International Bank for Reconstruction Development  
1818 H Street NW  
Washington, DC 20433  
United States of America  

Re: Loan Number 8600-PK  
(Punjab Jobs and Competitiveness Program)  
Performance Monitoring Indicators  

Dear Sir/Mesdames:  

We refer to Section III A of the Schedule 2 of the Loan Agreement (Punjab Jobs and Competitiveness Program) between the Islamic Republic of Pakistan the ("Borrower") and the International Bank for Reconstruction and Development the ("Bank") and Section III A of the Schedule to the Project Agreement between the Bank and the Province of Punjab of even date herewith for the above-mentioned Project.  

We hereby agree that the Performance Monitoring Indicators to monitor and evaluate the carrying out of the above-mentioned Project and the achievement of the objectives thereof are those set forth in the Attachment to this letter.  

Very truly yours,  

ISLAMIC REPUBLIC OF PAKISTAN  

By Authorized Representative  

PROVINCE OF PUNJAB  

By Authorized Representative  

Attachment
## Results Framework Matrix

**Program Development Objectives:** To improve the investment climate and promote investments and jobs in more inclusive and sustainable industrial estates in Punjab.

<table>
<thead>
<tr>
<th>PDO Level Results Indicators</th>
<th>Core</th>
<th>DL1</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Target Values</th>
<th>Frequency</th>
<th>Data Source/Methodology</th>
<th>Responsibility for Data Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDO Indicator 1 and DL1: Improvement in aggregate Doing Business performance for Punjab (business registration, contract enforcement, construction permit and property registration)</td>
<td>X</td>
<td>X</td>
<td>Absolute score using the DB16 methodology (100 being the best DB16 performer)</td>
<td>61</td>
<td>YR1 YR2 YR3 YR4 YR5</td>
<td>Annual</td>
<td>Doing Business Indicator</td>
<td>Doing Business Project Team (World Bank)</td>
</tr>
<tr>
<td>PDO Indicator 2: Progress made by Punjab on GSP+ Labor conventions as reported in the bi-annual EU evaluation</td>
<td>-</td>
<td>-</td>
<td>Progress made by Punjab on GSP+ Labor conventions as reported in the bi-annual EU evaluation</td>
<td>Significant progress made by Punjab reported in 2016 EU evaluation</td>
<td>- Significant progress made by Punjab reported in 2018 EU evaluation</td>
<td>Bi-annual</td>
<td>EU evaluation</td>
<td>Secretary of Industry and Commerce, Labor Department</td>
</tr>
<tr>
<td>PDO Indicator 3: Increase in number of workers in existing industrial estates (of which women)</td>
<td>-</td>
<td>-</td>
<td>Full time workers in existing PIEDMC and FIEDMC estates</td>
<td>82,000 (13,900)</td>
<td>82,000 (13,900) 85,000 (15,000) 95,000 (17,000) 110,000 (22,000) 140,000 (32,000)</td>
<td>Annual</td>
<td>Enterprise survey</td>
<td>PIEDMC/ FIEDMC</td>
</tr>
<tr>
<td>PDO Indicator 4: New investments in existing industrial estates (of which percentage of FDI)</td>
<td>-</td>
<td>-</td>
<td>US$ million invested in existing PIEDMC and FIEDMC estates</td>
<td>0 25 (25%)</td>
<td>25 (25%) 50 (30%) 100 (35%) 200 (40%) 300 (50%)</td>
<td>Annual (cumulative)</td>
<td>Enterprise survey</td>
<td>PIEDMC/ FIEDMC</td>
</tr>
</tbody>
</table>