infrastructure, social protection, food security and community-based financial services.

AKRSP envisages supporting three institutional arrangements for the effective and sustained delivery of activities under its social pillar. Firstly, AKRSP will help establish a Participatory Governance Centre at KIU to provide capacity building programmes for the leaders of LSOs, CSOs and elected institutions. Secondly, a Core

Community Projects Support Group (CPSG) will be set-up at AKRSP to support the delivery of LSO-based programmes, with the eventual goal of transferring the CPSG and associated resources to the LSO networks to make them genuinely independent institutions. Thirdly, AKRSP will set up a Social Policy and Innovation Unit by bringing together its governance and youth development related expertise to work on emerging social and governance issues.

"AKRSP works towards promoting a stable, socially cohesive and economically prosperous society"



Under the economic pillar, AKRSP aims to significantly increase its policy and value chain development work in promising economic sectors of GBC including energy, cross-border trade, gemstones/responsible mining, high value agriculture, tourism and local crafts. These sector development efforts will be complemented through the provision of specialised support to promising SMEs in

accessing early-stage capital and tailored business advice.

As a secondary thrust, AKRSP will focus on workforce development with an increased emphasis on promotion of technical and vocational skills (TVET). AKRSP will act as a facilitator and will work closely with KIU, relevant government departments and other AKDN agencies to increase programming and investment surrounding TVET skills for youth.

In order to deliver on its enterprise and employment creation agenda, AKRSP will add

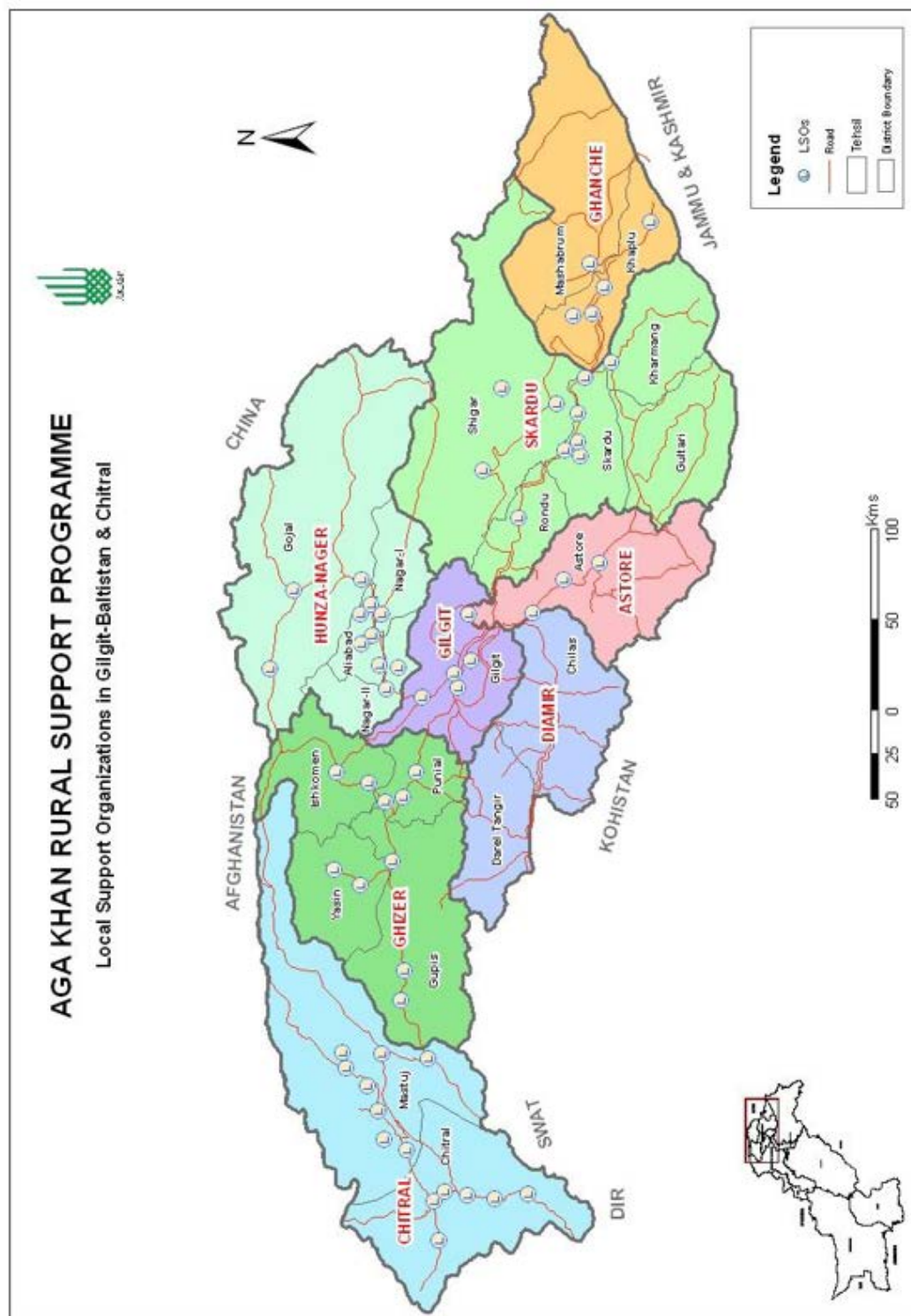
new finance/investment related expertise to its existing sector/enterprise development team and place it under the umbrella of an Enterprise Support Facility (ESF). The ESF will be responsible for managing value chain development work and SME-related support. AKRSP will assess the feasibility of transforming ESF (or its SME-related work) into a specialised entity, with its own legal and governance arrangement. A separate Workforce Development Group will be responsible for mobilising resources and implementing TVET related programmes.





