



WHITE PAPER

2015-16

Government of Khyber Pakhtunkhwa
Finance Department

FOREWORD

Transparency and accountability are the two cornerstones of any pro-people government. They are the only means for reducing the literal and metaphorical gap between the people and the state and making them equal and essential part of the decision making process. The Provincial Government of Khyber Pakhtunkhwa has a strong commitment for open, transparent and accountable governance. This commitment is manifested by the promulgation of the Right to Information Act, 2013, and the Right to Services Act, 2013.

2. The publication of Budget White Paper by the Government is an on-going effort to present the budgetary information in a non-technical and easy to understand manner. Being the principle instrument for shaping and implementing fiscal policy of the Government, the presentation of budget through this orientation comprehensively portrays various facets of the budget. Hence, this publication ensures provision of needed information in user friendly manner with the aim of enabling common person understand the complex and inter-mingled information in an easy and cognizant manner. The key areas depicted in the Budget White Paper include current revenue receipts and expenditures, capital receipts and expenditures, development budget, funds and investment management, local government finances, debt management and key public financial management reforms.

3. It is pertinent to note here that beside other budgetary documents, the publication of Budget Estimates for Service Delivery and the Citizen's Budget are continued as part of greater commitment of the Government to educate its citizens on how their tax money is spent. The later leads to greater transparency whereas the former strengthens the fixation of accountability for the provision of public services. The readers are encouraged to read these two publications for greater understanding of the uses of public money by the Government.

4. The present Government is in the third year of its tenure and thus has deeply rooted its transformational agenda through coveted public investment endeavours. The government is now well set on reform trajectory towards realization of its earlier visualization. These public investment portfolios articulated through the budgetary allocations summarized in this document are drawn upon the directions and sectoral priorities set forth in the guiding manuscripts of the Provincial Government i.e. Strategic Development Partnership Framework, Integrated Development Strategy and Economic Growth Strategy. The budget for the year

2015-16 has been based on the principles of inclusive growth to march towards socio-economic development.

5. The White Paper for 2015-16 offers details on sector wise achievements and performance during last year and future plans for the ensuing year to transform the vision of the Government into reality. The performance and progress exhibited by the Government shall be viewed amid the challenging environment owing to multiple crises including insurgency and militancy, natural disasters viz-a-viz stringent socio-economic development imperatives. The formulation of budget, therefore, is a complex and difficult business for balancing the competing demands on resources for meeting the socio-economic development preferences of the Government. I, therefore, acknowledge the valuable support and guidance of the political leadership, especially the Honourable Chief Minister and Minister for Finance, for shaping the budget 2015-16. I also acknowledge the valuable contributions made by development partners, the Sub-National Governance Program and other organizations, professional bodies and all stakeholders.

6. It goes without saying that the dedication and hard work of the officials and officers of the Finance Department made it possible to put together the varied and voluminous information acquired from organizations across the Government in a meaningful and readable form for ease and understanding of the readers. I am also grateful to the line departments for providing their timely inputs and assistance in compilation of the White Paper and other budgetary publications.

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15th June 2015

ABBREVIATIONS

ADEO	Assistant District Education Officer	IDS	Integrated Development Strategy
ADP	Annual Development Program	INTOSAI	International Organization of Supreme Audit Institution
ADR	American Depository Receipts	IPD	Inverse Population Density
ASDEO	Assistant Sub Divisional Education Officer	JCB	Japan Credit Bureau
ASP	Assessment and Strengthening Program	JCR-VIS	Japan Credit Rating Agency - Vital Information Services
BBL	Oil Barrel	KCM	Kazi Committee Methodology
BCC	Budget Call Circular	KP	Khyber Pakhtunkhwa
BE	Budget Estimates	KPHA	Khyber Pakhtunkhwa Highway Authority
BOK	Bank of Khyber	KPOGCL	Khyber Pakhtunkhwa Oil & Gas Company Limited
BTR	Budget Transparency Review	KPRA	Khyber Pakhtunkhwa Revenue Authority
C&W	Communication and Works	KSE	Karachi Stock Exchange
CBDRM	Community Based Disaster Risk Management	KUST	Kohat University of Science and Technology
CBO	Community Based Organization	KWh	Kilowatt hour
CDL	Cash Development Loans	LGA	Local Government Act
CDLD	Community Driven Local Development	LRH	Lady Reading Hospital
CM	Chief Minister	M&E	Monitoring and Evaluation
CNG	Compressed Natural Gas	M&R	Maintenance and Repair
CVT	Capital Value Tax	M. Ton	Metric Tonnes
DCTE	Directorate of Curriculum and Teachers Education	MCH	Mother and Child Health
DDCF	District Delivery Challenge Fund	MGCL	Mari Gas Company Limited
DGCD	District Governance and Community Development	MMBTU	Million Metric British Thermal Units
DHQ	District Head Quarter	MMCF	Million Cubic Feet
DRM	Disaster Risk Management	MNA	Member of National Assembly
E&P	Energy and Power	MPCL	Mari Petroleum Company Limited
E&SE	Elementary and Secondary Education	MTBF	Medium Term Budgetary Framework
FATA	Federally Administered Tribal Areas	NEPRA	National Electric Power Regulatory Authority
FBE	Forward Budget Estimates	NFC	National Finance Commission
FM	Frequency Modulation	NGO	Non-Governmental Organization
FY	Financial Year	NHP	Net Hydel Profit
GDP	Gross Domestic Product	NWA	North Waziristan Agency
GoKP	Government of Khyber Pakhtunkhwa	NWFP	North West Frontier Province
GST	General Sales Tax	O&M	Operation and Maintenance
HLD	High Level Dialogue	OBB	Output Based Budgeting
HMC	Hayatabad Medical Complex	OECD	Organization for Economic Cooperation and Development
HRF	Human Resource Facility		

OGDCL	Oil & Gas Development Company Limited	RMU	Reforms Management Unit
OGRA	Oil and Gas Regulatory Authority	ROA	Return on Assets
OPL	Ocean Pakistan Limited	ROE	Return on Equity
OZ&T	Octroi and Zilla Tax	RR&S	Relief, Rehabilitation and Settlement
P&D	Planning and Development	RTI	Right to Information
PACRA	Pakistan Credit Rating Agency	RTS	Right to Public Services
PaRRSA	Provincial Reconstruction and Rehabilitation Authority	SBP	State Bank of Pakistan
PASSCO	Pakistan Agricultural Storage & Services Corporation	SCC	Sectoral Coordination Committees
PBMC	Provincial Building Maintenance Cell	SDPF	Strategic Development Partnership Framework
PCSW	Provincial Commission on Status of Women	SHYDO	Sarhad Hydel Development Organization
PDMA	Provincial Disaster Management Authority	SNE	Schedule of New Expenditure
PEDO	Pakhtunkhwa Energy Development Organization	SNG	Sub-National Governance Programme
PEFA	Public Expenditure and Financial Accountability	SNGPL	Sui Northern Gas Pipeline Limited
PEPCO	Pakistan Electric Power Company	SSGCL	Sui Southern Gas Company Limited
PFC	Provincial Finance Commission	TDP	Temporarily Displaced Persons
PFM	Public Financial Management	TEC	Technical Evaluation Committee
PHE	Public Health Engineering	TMO	Trainee Medical Officer
POL	Petroleum Oil Lubricants	UBP	Utility Bill Payment
PPL	Pakistan Petroleum Limited	UC	Union Council
PSDC	Petroleum Social Development Committees	UNDP	United Nations Development Program
R&D	Research and Development	USAID	United States Agency for International Development
RE	Revised Estimates	WAPDA	Water and Power Development Authority

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GENERAL ABSTRACT

GENERAL ABSTRACT OF REVENUES AND EXPENDITURE 2015-2016

Rs. In Million

REVENUES	Budget Estimates 2015-16	EXPENDITURE	Budget Estimates 2015-16
A-General Revenue Receipts		A-Current Revenue Expenditure	
Federal Tax Assignment	250,892.750	General Public Service	177,350.409
1% of Divisible Pool for War on Terror	30,146.555	Civil Defence	14.236
Straight Transfers	19,412.863	Public Order and Safety Affairs	41,374.473
GST on Services (Provincial)	14,000.000	Economic Affairs	18,094.726
Provincial Own Receipts (Tax & Non Tax)	37,124.790	Environmental Protection	46.903
Net Profit from Hydel Power Generation	17,000.000	Housing and Community Amenities	8,528.437
Arrears of Net Hydel Profit	51,873.042	Health (Excluding Health Education)	16,701.079
Incentive on Surplus Cash Balance	2,000.000	Recreation, Culture and Religion	782.716
Hydel Power Own Generation	3,300.000	Education Affairs and Services (Including Health Education etc)	28,549.698
		Social Protection	6,557.323
Total-A	425,750.000	Total-A	298,000.000
B-General Capital Receipts		B-Current Capital Expenditure	
Recoveries of Loans & Advances	250.000	Repayment of Loans	14,910.000
Recoveries of Investment of Hydel Development Fund	15,000.000	Loans and Advances	90.000
Total-B	15,250.000	Total-B	15,000.000
C-Development Receipts		C-Development Expenditure	
Foreign Projects Assistance	32,884.000	ADP (Provincial)	111,726.000
Financing from Past Savings	14,000.000	ADP (Districts)	30,274.000
		Foreign Projects Assistance	32,884.000
Total-C	46,884.000	Total-C	174,884.000
Total Revenues (Account-I)	487,884.000	Total Expenditure (Account-I)	487,884.000
Receipts and Recoveries (Account-II)	101,858.000	Capital Expenditure (Account-II)	101,858.000

BUDGET AT A GLANCE

Rs. In Million

Description	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
A - GENERAL REVENUE BUDGET			
General Revenue Receipts	357,205.000	307,374.717	425,750.000
Revenue Expenditure	250,000.000	255,000.000	298,000.000
Net Revenue Account (Deficit/Surplus)	107,205.000	52,374.717	127,750.000
B - CURRENT CAPITAL BUDGET			
General Capital Receipts	250.000	1,015.068	15,250.000
Current Capital Expenditure	15,000.000	8,000.000	15,000.000
Net Capital Account (Deficit/Surplus)	(14,750.000)	(6,984.932)	250.000
C-Surplus for Development (A+B)	92,455.000	45,389.785	128,000.000
D - ADP FINANCING ITEMS			
PSDP	-	3,436.773	-
Operational Shortfall	12,000.000	-	-
Foreign Project Assistance	35,350.000	30,121.464	32,884.000
Foreign Grants (PDMA+Others)	-	1,387.326	-
Total ADP Financing Items	47,350.000	34,945.563	32,884.000
Financing from Savings in Expenditure till June 2015		36,401.980	-
Financing from Past Savings	-	18,000.000	14,000.000
Resources for Development	139,805.000	80,335.348	160,884.000
Development Expenditure	139,805.000	134,737.328	174,884.000
Total Resources (A+B+C+D)	404,805.000	397,737.328	487,884.000
Total Expenditure (A+B+D)	404,805.000	397,737.328	487,884.000
Net (Deficit/Surplus) (Account-I)	-	-	-
General Capital Expenditure (Account-II)	101,513.719	43,721.000	101,858.000
Less Receipts and Recoveries	(101,513.719)	(43,721.000)	(101,858.000)
Net (Deficit/Surplus) (Account-II)	-	-	-

