

US to provide \$1 bn under Kerry-Lugar aid plan

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ISLAMABAD: At a time when bilateral ties between the US and Pakistan are at their lowest ebb, USAID's coordinator of economic and development assistance Richard Albright says Washington has committed \$1 billion under the Kerry Lugar Law (KLL) for Pakistan for the ongoing financial year. "Out of total committed amount of \$1 billion, USAID will provide \$500 million through an on-budget credit line while the remaining \$500 million will be disbursed in shape of an off-budget credit line but with full knowledge of the Economic Affairs Division (EAD) where this money was going," Richard Albright said while talking to The News after a ceremony to grant assistance to Pakistani researchers on various sectors of the economy here on Wednesday. When asked why the US did not take Islamabad into confidence about the details of spending related to off-budget utilisation of funds, Richard Albright said that they conducted weekly meetings with the EAD authorities and they were in full knowledge about where this money was being utilised.

About why the US had not so far approved the plan for the ongoing fiscal year, he said Washington has granted authorisation for providing \$1 billion to Pakistan and the process of issuing a Congressional notification was under way.

"The Congressional notification is done for various batches such as energy, economic growth and development and the social sector and so far Congressional notification was issued for \$400 million while the approval process was under way for the remaining amount," he added. Answering another query about the ongoing debate in the US about cutting Pakistan's aid by 50 percent, he said that these discussions were meant for the next financial year 2013, as the process of approving the next budget in the US might delay because of the coming elections.

Out of \$1 billion, he said almost 85 percent would be disbursed for economic growth and social sector development while 15 percent would be utilised for improving efficiency and the training of civil law-enforcing agencies.

He said that consolidation of projects was a regular phenomenon and currently there were 50 to 60 projects funded through KLL money. Earlier, during the ceremony, 22 Pakistani scholars were awarded a total of \$490,000 worth of grants by the United States for research on various fields related to economic development and markets.

The 22 winning proposals were selected from more than 180 applications from all over the country and abroad. A 15-member selection committee comprising internationally acclaimed scholars with extensive research experience in Pakistan and abroad picked the winners.

"This is yet another example of US support for Pakistan's development priorities. We believe that this research will help lay the foundations to the growth of Pakistan's economy, thus contributing to a more prosperous future for the people of this country," said Richard Albright while addressing the recipients of the grants.

The grant recipients are the winners of the nationwide grants competition sponsored by the U.S. Agency for International Development (USAID) and organised by the International Food Policy Research Institute (IFPRI) in cooperation with the government of Pakistan under the joint Pakistan Strategy Support Programme (PSSP).

The grants programme aims to encourage the involvement of Pakistan's academic community in developing research-based policy to facilitate sustained economic growth.

Through the Pakistan Strategy Support Programme, USAID will provide up to \$2.4 million in grants to support policy research over the next three years.

Seven of the grant recipients will conduct research in the field of economic governance, four will conduct research on the topic of creative cities and regions, two will conduct research on youth and communities, while nine will focus on markets.

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