Annexures

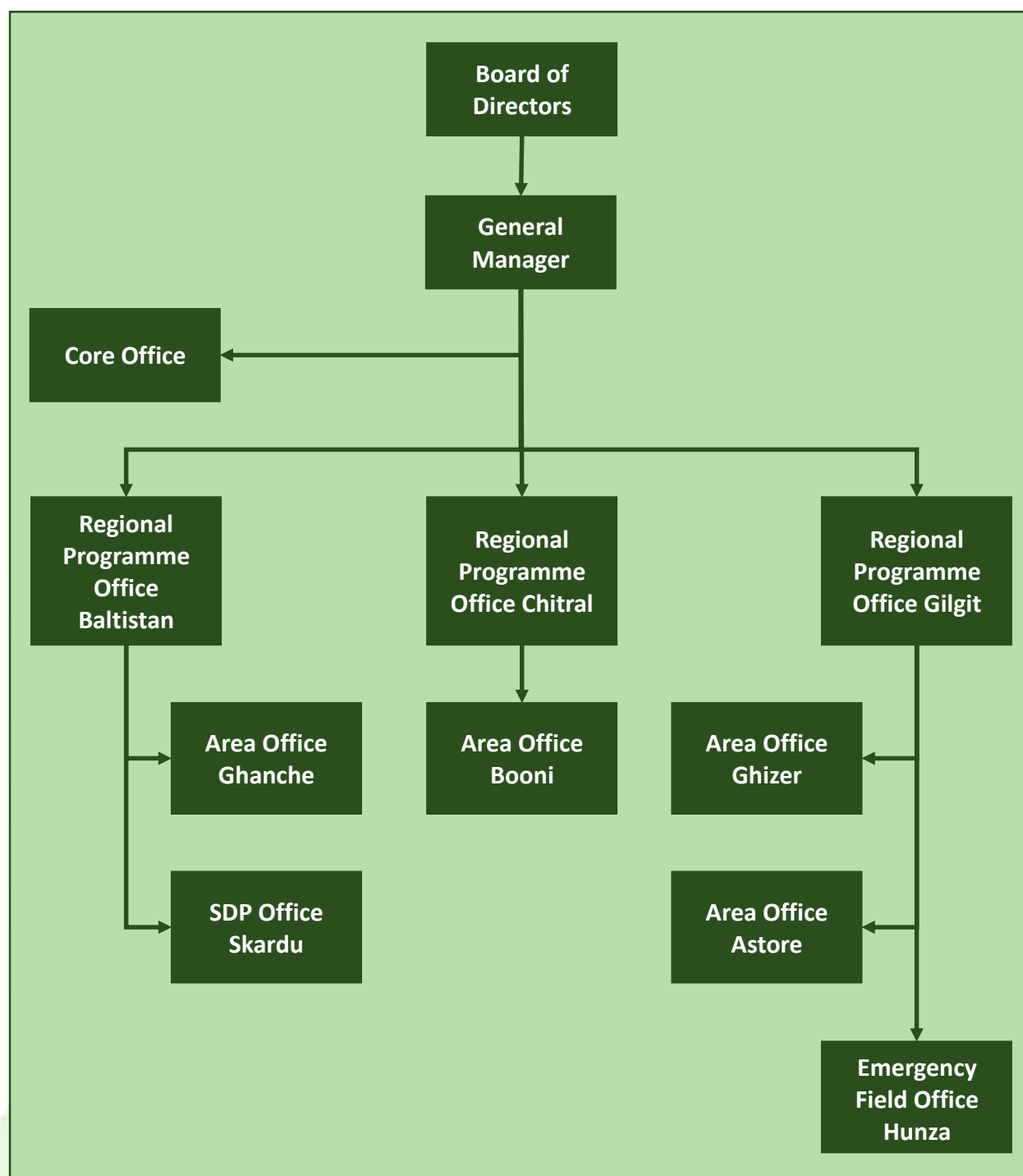
Annex 1: Area Map



Annex 2: Members of the AKRSP Board of Directors

Mr. Ali Noormahomed Rattansey	Chairman
Mr. Thomas Joseph Gerald Austin	Member
Mr. Azizuddin Shamsher Ali Boolani	Member
Mr. Shoaib Sultan Khan	Member
Dr. Zafar Iqbal Qureshi	Member
Mr. Afzal Ali Shigri	Member
Mr. Akhtar Iqbal	Member
Ms. Shandana Khan	Member
Ms. Nusrat Nasab	Member
Mr. Ghulam Tahir	Member
Dr. Inayatullah Faizi	Member
Mr. Saeedullah Jan	Member
Dr. Rozina Karmaliani	Member
Mr. Sohail G. Khoja	Member
Mr. Amir Masood Khan	Member
Mr. Akbar A. Ladak	Member
Mr. Abdul Malik	Ex-Officio Member/GM

Annex 3: AKRSP Organisational Chart



Annex 4: List of AKRSP Donors and Programmes in 2013-14

S. No.	Donor Agency	Programmes	Currency	Funding Committed
1	Agribusiness Support Fund	Agribusiness Value Chain Development	PKR	13,880,000
2	CARITAS	Economic Recovery through Rehabilitation of Irrigation Channels	PKR	208,511,470
3	DFATD & AKFC	Enhancing Employability and Leadership for Youth (EELY) and Mother Care and Child Survival Project	CAD\$	16,051,359