SUMMARY POSITION OF REVENUES FOR THE YEAR 2014-15 & 2015-16

Rs. In Million

Description	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
A-General Revenue Receipts			
Federal Tax Assignment	227,121.193	210,676.436	250,892.750
1% Divisible Pool for War on Terror	27,290.233	25,314.279	30,146.555
Straight Transfers	29,263.451	24,179.243	19,412.863
GST on Services (Provincial)	12,000.000	12,000.000	14,000.000
Provincial Own Receipts (Tax & Non-Tax)	13,930.777	15,555.240	37,124.790
Net Profit from Hydel Power Generation	12,000.000	9,400.000	17,000.000
Arrears of Net Hydel Profit	32,272.346	-	51,873.042
Population Welfare Programme	477.000	1,283.000	-
Incentive on Surplus Cash	-	4,377.939	2,000.000
Extra Budgetary Grant (Non-Dev)	-	1,738.580	-
Hydel Power Own Generation	2,850.000	2,850.000	3,300.000
Total General Revenue Receipts (A)	357,205.000	307,374.717	425,750.000
B-General Capital Receipts			
Recoveries of Loans & Advances	250.000	1,015.068	250.000
Recoveries of Investment of Hydel Development Fund	-	-	15,000.000
Total General Capital Receipts (B)	250.000	1,015.068	15,250.000
C-Development Receipts			
Special Federal Grant PSDP	-	3,436.773	-
Foreign Grants		1,387.326	
Foreign Project Assistance	35,350.000	30,121.464	32,884.000
Operational Shortfall	12,000.000		
Financing from Savings in Expenditure till June 2015		36,401.980	
Financing from Past Savings	-	18,000.000	14,000.000
Total Development Receipts (C)	47,350.000	89,347.543	46,884.000
Total Revenues (A+B+C)	404,805.000	397,737.328	487,884.000

SUMMARY POSITION OF EXPENDITURE FOR THE YEAR 2014-15 & 2015-16

Rs. In Million

Description	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
A-Current Revenue Expenditure			
General Public Service	73,280.963	69,698.667	177,350.409
Civil Defence	62.280	76.849	14.236
Public order and Safety Affairs	35,428.108	39,614.953	41,374.473
Economic Affairs	19,340.205	18,785.872	18,094.726
Environmental Protection	37.048	33.221	46.903
Housing and Community Amenities	4,770.370	4,646.432	8,528.437
Health (Excluding Health Education)	20,985.728	24,409.121	16,701.079
Recreation, Culture & Religion	818.078	747.443	782.716
Education Affairs and Services (Including Health Education etc)	87,632.332	87,729.707	28,549.698
Social Protection	7,644.888	9,257.735	6,557.323
Total Current Revenue Expenditure (A)	250,000.000	255,000.000	298,000.000
B-Current Capital Expenditure			
(i) Financial & Fiscal Affairs	14,710.000	6,910.000	14,910.000
of which Foreign Debt Management	4,975.000	4,975.000	5,314.000
Domestic Debt Management	9,735.000	1,935.000	9,596.000
(ii) Financial & Fiscal Affairs	290.000	1,090.000	90.000
Total Current Capital Expenditure (B) (i+ii)	15,000.000	8,000.000	15,000.000
C-Development Expenditure			
ADP (Provincial)	98,378.000	98,718.714	111,726.000
ADP (Districts)	1,672.000	1,672.000	30,274.000
Special Federal Programme PSDP (i+ii)	0.000	4,225.150	0.000
of which: i Grants		4,214.573	
ii Loans		10.577	
Foreign Project Assistance	39,755.000	30,121.464	32,884.000
Total Development Expenditure (C)	139,805.000	134,737.328	174,884.000
Total Expenditure (A+B+C)	404,805.000	397,737.328	487,884.000

MEDIUM TERM FISCAL FRAMEWORK 2015-18

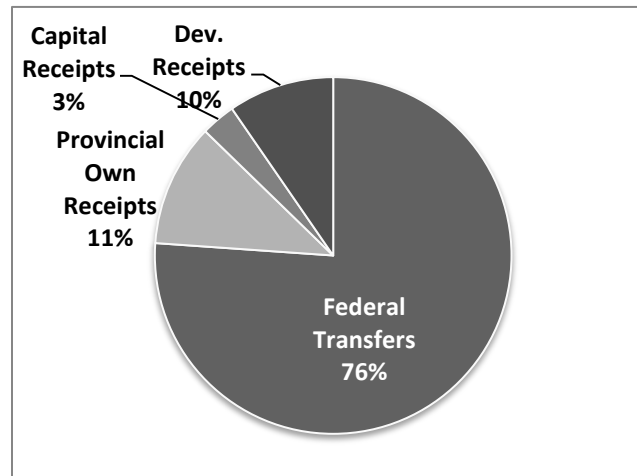
Rs. In Million

Accounting Heads	Actual 2013-14	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16	Forecast 2016-17	Forecast 2017-18
Total Revenue	312,989	404,805	397,737	487,884	526,100	580,920
Federal Transfers	232,988	283,674	260,170	300,453	347,850	402,348
Federal Tax Assignment	180,013	227,121	210,677	250,893	286,100	328,900
1% for War on Terror	21,630	27,290	25,314	30,147	34,300	39,440
Straight Transfers	31,345	29,263	24,179	19,413	27,450	34,008
Provincial Tax & Non Tax Revenue	20,011	28,781	30,405	54,425	63,000	75,322
Provincial Tax Receipts	10,480	19,453	19,832	22,595	28,000	33,668
Property tax	463	123	123	218	257	306
General Sales Tax(Provincial)	5,668	12,000	12,000	14,000	18,000	22,000
Excise duties	25	33	33	38	42	46
Stamp duties	713	740	740	814	895	985
Motor vehicles tax	844	990	990	1,139	1,252	1,378
Infrastructure Dev Cess	-	2,000	2,000	1,000	1,100	1,210
Other	2,767	3,567	3,946	5,386	6,453	7,744
Provincial Non-Tax Receipts	9,531	9,328	10,573	31,830	35,000	41,654
Interest	339	116	321	116	128	140
Irrigation	845	500	525	551	650	767
Hydel Own Generation	2,800	2,850	2,850	3,300	3,600	4,000
Others	5,547	5,862	6,877	27,863	30,622	36,746
Profits from Hydro electricity	33,100	12,000	9,400	17,000	17,000	17,000
Financing From HDF	-	-	-	15,000	12,000	-
Financing From Past Savings	-	-	18,000	14,000	-	-
Grants	21,779	27,558	36,058	29,661	28,000	28,000
Population Welfare	834	477	1,283	-	-	-
Incentive on Cash Balance	1,504	-	4,378	2,000	1,000	1,000
Funds Transferred from Distt A/C-IV	5,690	-	-	-	-	-
Other Non Development Grants from Federal			238			
PSDP(Federal)	2,866	-	3,437	-	-	-
Foreign Grants (PDMA)	-	-	1,500	-	-	-
Foreign Grants (Others)	-	-	1,388	-	-	-
Foreign Grants (FPA)	10,885	27,081	23,834	27,661	27,000	27,000
Capital Receipts	5,111	8,519	7,302	5,473	8,250	8,250
Recovery of Investment & loans	537	250	1,015	250	250	250
Access to Justice Programme	54	-		-		
Foreign Loans (FPA)	4,520	8,269	6,287	5,223	8,000	8,000

Accounting Heads	Actual 2013-14	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16	Forecast 2016-17	Forecast 2017-18
Operational shortfall	-	12,000	-	-	-	-
NHP arrears	-	32,272	-	51,872	50,000	50,000
Financing Savings in expenditure till June 2015	-	-	36,402			
Total Expenditure	290,668	404,805	397,737	487,884	526,100	580,920
Current Expenditure	191,000	250,000	255,000	298,000	330,000	367,000
Salary	118,419	145,772	143,652	82,445	90,690	99,780
Pension	21,439	31,000	31,442	37,043	42,600	48,990
Non-Salary O&M and Contingency	27,960	37,106	46,686	42,626	48,590	55,879
Relief Measures	2,494	4,202	4,356	4,202	4,620	5,100
Subsidy	2,500	2,715	2,715	2,900	2,900	2,900
Investment & committed contribution	9,500	12,000	13,944	13,400	14,700	16,000
Interest Payments	6,000	13,090	8,090	13,000	13,000	13,000
Transfer to Local Government	2,688	4,115	4,115	102,384	112,900	125,351
<i>Local Councils</i>	<i>2,688</i>	<i>4,115</i>	<i>4,115</i>	<i>4,526</i>	<i>5,000</i>	<i>5,560</i>
<i>District Salary</i>		-		92,555	96,800	107,851
<i>District Non Salary</i>		-		5,303	11,100	11,940
Capital Expenditure	14,481	15,000	8,000	15,000	11,100	12,120
Domestic Debt	680	1,530	1,230	500	-	-
Federal Debt	3,125	8,205	705	9,096	5,000	5,000
Foreign Debt	4,400	4,975	4,975	5,314	6,000	7,000
Initiatives & Others	6,276	290	1,090	90	100	120
Fiscal Space	107,508	139,805	134,737	174,884	185,000	201,800
Development Expenditure	85,187	139,805	134,737	174,884	185,000	201,800
ADP(Provincial)	67,044	98,378	98,719	111,726	118,500	131,772
ADP(Districts)	-	1,672	1,672	30,274	31,500	35,028
PSDP	2,738	-	4,225	-	-	-
Foreign Project Assistance	15,405	39,755	30,121	32,884	35,000	35,000
Total Revenue	312,989	404,805	397,737	487,884	526,100	580,920
Total Expenditure	290,668	404,805	397,737	487,884	526,100	580,920
Surplus /Deficit	22,321	-	-	-	-	-

CHAPTER 1 - RECEIPTS

Total receipts of the Province comprise of General Revenue Receipts, Capital receipts and Development Receipts (Foreign Projects Assistance). For Financial Year 2015-16 the total receipts are estimated at Rs. **487,884** million which is 20.5% higher from Rs. **404,805** million in Financial Year 2014-15. The revised estimates for Financial Year 2014-15 have been pitched at Rs. **397,737.328** million to be achieved by June 2015.



Estimates of Receipts 2015-16

GENERAL REVENUE RECEIPTS

The General Revenue Receipts consist of federal transfers and Provincial Own Receipts. For Financial Year 2015-16 the general revenue receipts are estimated at Rs. **425,750.000** million which shows an increase of 19% over Rs. **357,205.000** million for the Financial Year 2014-15.

1. TRANSFERS FROM FEDERAL GOVERNMENT

Federal resource transfers comprise of Shared Taxes (NFC), Straight Transfers and Other grants including NHP and arrears which make up a major chunk of receipts of the Province. These transfers constitute 84.4% of the total General Revenue Receipts of the Province. The Shared Taxes (NFC) are governed by Part-VI Chapter-1 of the Constitution of Pakistan, which provides a framework for distribution of resources between the federation and the provinces. An amount of Rs. **371,325.210** million is expected to be transferred from the Federal Government to the Province during Financial Year 2015-16.