4	European Commission & AKF UK	Developing a Sustainable Value Chain for Gems & Jewellery Sector in Northern Pakistan and Deepening Participatory governance in Gilgit-Baltistan	EUR	2,992,843
5	EV-K2-CNR Committee (Italy)	Social, Economic & Environmental Development (SEED)	PKR	91,934,000
6	GoP. Ministry of Women Development	Jafakash Aurat Project	PKR	35,863,532
7	Government of KPK	Construction of 55 units of Micro/Mini Hydropower Projects	PKR	1,059,580,000
8	ICIMOD	Rural Livelihood & Climate Change Adaptation	USD	95,000
9	LG & RDD Gilgit-Baltistan	Construction of Irrigation Channels	PKR	56,209,000
10	Plan Pakistan	Every Child Count/Urban Birth Registration (UBR) and Adolescent & Youth Development Programme	PKR	37,510,000
11	PPAF	Livelihood Support, Development of Hydro & Renewable Energy Program, Institutional Development and Infrastructure Projects	PKR	882,959,800
12	Swiss Agency for Development & Cooperation (SDC)	Water & Energy Security Through Micro Hydels	PKR	158,483,716
13	USAID	Construction of irrigation Infrastructure at Right & Left Bank of Satpara Dam at Skardu	USD	11,193,692
14	USAID-AKF	Child Survival Programme	PKR	18,608,613

Annex 5: Programme Area Brief

<i>indicators</i>	<i>Program Area</i>	<i>Gilgit</i>	<i>Chitral</i>	<i>Baltistan</i>
THE CANVAS				
Programme Initiation		Jan 1983	Jan 1986	Jan 1986
Area (sq. kms)	87,346	46,785	14,850	25,711
Population*	1,335,698	569,514	402,126	364,058
Number of Villages	1,006	254	524	228
Rural Households*	180,140	79,947	51,957	48,236
Average Dependency Ratio (%)**	51	46	43	60
Nominal Per Capita Income (PKR)**	28,874	33,997	24,660	27,373
Population Living Below Poverty Line (%)**	26	23	32	23
Literacy Rate (%)**	61	67	61	54
- Male Literacy Rate (%)**	76	79	76	73
- Female Literacy Rate (%)**	45	54	45	35
Population Age Distribution				
- Age Group 1 to 14 (%)**	43.77	46.93	33.71	45.91
- Age Group 15 to 35 (%)**	30.83	31.13	29.46	31.31
- Age Group Above 35 (%)**	25.40	21.94	36.83	22.78

* Source: BISP Survey 2010 (current estimated population of GBC is around 2.2 million with 287,000 total rural and urban households), ** Source: AKRSP, SESGBC 2008

Annex 6: Audit Summary

THE AGA KHAN RURAL SUPPORT PROGRAMME

(A company incorporated under section 42 of the Companies Ordinance, 1984)



BALANCE SHEET

AS AT DECEMBER 31, 2014

	Note	2014 Rupees	2013 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	66,544,718	65,626,944
Long term investments	5	577,575,710	559,094,735
Long term loan to subsidiaries	6	96,750,000	-
		<u>740,870,428</u>	<u>624,721,679</u>
CURRENT ASSETS			
Loans and advances	7	8,785,387	2,597,884
Deposits, prepayment and other receivables	8	5,877,117	6,861,087
Receivable from donors	9	101,255,176	76,717,784
Receivable from subsidiaries	10	1,355,814	7,133,115
Receivable from associated undertakings	11	1,692,486	1,572,197
Short term investments	12	231,796,746	307,750,237
Bank balances	13	172,391,344	292,449,238
		<u>523,154,071</u>	<u>695,081,542</u>
		<u>1,264,024,499</u>	<u>1,319,803,221</u>
FUND BALANCE			
Fund balance		805,425,793	787,000,153
NON CURRENT LIABILITIES			
Restricted grants	14	146,716,267	210,741,454
Deferred capital grant	15	64,808,618	64,219,877
Advance from International Bank for Reconstruction and Development	16	106,003,214	147,235,550
Loan from Accumen Fund Pakistan	17	66,650,000	77,400,000
		<u>384,178,099</u>	<u>499,596,881</u>
CURRENT LIABILITIES			
Current portion of loan from Accumen Fund Pakistan	17	10,750,000	8,600,000
Trade and other payables	18	63,670,607	24,606,187
		<u>74,420,607</u>	<u>33,206,187</u>
		<u>1,264,024,499</u>	<u>1,319,803,221</u>
CONTINGENCIES AND COMMITMENTS			
	19		

The annexed notes 1 to 34 form an integral part of these financial statements.


 CHAIRMAN


 DIRECTOR


 CHIEF EXECUTIVE OFFICER



THE AGA KHAN RURAL SUPPORT PROGRAMME
 (A company incorporated under section 42 of the Companies Ordinance, 1984)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	2014 Rupees	2013 Rupees
INCOME			
Grant income recognised	14	1,079,650,234	917,365,208
Amortization of deferred capital grant	15	20,325,203	17,825,264
Other income	20	124,298,672	79,042,368
		<u>1,224,274,109</u>	<u>1,014,232,840</u>
EXPENDITURE			
Civil society development	21	218,442,761	122,890,808
Gender and development	22	55,150,176	77,822,414
Resource development	23	578,651,489	595,476,040
Market development	24	205,045,887	89,802,541
Monitoring and evaluation	25	33,617,886	26,302,348
Management and administration	26	114,940,270	113,636,906
		<u>1,205,848,469</u>	<u>1,025,931,057</u>
SURPLUS/ (DEFICIT) FOR THE YEAR		<u><u>18,425,640</u></u>	<u><u>(11,698,217)</u></u>

The annexed notes 1 to 34 form an integral part of these financial statements.