Transfers from Federal Government (Rs. in million)

Particulars	BE 2013-14	BE 2014-15	RE 2014-15	BE 2015-16
Federal Tax Assignment	198,269.368	227,121.193	210,676.436	250,892.750
<i>Taxes on Income</i>	<i>77,375.842</i>	<i>94,921.081</i>	<i>89,038.168</i>	<i>108,216.481</i>
<i>Custom Duties</i>	<i>22,163.477</i>	<i>22,602.791</i>	<i>20,568.942</i>	<i>24,128.199</i>
<i>Sales Tax</i>	<i>85,865.181</i>	<i>95,902.435</i>	<i>88,884.604</i>	<i>102,735.706</i>
<i>Capital Value Tax (CVT)</i>	<i>0</i>	<i>55.944</i>	<i>90.055</i>	<i>109.417</i>
<i>Central Excise</i>	<i>12,864.868</i>	<i>13,638.942</i>	<i>12,094.667</i>	<i>15,702.947</i>

1% of Divisible Pool for war on Terror	23,823.481	27,290.233	25,314.279	30,146.555
Straight Transfers	27,495.741	29,263.451	24,179.243	19,412.863
<i>Royalty on Crude Oil</i>	<i>16,103.850</i>	<i>16,357.690</i>	<i>14,918.446</i>	<i>9,294.134</i>
<i>Royalty on Natural Gas</i>	<i>5,071.637</i>	<i>4,234.362</i>	<i>3,679.110</i>	<i>4,143.940</i>
<i>Gas Development Surcharge</i>	<i>5,127.490</i>	<i>6,228.259</i>	<i>4,262.241</i>	<i>3,558.109</i>
<i>Excise Duty on Natural Gas</i>	<i>1,192.764</i>	<i>2,443.140</i>	<i>1,319.446</i>	<i>2,416.680</i>
Other Federal Transfers/Grants	31,477.000	44,749.346	15,299.207	70,873.042
Total Federal Transfers	281,065.590	328,424.223	275,469.165	371,325.210

NATIONAL FINANCE COMMISSION AWARD

Article 160 of the Constitution provides for the setting up of a National Finance Commission (NFC) to periodically make recommendations to the President as to:-

- The distribution between the Federation and the Provinces of the net proceeds of the taxes mentioned in clause (3);
- The making of grants-in-aid by the Federal Government to the Provincial Governments;
- The exercise by the Federal Government and the Provincial Governments of the borrowing powers, conferred by the Constitution; and
- Any other matter relating to finance referred to the Commission by the President.

The last National Finance Commission had awarded the 7th NFC Award on 18th March, 2010, in which the Federal Government cut down its collection charges from 5% to 1%, which largely benefits the Provinces. The share of Provinces in vertical distribution was also increased from 49% to 56% during 2010-11 and to 57.5% during the remaining years of the Award.

The traditional population based criteria for horizontal distribution of resources amongst the Provinces was changed to Multiple-Criteria Formula for the first time. According to these criteria 82% distribution was made on population, 10.3% on poverty and backwardness, 5% on revenue collection/generation, and 2.7% on inverse population density (IPD).

Realizing the role of Khyber Pakhtunkhwa in the war on terror 1% of the net divisible pool was assigned to this Province. Under this new formula, the shares of Punjab, Sindh and Khyber Pakhtunkhwa were reduced by 1.27%, 0.39% and 0.26% respectively from previous awards, while Baluchistan's share increased.

The subvention/special grant and grant in lieu of Octroi and Zilla Tax (1/6th of sales tax) have been abolished. The net share of the Provinces (from the divisible pool and grant for war on terror) as compared to the share allocated on the basis of population and 1/6th of Sales Tax and Special Grant is as under:-

Share of Provinces in the divisible pool as per 7th NFC Award

Province	% Share on the basis of previous award	% Share on the basis of 7 th NFC Award	Grant for War on Terror	Grant for Compensation on account of OZ&T	Total % Share
Punjab	53.20	51.74	-	-	51.74
Sindh	24.96	24.55	-	0.66%	25.21¹
Khyber Pakhtunkhwa	14.78	14.62	1.80%	-	16.42²
Baluchistan	7.05	09.09	-	-	9.09
Total	100	100			

The 8th NFC was constituted on 21st July, 2010, but it did not give any Award. The 9th NFC has been constituted on April 24, 2015 and its 1st meeting was held on 28th April, 2015. NFC, in its first meeting decided to constitute four working groups to undertake thematic studies and put forth their recommendations for consideration by the Commission. Khyber Pakhtunkhwa is heading working Group-III assigned with the task of preparation of a draft report on “Allocative Efficiency Analysis and Expenditure Management at the Federal and Provincial levels”. The present Award will remain operative till the finalization and implementation of 9th NFC Award. The shares of Provinces in the Divisible Pool have been worked out in accordance with the 7th NFC Award, 2009. Comparative position of the total transfers to Provinces under 7th NFC Award, for the financial year 2015-16 is as follows:-

Funds to be transferred to the Provinces during Financial Year 2015-16 (Rs. In million)

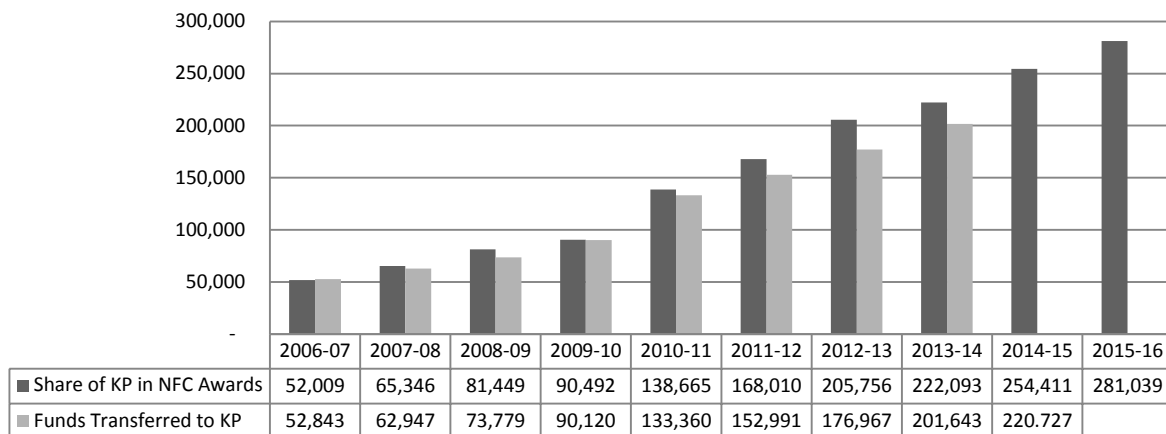
Province %share	Budget Estimate 2015-16	1% of total Divisible Pool for War on Terror Grant (1.8% of the provincial pool)	Total
Punjab (51.74%)	887,906.351	-	887,906.351
Sindh (24.55%)	421,300.752	-	421,300.752
Khyber Pakhtunkhwa (14.62%)	250,892.750	30,146.555	281,039.305
Baluchistan (09.09%)	155,992.825	-	155,992.825
Total	1,716,092.678	-	1,746,239.233

Historically the actual funds transferred to Khyber Pakhtunkhwa each year have been less than the share. The trend over the last ten years is given in the figure below.

¹ Grant-in-Aid to Sindh, equivalent to 0.66% of the net Provincial Divisible Pool as compensation for losses on account of abolition of OZ&T

² The grant for war on terror is 1% of the total divisible pool, which is equivalent to 1.8% of the provincial share in the net proceeds of provincial divisible pool

(Rs. In million)



Trend of actual transfers compared to Khyber Pakhtunkhwa shares under NFC Awards

NET HYDEL PROFIT

Article 161(2) of the Constitution of Pakistan grants the net profits earned by the Federal Government, or any agency established or administered by the Federal Government, from power generation at a hydro-electric station to the Province in which the station is situated. However, there has been much conflict about computation of Net Hydel Profits (NHP).

For the first time a sum of Rs. 6 billion NHP was paid during Financial Year 1991-92, based on the provisional profits of WAPDA calculated for 1990-91 through Kazi Committee Methodology (KCM). The said amount has been capped since then, despite the fact that power tariff has been increased manifold.

An Arbitration Tribunal was constituted by the Federal Government on 31st October, 2005, to resolve the dispute caused by difference of opinion about the computation of NHP between the Government of Khyber Pakhtunkhwa and WAPDA. The Arbitration Tribunal agreed with KCM for calculating NHP payable for the year 1991-92 but did not apply KCM for the years onward. The Tribunal rather adhered to a mechanism of compound indexation of 10% per annum in NHP using figures of Rs. 6,923 million as benchmark. The Arbitration Tribunal announced its award on 9th October, 2006, awarding Rs. 110.101 billion to the GoKP.

During the proceedings of 7th NFC Award a partial resolution was achieved as the Federal Government agreed to honour the judgment of Arbitration Tribunal and released Rs. 10 billion on 16th November 2009. The balance amount of Rs. 100 billion was paid in four equal installments of Rs. 25 billion per annum up to June 2014. For the remaining issues a Technical Committee was constituted for making recommendation on account of arrears and allied issues.

The Government of Khyber Pakhtunkhwa has taken the following stance on the issues of NHP before the technical committee:

- Khyber Pakhtunkhwa shall not accept reopening of issues already decided/settled.
- Any settlement must conform to the parameters of Awards.
- The calculation of NHP shall be in accordance with KCM or indexation formula of 10% per annum.

The Technical Committee after thorough deliberations made a number of decisions to resolve the conflict. These decisions were later considered at the level of Finance Minister on 14th March, 2013, at the side-lines meeting of 8th NFC and were accordingly circulated on 16th March, 2013. The decisions taken are as under:

- (i) NHP from 2005-06 and onward (Principal + Mark-up):-The committee decided that an amount of Rs.45 billion be paid to the GoKP assuming different NHP rates at Ps.60 per KWh for 2005-06, Ps.70 per KWh for 2006-07 and 2007-08 ,Ps.80 per KWh for 2008-09 and 2009-10 and Ps. 90 per KWh for 2010-11 and 2011-12.
- (ii) Uncapping of existing NHP:- The Federal Govt: agreed that the rate of NHP shall be Rs.1.10 per kwh to be approved w.e.f financial year 2015-16 with an indexation @ 5% per annum.
- (iii) Markup on unpaid Award amount of Rs. 110 billion upto 2004-05:-The Committee agreed that payment of Rs. 56.59 billion may be paid to Government of Khyber Pakhtunkhwa as mark up on Award amount.

The present Provincial Government has been actively engaged since it came into power for the resolution of the issue of NHP at all levels bringing it to its logical conclusion. In this connection, the Provincial Government has made full efforts by arranging consultative Jirgas of the ex-Finance Ministers, MNAs/ Senators of the Khyber Pakhtunkhwa and Parliamentary Leaders of the Provincial Assembly. The matter was also raised before the Prime Minister in a meeting held in Islamabad on 28th January, 2014.

The above mentioned recommendations of the Technical Sub-Committee were placed for consideration of a meeting held on 16th March, 2015, chaired by the Minister for Water and Power. A consensus emerged in the meeting to resolve the matter and it was decided to reduce the terms of the consensus arrangement in the form of an agreement. Accordingly, the GoKP prepared a draft agreement approved by the Chief Minister, Khyber Pakhtunkhwa, and sent to the Ministry of Water & Power, Government of Pakistan Islamabad on 21st April, 2015, to be shared with all stakeholders. The Provincial Government has been vigorously pursuing the case with Federal Government so that NHP is uncapped and arrears are paid to this Province from financial year 2015-16 in accordance with the recommendation of Technical Committee. Response of the Federal Government for vetting of the agreement through Law Division is still awaited.

10% SHARE OF NET HYDEL PROFIT TO THE DISTRICTS WHERE DAMS ARE LOCATED

The Provincial Government has decided to transfer 10% share of Net Hydel Profits receivable from WAPDA/Federal Government to the respective districts where the dams are located. In this regard earlier Report of the Committee headed by the Chief Secretary, for devising a mechanism for utilization of the 5% share was approved by the Provincial Cabinet, effective from Financial Year 2008-09. The said share will be over and above the District's & Provincial ADP which will be utilized on Developmental activities (i.e. Technical Education, Health facilities, and roads, scholarship for the affecties, Water supply schemes, Electricity and supply of Gas). The then Chief Minister Khyber Pakhtunkhwa on the occasion of windup speech on Budget 2012-13 in the Provincial Assembly announced to enhance the share of NHP from 5% to 10% with effect from 01-07-2012. Now on the basis of 10% share of NHP, the Provincial Government is providing Rs. 600 million to the respective districts from financial year 2012-13 and onward. The policy of 10% share of NHP is also applicable in respect of affected areas of Malakand-III Hydel Power Project since accrual of its Hydel profits from generation of power.

REVENUE FROM OIL AND GAS

According to 7th NFC Award, Khyber Pakhtunkhwa's share in the net proceeds of the total royalties on crude oil in a year is equal to the proportion of crude oil produced in Khyber Pakhtunkhwa in that year out of the total annual production of crude oil in the Country.

The Provincial Government gets revenues on account of the following: -

1. Royalty on Oil
2. Royalty on Gas
3. Gas Development Surcharge
4. Excise Duty on Gas

The Province has been blessed with vast natural resources like water, forests, minerals, gem stones, oil and gas. Huge deposits of oil & gas were discovered in southern belt of the Province, including district Kohat, Karak and Hangu. As of May 2015, an area of around 363,639 square kilometer is under exploration for oil and gas throughout the country, 8.80% (32,018 km²) of which is in Khyber Pakhtunkhwa.

The oil and gas sites in Khyber Pakhtunkhwa fall in Potohar Region, wherein almost all the major oil /gas fields including Chanda, Tal and Nashpa oil and gas reserves are situated. It has created an atmosphere of competition for fresh leases of exploration in the area. Eight companies are presently working in Khyber Pakhtunkhwa which shows promising prospects for oil and gas exploration in the area. The Oil & Gas Development Company Limited (OGDCL) has licenses and leases for the most blocks and sq.km of area, followed by MGCL and MOL. Other companies operating in Khyber Pakhtunkhwa are Hycarbex, Al Haj, OPL, PPL and Tullow.

The estimated production from various operationalized oil/gas fields in Tal, Chanda, and Nashpa blocks in Financial Year 2014-15 and 2015-16 are given below:-

Production of oil and gas from operationalized fields³

Company	Field	District Name	Actual 2013-14		July 2014– June 2015 (Revised Estimate)		July 2015 June 2016 (Budget Estimate)	
			Oil (BBL)	Gas (MMCF)	Oil (BBL)	Gas (MMCF)	Oil (BBL)	Gas MMCF
Mol	Manzali	Karak	432,906	36,480	307,421	24,000	318,645	17,777
	Makori	Karak	52,893	1,206	25,853	792	0	519
	Makori East	Karak	3,703,935	14,255	5,225,544	23,461	6,010,820	25,556
	MamiKhel	Kohat	816,820	17,844	400,833	11,866	146,000	8,765
	Maramzai	Hangu	1,305,536	35,053	1,340,951	36,379	1,219,100	40,283
	Tolanj		0	0	0		0	3,559
OGDCL	Mela	Kohat	1,281,383	4,038	752,315	3,540	630,720	2,897.37
	Chanda	Kohat	965,494	2,048	672,500	1,460	527,425	1,314
	Nashpa	Karak	6,297,992	24,205	7,194,919	29,200	4,446,065	32,120
Total			14,856,959	135,129	15,920,336	34,200.5	13,298,775	132,790.37

These oil/gas fields have sufficient reserves, with an estimated 205.491 million US barrels balance recoverable oil reserves and 1,413.791 billion cubic feet of balance recoverable gas reserves.

Royalty on oil/gas is payable by the exploration and production companies to the Government at the rate of 12.50% of the wellhead value. It is payable monthly within 10 days of the calendar month in question as per Rule 36(2) of the Pakistan Petroleum Exploration and Production Rules, 1986. The Wellhead value is determined by the Government of Pakistan after every six months.

Khyber Pakhtunkhwa is the first Province to have established a provincial Oil & Gas Company (KPOGCL) in 2013 under the administrative control of Energy & Power Department to carry out fast track exploration and production of oil and gas. The Company is headed by a fully independent KPOGCL Board having a majority membership from private sector.

Gas Development Surcharge is the margin available to the Government caused by the difference in the sale price for consumers as determined by OGRA and prescribed price for Gas Companies on the basis of their fixed return, as defined in the Natural Gas (Development Surcharge) Ordinance, 1967. The prescribed price of Sui Northern Gas Pipeline Ltd (SNGPL) and Sui Southern Gas Company Limited (SSGCL) is based on the following:-

³ Source: Directorate of Petroleum Concessions, Ministry of Petroleum and Natural Resources

- Wellhead price of gas
- Excise Duty at Wellhead
- Operation and Maintenance Cost
- Depreciation
- Returns of Gas Company (17.5% SNGPL and 17% SSGCL) on assets

Royalty and Gas Development Surcharge are inversely proportional to each other. In case, the wellhead value is more, there will be more royalty but less Gas Development Surcharge and vice versa.

As per the 7th NFC Award, “each of the Provinces shall be paid in each financial year as a share in the net proceeds to be worked out based on average rate per MMBTU of the respective Province. The average rate per MMBTU shall be derived by notionally clubbing both the royalty on Natural Gas and development surcharge on gas. Royalty on natural gas shall be distributed in accordance with clause (1) of Article 161 of the Constitution whereas the development surcharge on natural gas would be distributed by making adjustments based on this average rate”.

Status of actual receipts from the Federal Government since commercial production of oil and gas has started from the wells located in Khyber Pakhtunkhwa is given as under:-

Receipts from Federal Government on account of oil & gas (Rs. in million)

S.No	Year	Royalty on Crude Oil	Royalty on Gas	Excise Duty on Gas	Gas Dev: Surcharge	Total
1	2004-05 (Actual)	263.793	109.370	44.280	69.828	487.271
2	2005-06 (Actual)	492.009	351.050	24.591	316.229	1,183.879
3	2006-07 (Actual)	1,090.718	462.418	123.290	632.717	2,309.143
4	2007-08 (Actual)	3,027.076	537.988	206.236	418.236	4,189.536
5	2008-09 (Actual)	3,111.402	733.212	149.130	246.028	4,239.772
6	2009-10 (Actual)	1,942.240	1,261.458	286.046	1,026.155	4,515.899
7	2010-11 (Actual)	8,341.297	3,814.063	1,098.413	3,315.039	16,568.812
8	2011-12 (Actual)	11,651.551	4,153.840	1,173.511	1,786.062	18,764.964
9	2012-13 (Actual)	12,871.058	3,740.504	1,371.329	1,647.816	19,630.707
10	2013-14 (Actual)	19,755.081	4,451.267	1,383.967	5,754.628	31,344.943
11	2014-15 (Revised Estimate)	14,918.446	3,679.110	1,319.446	4,262.241	24,179.243
12	2015-16 (Budget Estimate)	9,294.134	4,143.940	2,416.680	3,558.109	19,412.863

Production Bonus: Under the Petroleum Exploration and Production Policy 2012, the “production bonuses” from exploration and production of oil and gas are to be spent on social welfare projects in and around the respective contract areas according to the guidelines issued by the Provincial Government from time to time. In accordance with the policy, the

Energy & Power Department issued guidelines for the utilization of production bonus as obligations of the E&P companies vide letter dated 24th April, 2013.

The funds are spent through the Petroleum Social Development Committees (PSDC) chaired by the MNA of the concerned District/Constituency and membership of District MPAs, Deputy Commissioner, representatives from the concerned E&P company, representative of concerned department in the district, Assistant Commissioner of concerned Tehsil and Divisional Monitoring Officer of M&E Directorate of P&D Department. The production bonuses payable by any E&P company are deposited by that company in a joint bank account called the “Petroleum Social Development Fund (PSDF)” operated by Deputy Commissioner and Vice Chairman for the purpose of funding projects identified by the PSDC.

Social welfare obligations of E&P companies operating in Khyber Pakhtunkhwa⁴

Social welfare obligations of LEP companies operating in Khyber Pakhtunkhwa							
S.No	Company	Block	Annual Obligation US\$	Districts	District wise area & percentage		District wise share US\$
					Area	%	
1	China Zhenhua	Baska EL	20,000	D.I.Khan	632.78	25.91	5,182
2	Hycarbex	Peshawar	30,000	Peshawar	844	33.92	10,176
				Nowshera	351	14.09	4,228
				Kohat	129	5.19	1,556
				Hangu	9	0.36	108
3	MOL	(TAL)	250,000	Karak	786.86	21.33	53,325
				Kohat	1,736.04	47.06	117,650
				Hangu	948.07	25.70	64,250
		Margalla	10,000	Haripur	43.61	3.14	314
				Abbottabad	4.77	0.34	34
		Margalla North	10,000	Hari Pur	406.89	26.05	2,605
Abbottabad	301.10			19.28	1,928		
4	MPCL	Karak	30,000	Karak	1,269.62	53.81	16,142
				Bannu	220.39	9.34	2,802
				Kohat	10.89	0.46	138
				Laki Marwat	35.85	1.52	456
		Peshawar East EL	30,000	Nowshera	1,111.08	61.00	18,300
				Swabi	227.35	12.00	3,600
5	OGDCL	Latamber	10,000	Bannu	331.47	100.00	10,000
		Mianwali	10,000	Laki Marwat	25.97	1.14	114
		Wali	10,000	Laki Marwat	937.20	43.01	4,301
				Tank	314.50	14.43	1,443
				Bannu	710.33	32.60	3,260
		Nashpa	150,000	Kohat	210.42	27.01	40,520
				Karak	360.55	46.29	69,431
				Bannu	93.19	11.96	17,946
		Gurgalot	20,000	Kohat	307.19	88.55	17,710
		Kohat	10,000	Peshawar	6.63	0.60	60
Nowshera	46.19			4.17	417		

⁴ Source: Directorate of Petroleum Concessions, Ministry of Petroleum and Natural Resources

				Kohat	523.76	47.30	4,730
				Hangu	97.44	8.80	880
		Soghri	10,000	Kohat	37.17	9.06	906
		Chanda	20,000	Kohat	25.72	79.58	15,916
		Orakzai	30,000	Hangu	233	14	4,096
		Baratai	30,000	Kohat	38.92	100.00	30,000
		Pezu	30,000	Lakki Marwat	86.65	3.56	1,069
				Tank	499.01	20.53	6,159
				D.I.Khan	828.54	34.09	10,226
		Kulachi	30,000	D.I.Khan	2044.10	81.93	24,579
Hetu	30,000	D.I.Khan	408.80	16.81	5,042		
6	OPL	Marwat	10,000	Lakki Marwat	379.19	21.15	2,115
				Tank	671.41	37.45	3,745
				D.I.Khan	214.96	11.99	1,199
7	PPL	3371-15 (Dhok Sultan)	30,000	Kohat	76	11	3,249
		3270-7 (Zindan)	30,000	D.I.Khan	650	26	7,811
				Lakki Marwat	789	32	9,480
8	Tullow	Bannu West	10,000	Bannu	185.89	15.12	1,512
				Lakki Marwat	194.44	15.81	1,581
				Hangu	97.6	7.94	794
9	KPBV	3170-5 (Paharpur)	30,000	D.I Khan	2118.33	93.70	28,110
				Tank	82.01	3.63	1,088
10	Tallahassee	3370-15 (Karak North)	30,000	Karak	99.14	100	30,000
11	Al-Haj	3169-4 (Baska North)	30,000	D.I Khan	65.56	2.64	791
				Tank	252.16	10.14	3,041
Total							683,571

TRANSFER OF 10% ROYALTY SHARE OF OIL AND GAS TO THE CONCERNED DISTRICTS

The Provincial Government had decided to transfer 10% share of receipts on account of Oil/Gas receivable from Federal Government to the respective districts where well heads of oil / gas are located. In this connection report of the committee headed by the then Chief Secretary, Khyber Pakhtunkhwa regarding utilization of 10% share has already been approved by the Provincial Cabinet. However, the Provincial Government has now amended the said policy of 10% share of royalty on oil & gas. The salient features of the amendment are as under.