CHAIRMAN

DIRECTOR

CHIEF EXECUTIVE OFFICER



THE AGA KHAN RURAL SUPPORT PROGRAMME
(A company incorporated under section 42 of the Companies Ordinance, 1984)
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	2014 Rupees	2013 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus / (deficit) for the year		18,425,640	(11,698,217)
Adjustment for non cash items:			
Depreciation		20,764,390	18,372,311
Net amortization of premium on investments		2,929,919	2,701,233
Interest income on investments		(41,064,898)	(39,792,907)
Exchange loss		924,730	1,855,344
Receivable from donors written off		13,967,224	1,766,771
Provision for doubtful receivables from donors		1,803,694	-
Interest income on long term loan		(10,750,000)	-
Impairment loss on investment in MSL		-	600,000
		(11,424,941)	(14,497,248)
		<u>7,000,699</u>	<u>(26,195,465)</u>
Working capital changes			
(Increase) / decrease in current assets			
Loans and advances		(6,187,503)	8,835
Deposits, prepayments and other receivables		983,970	(177,138)
Receivable from donors		(40,308,310)	46,731,851
Receivable from subsidiaries		5,777,301	(35,033)
Receivable from associated undertakings		(120,290)	(3,776,000)
Increase / (decrease) in current assets		<u>39,064,420</u>	<u>1,912,275</u>
Trade and other payables		(790,412)	44,664,590
		<u>6,210,287</u>	<u>18,469,125</u>
Cash generated from operations		<u>6,210,287</u>	<u>18,469,125</u>
Change in restricted grant		(64,025,187)	68,699,069
Change in deferred capital grant		588,741	1,963,715
Net cash from operating activities		<u>(57,226,160)</u>	<u>89,131,909</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(21,682,164)	(20,582,463)
Interest income on investments received		42,355,895	31,256,183
Investments encashed / purchased - net		53,251,600	19,553,031
Long term loan paid to subsidiaries		(86,000,000)	-
Net cash used in investing activities		<u>(12,074,669)</u>	<u>30,226,751</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Loan from Accumen Fund Pakistan		(8,600,000)	86,000,000
Advance from International Bank for Reconstruction and Development		(41,232,336)	3,341,472
Net cash used in financing activities		<u>(49,832,336)</u>	<u>89,341,472</u>
Effect of foreign currency exchange gain on cash and cash equivalents		(924,730)	(1,855,344)
Net decrease in cash and cash equivalents		<u>(120,057,894)</u>	<u>208,844,788</u>
Cash and cash equivalents at beginning of the year		<u>292,449,238</u>	<u>85,604,450</u>
Cash and cash equivalents at end of the year	13	<u>172,391,344</u>	<u>292,449,238</u>

The annexed notes 1 to 34 form an integral part of these financial statements.


CHAIRMAN


DIRECTOR


CHIEF EXECUTIVE OFFICER





Aga Khan Rural Support Programme (AKRSP)

Aga Khan Rural Support Programme is a private, non-profit company, established by the Aga Khan Foundation to help improve the quality of life of the villagers of Gilgit-Baltistan and Chitral (GBC). It was established in 1982 with the mandate to focus on economic and institutional development in collaboration with government departments, elected bodies, national and international development agencies and commercial institutions. Although AKRSP's own emphasis on the productive sectors, it is also expected assist others agencies in promoting social sector programmes. AKRSP was established to act as a catalyst for rural development, organizing local human and financial resources in order to enable the communities to bring about their own development in an equitable and sustainable manner.

AKRSP is a non-communal organization, working with all the people of its project area, and recruiting its staff from all over Pakistan.

Core Office - Gilgit

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Regional Programme Office, Gilgit

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Regional Programme Office, Chitral

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