- Minimum size of a scheme financed out of 10% share of Royalty on Oil & Gas will be Rs. 1,000,000/- (one million).
- 10% share of royalty on oil & gas will be utilized on Electricity, supply of Gas, Education, Technical Education, Water Supply Schemes, Roads, and Health facilities, construction of small Dams, & Purchase of land for higher educational Institutions.

The said 10% share is over and above the size of District and Provincial ADP. Utilization of 10% share in the respective districts would certainly supplement the development activities and

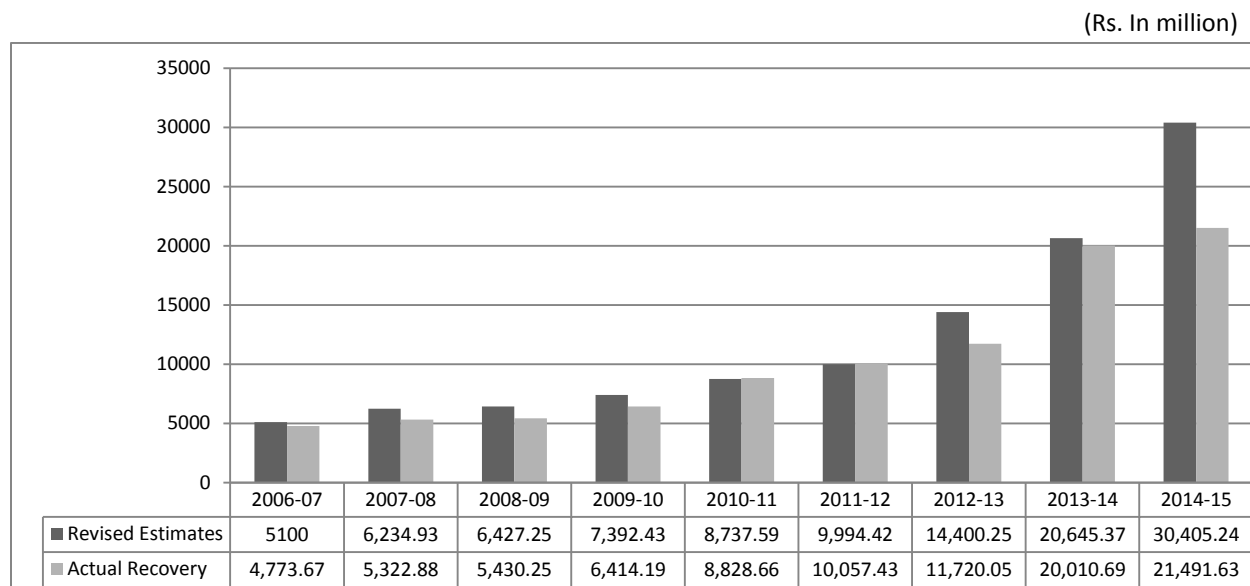
improve the socio-economic condition of the area. For the Financial Year 2014-15, a sum of Rs. 3,134.494 million has been worked out for release to the concerned Districts i.e. Kohat, Karak & Hangu as 10% share of royalty on oil, gas.

2. PROVINCIAL OWN RECEIPTS

The Provincial Revenue Receipts for the financial year 2015-16 are estimated at Rs. **54,424.790** million, comprising of:

- i. Tax Receipts of Rs.22,594.500 million (41.5%) including General Sales Tax on Services of Khyber Pakhtunkhwa which is Rs. 14,000.000 million, and
- ii. Non-Tax receipts of Rs.31,830.290 million, (58.5%).

Details of total provincial revenue receipts (targets & actual realization) during the last eight years are depicted in the following figure:-



Total Provincial Revenue Receipts

The Khyber Pakhtunkhwa Revenue Authority (KPRA) was established with effect from 1st July 2013 for collection of Sales Tax on Services and Infrastructure Development Cess (IDC) in Khyber Pakhtunkhwa. KPRA has collected Rs. 5,011.529 million up to April 2015 (10 months) on account of Sales Tax on Services. Collection of Infrastructure Development Cess (IDC) has not yet started as the issue of its collection requires resolution at Federal level.

Provincial Tax Receipts

Tax receipts comprises of direct taxes (16.8%) and indirect taxes (83.2%).

The direct taxes include taxes on Agriculture Income, Property, Land Revenue Profession, Trade and Callings, etc., The Revised Estimate of direct taxes for financial year (FY) 2014-15

is Rs. 2,682.366 million. The Budget Estimates 2015-16 is Rs. 3,801.200 million, shows an increase of 64% over budget estimates 2014-15

Indirect taxes are a major component of tax receipts and comprise of Provincial Excise, GST on Services, Motor Vehicle Tax, Stamp Duties, Cess of all types, Electricity Duty etc., The Revised Estimates for Financial Year 2014-15 from indirect taxes is estimated at Rs. 17,149.700 million and Budget Estimates 2015-16 at Rs. 18,793.300 million, registering an increase of 9.6% over budget estimates 2014-15.

The Provincial Tax Receipts collected since 2010-11 to 2015-16 are given in the following tables. Most of the tax receipt heads show an upward trend in growth rate. However the economic development in the Province has remained under the shadow of poor law & order situation which has adversely affected the revenue growth. Finance Department has set realistic targets for the year 2015-16, after careful objective consideration of the potential of the concerned Department.

Provincial Tax Receipts (Rs. in million)

TAX	Actual				Estimated		
	2010-11	2011-12	2012-13	2013-14	Budget 2014-15	Revised 2014-15	Budget 2015-16
Direct Taxes	1,269.788	1,830.043	1,808.506	2,142.378	2,311.809	2,682.366	3,801.200
Tax from Agriculture	17.532	20.081	21.958	31.192	79.000	79.000	1,000.000
UIP Tax proceed assigned to Local Bodies (-)	77.567	86.400	98.100	495.000	563.342	563.342	1000.000
Urban Immovable Property Tax (Net)				(-)387.090	(-) 440.533	(-)440.533	(-)782.000
				107.910	122.809	122.809	218.000
Tax on Transfer of Property (Reg.)	58.013	80.166	81.004	111.296	100.000	121.000	133.000
Land Revenue	770.892	1271.666	1185.829	1492.591	1430.000	1779.557	1800.700
Tax on Profession, Trades & Callings	98.178	131.420	129.961	135.872	230.000	230.000	264.500
Urban CVT Provincial	247.606	240.310	291.654	263.517	350.000	350.000	385.000
Indirect Taxes	2,153.919	1,800.290	5,599.683	7,982.467	17,141.000	17,149.700	18,793.300
Provincial Excise	23.381	26.415	19.944	25.124	33.000	33.000	38.000
Motor Vehicle Tax + R. Permit + Fitness	874.884	865.237	934.479	1,038.259	1206.000	1221.000	1,638.500
Stamp Duty	408.610	588.596	614.916	712.948	740.000	740.000	814.000
Entertainment Tax	0.023	0.008	0.016	---	---	---	---
Others/ Hotel Tax/Real Estate Dealer/TDC/ KDF/Electronic Media	262.887	278.299	250.959	240.498	605.000	598.700	688.800

TAX	Actual				Estimated		
	2010-11	2011-12	2012-13	2013-14	Budget 2014-15	Revised 2014-15	Budget 2015-16
Electricity Duty/fee on account of Electricity Rules.	584.134	41.735	349.182	297.413	557.000	557.000	614.000
GST on Services KP	----	----	3430.187	5,668.225	12,000.000	12,000.000	14,000.000
Infrastructure Dev: Cess	----	----	----	---	2,000.000	2,000.000	1,000.000
Total Provincial Taxes	3423.667	3630.333	7408.189	10,124.845	1,9452.809	19,832.066	22,594.500

Provincial Non-Tax Receipts

Non-tax revenue consists of income from Property and Enterprises, Civil Administration, Economic Services, Community Services, Social Service, Own Hydel Generation and Miscellaneous Receipts. The total non-tax receipts for the Financial Year 2015-16 are estimated at Rs.31,830.290 million as per the table given below:-

Provincial Non-Tax Receipts (Rs. in million)

Sector	Budget 2014-15	Revised 2014-15	Budget 2015-16	% Increase Over BE 2014-15
Income from Property and Enterprises				
Interest	116.356	320.673	116.356	--
Dividends	20.000	720.000	20.000	--
Own Hydel Generation	2,850.000	2,850.000	3,300.000	16
General Administration	188.500	205.900	226.700	20
Law and Orders	940.231	1,078.200	1,242.000	32
Community Services	1,030.000	1,030.000	1,030.000	--
Social Services	518.251	689.500	937.270	81
Economic Services	3,104.908	3,084.808	10,309.458	232
Miscellaneous	559.722	594.093	14,648.506	2,517
Total Non-Tax Receipts	9,327.968	10,573.174	31,830.290	241

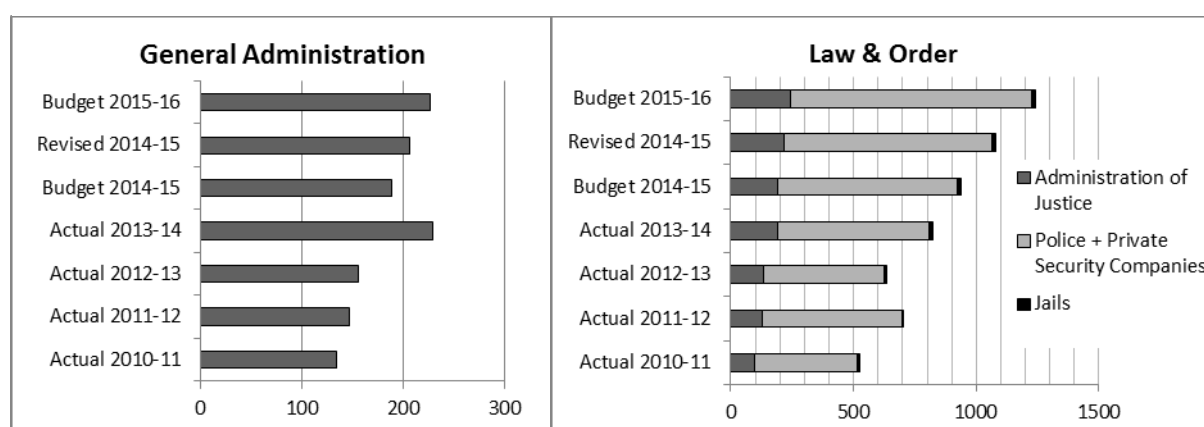
Each non-tax receipts item is explained below:-

i. Income from Property and Enterprises:

This component entails interest received on loan and advances, estimated at Rs. 116.356 million, and dividends estimated at Rs. 20.000 million for the financial year 2015-16.

ii. Civil Administration and other functions

The receipts under General Administration component include admission/examination fees of Public Service Commission, receipts-in-aid of superannuation and receipts under the Weights and Measures and Trade Employees Act. Additionally, Civil Administration includes receipts from Home & Tribal Affairs Department, Law and General Administration Departments. Receipts from Police include charges of guards supplied to the Federal and Provincial Government Departments, fees and forfeitures, arms license fee, motor driving license fee and traffic fine. The general fees, fines and forfeitures, receipts from record rooms and collection of payments for services rendered are part of the Administration of Justice. Receipts from jails comprises of the sale of goods manufactured in the factories located inside the jail. The receipts from Civil Administration for Financial Year 2015-16 are estimated at Rs. 1,468.7 million which is an increase of 30% over budget 2014-15. A major chunk of this revenue consists of income coming from Police and private security companies. The revised estimates for 2014-15 have also been estimated at an increase of 14% over the original estimates.



Receipts from Civil Administration over the years

iii. Community Services

The composition of receipts from Community Services is as under:

- Tolls on roads and bridges
- Sale of tender forms
- Registration fee of contractors
- Confiscation of earnest money
- Receipts from P.B.M.C
- Payments for services rendered and recovery of water charges by Public Health Engineering Department

Receipts from Community Services (Rs. in million)

Sector	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Budget 2014-15	Revised 2014-15	Budget 2015-16
Building, Communication & PBMC	381.047	447.869	608.398	316.997	730.000	730.000	730.000
Public Health	128.078	168.736	184.239	200.753	300.000	300.000	300.000
KP.H.A ⁵	*101.845	*133.184	****	*135.533	*150.000	*150.000	*165.000
Total	509.125	616.605	792.637	674.000	1030.000	1030.000	1030.000

iv. Social Services

The composition of receipts from Social Services is as under:-

Receipts from Social Services (Rs. In million)

Sector	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Budget 2014-15	Revised 2014-15	Budget 2015-16
Higher Education, Archives & Libraries Deptt	101.899	90.602	168.711	315.297	191.500	216.620	216.870
Elementary & Secondary Education Deptt	48.885	51.148	6.071	23.666	77.000	77.000	78.000
Technical Education	18.451	21.179	20.894	21.237	25.000	25.000	26.500
Museum	1.116	1.255	1.381	1.643	1.500	1.800	1.900
Tourism Deptt	--	12.347	12.425	14.659	18.000	19.000	20.000
Health Deptt	83.438	124.671	188.111	351.324	204.736	260.080	500.000
Manpower Management	3.893	0.522	0.509	0.809	0.515	0.800	0.900
Total	257.682	301.724	398.102	728.635	518.250	600.300	844.170

The receipts in respect of Elementary & Secondary Education and Health Department are being maintained /deposited in Provincial Account-I. The receipt of tertiary institutes/hospitals are retained by health department in line with the autonomous status given to the health institutions.

v. Economic Services

The composition of receipt from Economic Services is as under:-

⁵ Receipt retained by Khyber Pakhtunkhwa Highway Authority in the Road Maintenance Fund

Receipts from Economic Services (Rs. in million)

Sector	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Budget 2014-15	Revised 2014-15	Budget 2015-16
Agriculture	98.056	121.656	149.036	170.488	188.100	190.100	217.200
Fisheries	18.770	16.906	23.679	43.390	28.000	47.500	53.500
Livestock & Dairy Development	57.170	68.199	77.013	69.457	93.600	93.600	151.800
Environment (Forests & Wildlife)	761.990	395.734	6 05.979	466.518	768.500	770.000	7,847.000
Irrigation	328.077	321.349	370.873	845.278	500.000	525.000	551.000
Mineral Development.	651.781	734.238	758.410	896.181	1,436.308	1,441.308	1,451.808
Printing + Registration Renewal of Printing Press	52.675	71.396	68.797	90.813	77.000	90.000	94.000
Industries	3.438	3.659	3.342	4.500	13.400	16.500	36.250
Housing Deptt	--	--	--	--	--	--	14,000.000
Total	1,971.957	1,733.137	2,057.129	2,586.625	3,104.908	3,174.008	24,402.558

vi. Energy And Power

a) Receipts from Sale of Electricity of Hydel Power Own Generation:

The Malakand-III, Pehur & Shishi Power Station Projects have been commissioned. The income from sale of electricity accrued during Financial Year 2014-15 would be Rs. 2.850 billion. Income up to 3.300 billion is expected during Financial Year 2015-16.

Pakhtunkhwa Energy Development Organization (PEDO previously known as PHYDO) has already been requested by Finance Department to take up new Hydel power projects at the earliest with necessary funds to be provided by Finance Department. Further revenue is expected to be generated from these projects.

b) Electricity Duty:

Electricity duty is collected by PEPCO on behalf of the Provincial Government. PEPCO is not regular in payment of duty. An amount of Rs. 579.082 million is outstanding upto March, 2015. The Provincial Government is vigorously pursuing the outstanding amount with Ministry of Water and Power but the matter is unresolved.

GENERAL CAPITAL RECEIPTS

Current Capital Receipts consist of recoveries of investment of the Hydel Development Fund, loans and advances from SNGPL, Cooperative Bank, industrial estates, autonomous/semi-autonomous bodies, and government servants.

(Rs. In million)

Heads of Accounts	BE 2013-14	BE 2014-15	RE 2014-15	BE 2015-16
Recoveries of Loans & Advances	249.000	249.000	1,014.068	249.000
Recoveries of Investments	1.000	1.000	1.000	15,001.000
Total Capital Receipts	250.000	250.000	1,015.068	15,250.000

DEVELOPMENT RECEIPTS

Development Receipts consist of foreign debt/loans and grants for development projects.

(Rs. In million)

Heads of Accounts	BE 2013-14	BE 2014-15	RE 2014-15	BE 2015-16
Foreign Debt	4,304.720	8,269.080	6,287.200	5,223.010
Foreign Grants	30,695.280	27,080.920	23,834.264	27,660.990
Total Development Receipts	35,000.000	35,350.000	30,121.464	32,884.000

STATE TRADING IN FOOD (ACCOUNT-II)

The state trading of the Provincial Government covers the wheat which is kept separate from all other transactions of the Provincial Government. Receipts and expenditure on state trading in wheat is credited and debited respectively to the Food Account of the Provincial Government which is maintained separately with the State Bank of Pakistan. Funds required for procurement of wheat are normally obtained from commercial banks and guaranteed by the Government.

(Rs. In million)

Heads of Accounts	BE 2013-14	BE 2014-15	RE 2014-15	BE 2015-16
State Trading (Account-II)	86,000.000	86,513.719	28,721.000	86,858.000
Cash Credit Accommodation (Floating Debt)	12,000.000	15,000.000	15,000.000	15,000.000
Total State Trading	98,000.000	101,513.719	43,721.000	101,858.000

CHAPTER 2 - EXPENDITURE

The budget consists of two components; Current (Operational Budget) and Development. It is a common perception that revenue expenditures are non-productive. However, if amalgamated judiciously both current and development expenditures are complementary to each other. The infrastructure and other assets created out of developmental investment require current expenditure for operational maintenance, the same needs staff and machinery to run and operate.

The total provincial expenditure is broadly classified into:

- I. Current revenue expenditure
- II. Current capital expenditure
- III. Development revenue expenditure
- IV. Development capital expenditure

Total Provincial Consolidated Fund (Rs. in million)

Classification	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16	% increase Over BE 2014-15
Current revenue expenditure	250,000	255,000	298,000	19
Current capital expenditure	15,000	8,000	15,000	--
Development revenue expenditure	28,378	28,460	32,028	11
Development capital expenditure	111,427	106,277	142,856	25
Total	404,805	397,737	487,884	21

The expenditure budget can also be viewed from another angle by segregating it into Welfare, Administration and Development as given below:-

Total Provincial Consolidated Fund (Rs. in million)

S.No	Description	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16	% increase Over BE 2014-15
1	Welfare Budget	219,694.522	215,151.292	259,169.652	18
2	Administrative Budget	45,305.478	47,848.708	53,830.348	18.8
3	Development Budget	139,805.000	134,737.328	174,884.000	25.1
Total		404,805.000	397,737.328	487,884.000	20.5

CURRENT REVENUE EXPENDITURE

The budgetary spread of current revenue expenditure is classified into 10 functional heads and numerous object heads. Classification of budget helps determine what the money is being

spent on. A comparison of allocations against various functional heads and object heads is given below.

Current Revenue Expenditure (Rs. in million)

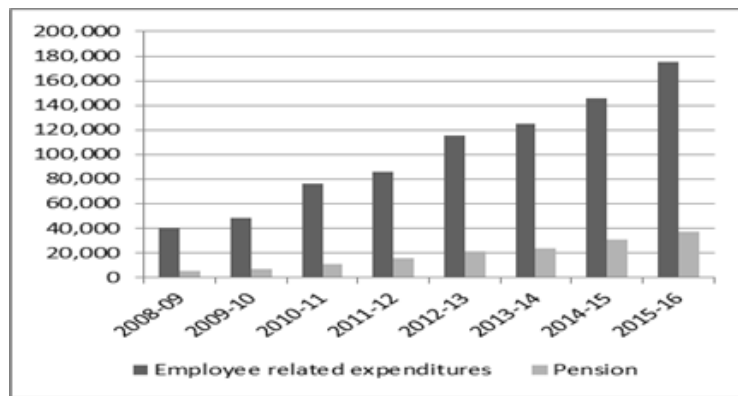
Functional Heads	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16	% increase Over BE 2014-15
General Public Service	73,280.963	69,698.667	17,7350.409	142
Defence Affairs & Services	62.280	76.849	14.236	-77.1
Public Order and Safety Affairs	35,428.108	39,614.953	41,374.473	16.8
Economic Affairs	19,340.205	18,785.872	18,094.726	-6.4
Environment Protection	37.048	33.221	46.903	26.6
Housing and community amenities	4,770.370	4,646.432	8,528.437	78.8
Health	20,985.728	24,409.121	16,701.079	-20.4
Recreational, culture and religion	818.078	747.443	782.716	-4.3
Education affairs and services	87,632.332	87,729.707	28,549.698	-67.4
Social Protection	7,644.888	9,257.735	6,557.323	-14.2
Total	250,000.000	255,000.000	298,000.000	19.2

An important change in this year's budget is enhanced allocations to local councils (including district/city, tehsil/town and village/neighbourhood) as part of implementation of Local Government Act 2013.

Allocations under Current Revenue Expenditure (Rs. in million)

Item	Budget Estimates 2013-14	Budget Estimates 2014-15	% Increase	Budget Estimates 2015-16	% Increase
Salary	125,237.967	145,772.122	16.4	175,000.000	20.1
O&M & Contingencies	34,351.914	41,489.190	20.8	52,180.706	25.8
Pension	24,000.000	30,819.000	28.4	36,993.025	20
Subsidies	2,500.000	2,714.900	8.6	2,900.000	6.8
Grant in Lieu of OZT/Local Councils/Local Govt.	3,740.718	4,114.790	10	4,526.269	10
Debt servicing	11,169.401	13,090.000	17.2	13,000.000	-0.7
Committed contributions/Investment	10,000.000	12,000.000	20	13,400.000	11.7

The operational budget for maintaining the existing service delivery network (like provision for medicines, classroom consumables, repairs, agriculture inputs, utilities etc.) is declining in real terms while the salary and pension liabilities are rising at an alarming rate. The total staff strength of the provincial government is now 432,399 and the number of pensioners is about 175,000. The estimated budget for pay and pension makes up about 71% of the total current expenditure 2015-16. Increase in salaries and pension at such a rate leaves little room for the provincial exchequer to set aside adequate funds for operation, maintenance and development sector.



Pay and Pension Trend

Pay and Pension over the years (Rs. in million)

Year	Number of Posts	Employee related expenditures	Pension
2008-09	329,687	40,401	5,777
2009-10	344,134	48,160	7,172
2010-11	375,575	76,000	11,000
2011-12	369,551	86,000	16,000
2012-13	385,518	115,437	21,582
2013-14	390,070	125,238	24,000
2014-15	406,665	145,772	30,819
2015-16	432,399	175,000	36,993

Welfare & Administrative Budgets

A sum of Rs. 259,169.652 million has been allocated for utilization under Welfare Budget 2015-16, which makes up 53.6% of the total expenditure budget. A sum of Rs. 53,830.348 million has been allocated for Administration Budget 2015-16, which is 11.1 % of the total expenditure budget.

Department-wise summary of welfare budget (Rs. in million)

Department	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Higher Education, Archives & Libraries	7,044.880	6,002.280	9,268.213
Health	25,237.123	28,672.301	29,953.440
Communication & Works	2,364.697	2,276.596	2,763.643
Roads Highways & Bridges (Repair)	2,025.000	1,923.350	2,321.500
Building & Structure (Repair)	875.980	815.743	977.220
Building & Structure (Repair)	4.015	4.015	4.015

Department	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Public Health Engineering	4,437.853	4,570.919	5,121.104
Local Government	2,963.797	3,791.875	9,904.313
Agriculture	3,142.959	2,672.471	3,519.869
Animal Husbandry	1,707.069	1,520.473	2,027.227
Co-Operation	152.073	136.966	180.652
Environment & Forestry	1,651.896	1,592.533	1,837.833
Forestry (Wildlife)	339.596	363.612	382.443
Fisheries	193.446	187.470	239.090
Irrigation	3,206.651	3,743.894	3,609.195
Industries	224.805	207.163	418.665
Mineral Development & Inspectorate Of Mines	481.864	431.120	503.226
Stationery & Printing	97.877	119.582	128.203
Population Welfare	1,274.800	1,126.134	1,444.523
Technical Education & Manpower	2,173.378	1,909.342	1,754.880
Labour	213.600	192.158	297.498
Information, Culture & Public Relations	321.640	229.761	216.181
Social Welfare, Special Education	1,114.157	1,106.991	1,372.119
Zakat & Usher	153.867	199.153	193.841
Pension	30,819.000	31,441.997	36,993.025
Subsidies	2,714.900	2,714.900	2,900.000
Govt Investment & Committed Contribution	12,000.000	13,944.111	13,400.000
Auqaf, Religious, Minority & Hajj	114.996	84.793	92.031
Sports, Tourism & Museums	321.000	329.124	473.908
District Non Salary	500.100	0.100	--
Grant to Local Councils	4,114.790	4,114.790	4,526.269
Housing	32.517	25.513	35.346
District Salary	0.100	0.100	--
Inter Provincial Coordination	32.645	28.653	39.531
Energy & Power	63.131	67.640	70.364
Transport	155.629	137.298	221.868
Elementary & Secondary Education	73,684.438	75,025.955	88,274.000
Relief Rehabilitation & Settlement	5,648.253	7,350.416	5,704.417
Debt Servicing (Interest Payment)	7,117.090	7,117.090	7,021.090
Debt Servicing. (Appro. For Reduction)	5,972.910	972.910	5,978.910

Department	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Loans And Advances	290.000	1,090.000	90.000
Debt Servicing (Loan From Federal Govt.)	14,710.000	6,910.000	14,910.000
Total Welfare Budget	219,694.522	215,151.292	259,169.652

As evident from the above table, an increase of 18% is estimated in Welfare Budget and an increase of 18.8% is estimated in Administrative budget in Financial Year 2015-16 over the budget estimates for Financial Year 2014-15.

Department-wise summary of administrative budget (Rs. in million)

Department	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Provincial Assembly	604.014	714.605	790.633
General Administration	2,070.417	2,321.698	2,835.207
Finance, Treasuries & Local Fund Audit	2,669.675	1,322.398	3,900.040
Planning & Development & Bureau of Statistics	259.863	217.115	259.671
Information Technology	61.306	58.281	74.778
Revenue & Estate	3,925.257	3,428.176	4,591.116
Excise And Taxation	535.094	560.764	592.811
Home	1,161.890	1,954.843	1,434.599
Jails & Convicts Settlement	1,300.300	1,754.914	1,728.155
Police	28,534.630	31,039.557	32,745.244
Administration of Justice	4,183.032	4,476.357	4,878.094
Total Administrative Budget	45,305.478	47,848.708	53,830.348

ELEMENTARY AND SECONDARY EDUCATION

Elementary & Secondary Education Department is the largest department of Provincial Government in terms of human resource, infrastructure facilities and budgetary allocations. Provincial Government considers education its top priority which is evident from the 20% increase in total proposed budgetary allocation for Financial Year 2015-16 over Financial Year 2014-15. On average the budget of E&SE Department Budget has been increasing at 24% annual rate for the past 5 years.

As per the Local Government Act, 2013, the elementary and secondary education along with adult education and literacy functions has been devolved to the local governments.

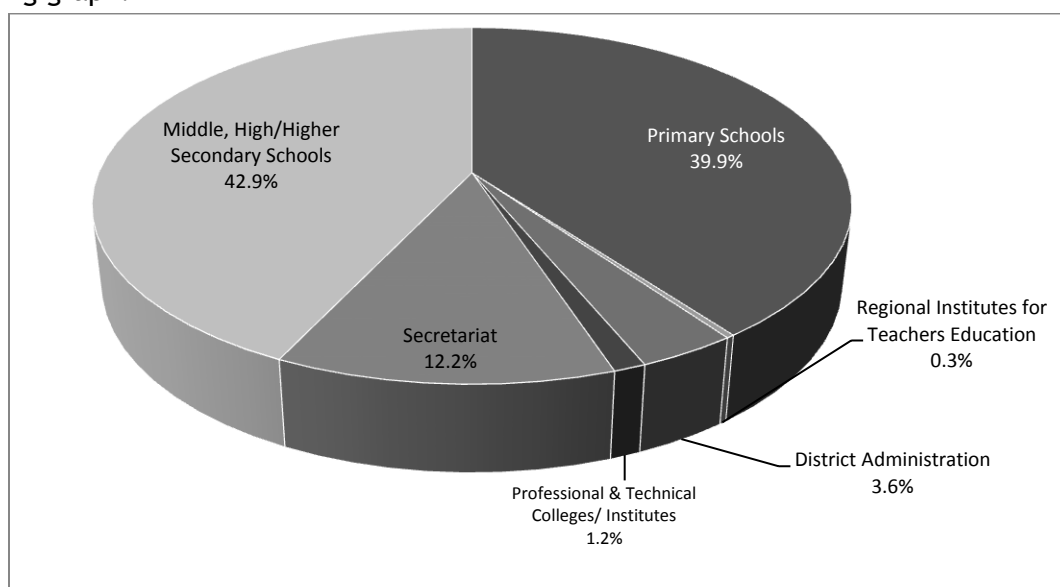
The total outlay of Budget Estimates of the Elementary & Secondary Education Department for the current Financial Year 2014-15 stood at Rs. 73,684.438 million, which reached the

revised figures of Rs. 75,025.955 million. The proposed Budget for the financial year 2015-16 for Elementary & Secondary Education has been estimated at Rs. 88,274.000 million which makes up about 29.6% of total current revenue expenditure.

The Budget Estimates 2015-2016 at both Provincial & District levels are tabulated as under:-
(Rs. in millions)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	73,684.438	75,025.955	88,274.000
Salary	65,770.671	67,079.175	79,974.000
Non-Salary	7,913.767	7,946.780	8,300.000
Development Expenditure	19,926.580	21,286.580	15,978.450
Total	93,611.018	96,312.535	104,252.45

The functional level detailed allocations for E&SE under Current Budget are given in the following graph:



Major chunk of the education budget goes into salaries of its huge human resource capital. There are currently **187,795** posts in E&SE sector for the current financial year 2014-15 with **99%** working in the districts as part of school staff and district administration. During the course of current Financial Year 2014-15, a total of **4,485** posts were created. An additional 10,439 posts are proposed to be created in the SNE (Fresh) for the Financial Year 2015-16. Out of these 10,169 teachers and support staff is for primary schools, while 265 posts are for up-gradation of schools and the existing secondary schools. The remaining 5 posts are meant to provide support staff for the Directorate.

The key features of the non-salary budget are following:

(Rs. in millions)

S.No	Object Head	Budget Estimates 2015-16
1	Purchase of Classrooms consumables (Parent Teacher Council)	545.685
2	Provision for Missing Facilities- Conditional Grant.	3,000.000
3	Improving the activities of Elementary Education Foundation	100.000
4	Repair of furniture and fixture	279.780
5	Provision for Enrollment campaign	10.831
6	Petty Repair	776.832
7	Purchase of Transport	96.500
8	Conveyance Charges for ASDEOs/ADEOs(F)	51.660
9	Repair of office buildings (Regional Institute for Teachers Education, Provincial Institute for Teachers Education & DCTE)	60.000
10	Autonomy to Higher Secondary Schools	560.782
11	Training Domestic	800.000
12	Conferences/Seminars/Workshops/Symposia	1.000
13	Communication Strategy	30.000
Total		6,313.070

Grants, amounting to Rs. 472.500 million have also been released to the following Autonomous/Semi-Autonomous Institutions during the current financial year:

(Rs. in millions)

S.No	NAME OF INSTITUTION	Rs. in Million
1	Langlands School & College , Chitral	120.000
2	Abbottabad Public school & College Abbottabad (2 nd Tranche)	50.000
3	Elementary Education Foundation	180.000
4	Cadet College Swat	20.000
5	Grant for talented students	80.000
5	Bacha Khan Model School, Nowshera	10.000
6	Jandool Model School and College Jandool, Dir Lower	11.000
7	Fazle Haq College Mardan	1.500
	Total	472.500

HIGHER EDUCATION

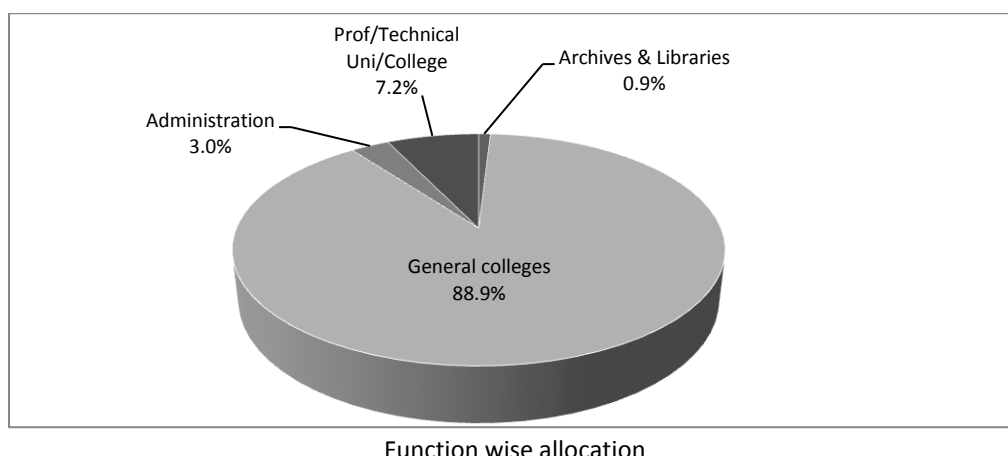
Against the Revised Estimates of Rs. 6,002.280 million for the Financial Year 2014-15, a provision for Rs. 9,268.213 million has been made in Budget Estimates 2015-16 showing an increase of 54.41% in the budget of Higher Education Department. The high increase is due to transferring of colleges of Commerce and Management Sciences from the department of

Technical Education to Higher Education Department. The total expenditure portfolio for Higher Education is as follows:-

(Rs. in millions)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	7,044.880	6,002.280	9,268.213
Salary	6,351.544	5,093.695	8,311.068
Non-Salary	693.336	908.585	957.145
Development Expenditure	6,180.000	5,961.957	6,200.000
Total	13,224.88	11,964.237	15,468.213

Budget Estimates under functional classification are as follows:-



There are a total of 10,494 posts in Higher Education Department. In the Financial Year 2014-15 385 posts were created to hire teachers and staff for newly established colleges, existing colleges, student hostels, Teacher's Training Academy and Internal Audit Cell in the Secretariat, another 149, posts are proposed to be created in Financial Year 2015-16.

HEALTH

Health is another priority sector that has been allocated Rs. **25,237.123** million for 2014-15 and Rs. **29,953.440** million for Financial Year 2015-16 at an increase of 18.69% over Financial Year 2014-15. The Budget of Health Department includes Provincial & District Health Institutions. Regular Grants-in-Aid are also provided to various autonomous Health Institutions. As part of implementation of LGA 2013, the Mother and Child Health Care Centers, Basic Health Units and Hospitals other than DHQs, Teaching & Tertiary Hospitals will be devolved to Local Governments. Head wise detail of current and development expenditure is as follow:-

(Rs. in millions)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	25,237.123	28,672.301	29,953.440
Salary	18,807.264	18,050.538	22,899.920
Non-Salary	6,429.859	10,621.763	7,053.520
Development Expenditure	11,210.544	9,987.893	12,432.594
Total	36,447.667	38,660.194	42,386.034

There are a total of **52,067** posts in Health Department with 41.6% in districts and 58.4% at the provincial level. During Financial Year 2014-15, **2465** posts were created and **1885** posts of various categories (including 900 Nursing Staff & 500 Paramedics) are proposed to be created in Financial Year 2015-16.

During Financial Year 2014-15 Rs. **7,578.55** million as Grant-in-Aid were allocated for various Autonomous Health institutions in the Province and Rs. **8,608.84** million are planned to be disbursed during 2015-16 as per the following detail:-

Grant in Aid provided in Financial Year 2014-15 (Rs. In million)

S.No	Institutions	Budget Estimates 2014-15	Budget Estimates 2015-16	% increase
1	Lady Reading Hospital Peshawar	1762.998	1,924.970	9.18
2	Khyber Teaching Hospital, Peshawar	1066.512	1,187.025	11.3
3	Khyber Medical College, Peshawar	425.036	495.608	16.6
4	Khyber College of Dentistry, Peshawar	214.068	222.678	4.02
5	Hayatabad Medical Complex, Peshawar	834.415	1,055.603	26.51
6	Postgraduate Medical Institute Peshawar	1298.127	1,709.136	31.66
7	Ayub Teaching Hospital, Abbottabad,	895.146	939.821	4.99
8	Ayub Medical College, Abbottabad	540.389	490.180	-9.29
9	Institute of Kidney Disease, Peshawar	234.551	252.762	7.76
10	Pakistan Institute of Community Ophthalmology Hayatabad Medical complex, Peshawar	33.309	35.834	7.58
11	Khyber Girls Medical College, Peshawar	248.634	269.785	8.51
12	Bashir Bilour Memorial Children Hospital Peshawar	25.364	25.438	0.29
	Total	7,578.55	8,608.84	13.60

Grant in Aid for Financial Year 2015-16 (Rs. in million)

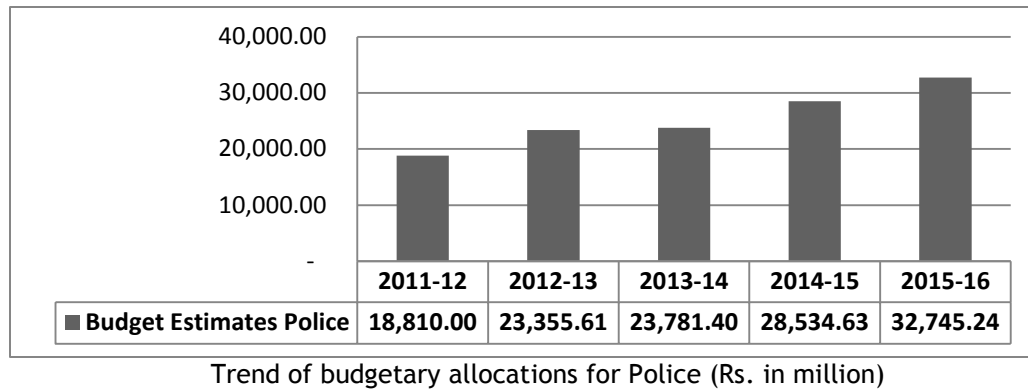
S.No.	Institutions/Purpose	Budget Estimates 2014-15	Budget Estimates 2015-16
1	Endowment fund	100	100
2	Provision of Emergency Drugs for poor patients.	725	725
3	Creation of posts in the project/schemes due for completion during the year	200	200
4	Red Crescent society	2.5	2.5
5	Cardiology Unit LRH Peshawar	40	40
6	Cardiovascular LRH	20	20
7	Fatimid Foundation	5	5
8	Paraplegic Center Hayatabad Peshawar	60	60
9	Health Regulatory Authority	20	20
10	Frontier Foundation	20	20
11	Khyber Medical University, Peshawar for KUST	61	0
12	Free Dialysis Services	60	60
13	Free angiography/angioplasty surgery	100	100
14	GIA Electrophysiology Department at HMC	20	20
15	GIA to Hamza Foundation Peshawar.	5	5
16	GIA for Polio Eradication Program	270	--
17	Food Safety Authority	--	160
18	Directorate of Drug Regulation	--	28
	Total	1,708.5	1,565.5

Following steps have been taken to improve health care services in Khyber Pakhtunkhwa:-

- During the current financial year 2014-15, **2,465** posts of various categories (including 596 Stipendiary slots) have been created in different health institutions to provide better health facilities to the people of this Province.
- Allocation of Grant-In-Aid of Rs. 160.000 million for Food Safety Authority & Rs.28.000 million for Directorate of Drug Regulation Khyber Pakhtunkhwa.
- Allocation of Rs. **1,808.231** million for Pay & Allowance increase on account of up-gradation.
- Increase in stipend from Rs.24000 to Rs.27291 for each house job officer, from Rs.42000 to Rs.49124 for each TMO, from Rs.3565 to Rs.5000 for each Nurse Student, from Rs.600 to Rs.3100 in Uniform Allowance & from Rs.500 to Rs.8000 in Mess Allowance for each Charge Nurse.

LAW AND ORDER

It is common knowledge that the Province of Khyber Pakhtunkhwa has been severely affected by terrorism; resultantly expenditure on Law Enforcing Agencies has been increased manifold during the last many years. On average there has been a 15% increase in the budget for Police Department over the last 5 years with the greatest increase of 24% in Financial Year 2012-13.



A sum of Rs. **32,745.244** million has been earmarked for Police in the budget for Financial Year 2015-16, out of which Rs. **28,564.666** million are meant for salaries of more than **71,312** posts, Rs. **4,180.578** million for non-salary/operational expenses for the police force, and Rs. **2,975.000** million for development expenditures. Funds for essential items like POL, repair and maintenance of transport etc., have been provided at an enhanced rate to meet the essential requirements of 24/7 security services for the public.

REVENUE AND ESTATE

A sum of Rs. 4,591.116 million has been allocated for Revenue & Estate Department in Budget 2015-16, showing an increase of 17% over the budget of Rs. 3,925.257 in Financial Year 2014-15, to implement the good governance initiatives and to improve service delivery to the land rights holders and resultantly increase provincial receipts.

Moreover, 356 Nos. of posts are proposed to be created in the districts (including 18 provincial posts) for Computerization of Land Record in Revenue & Estate Department, Khyber Pakhtunkhwa for the strengthening of the Department activities.

Major Achievements

During last year, concerted efforts were made to plug avenues of corruption and improve accountability, quality of revenue records, and services to the land rights holders.

- Punitive action taken in cases where false information was entered in declaration (by revenue staff) or where malpractice was confirmed;
- Introduction of new deposit slips, containing details of government fees/taxes and complaint redressal authorities, to empower the land right holders to resist overcharging by revenue staff;
- Land market survey completed throughout the Province and Valuation Tables notified by the respective Deputy Commissioners to curb collusion between revenue staff and vendors to under-value property.
- Registration Act, 1908, amended and approved to makes the Sub Registrar responsible for satisfying himself that the person transferring a right in property actually holds the right;
- Considerable progress made in realizing initiative of electronic stamp papers (e-stamp) to end counterfeiting and misuse which has been the second major cause of litigation; Colour coding, design of judicial and non-judicial e-stamps, and security features of

paper have been finalized and multipurpose software has also been developed. As soon as an understanding with security paper manufacturers is reached, approval of the Government will be sought for replacing the present system with e-stamping.

- To ensure access to patwari, strict implementation of government's policy to ensure patwari's presence within the patwar circle undertaken. Funds for hiring premises for patwarkhanas, where government building is not available, has been made available to all the Collectors of revenue districts. To ensure that the patwarkhanas have started functioning within the patwar circle, Collector has been made responsible to ensure that 10% of patwarkhanas are physically inspected every month.

ENERGY AND POWER

Khyber Pakhtunkhwa is blessed with huge hydropower potential which is not only fulfilling our energy requirements but also adding billions of rupees to the provincial kitty. Energy & Power Department through its attached wing Pakhtunkhwa Energy Development Organization (PEDO) is operating four Hydropower Stations in Malakand, Swabi and Chitral Districts that are generating 105 megawatts of electricity. Besides power generation revenue of Rs. 2.5 billion is also generated for the Province through these power stations.

(Rs. In million)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	63.131	67.640	70.364
Salary	40.329	40.722	49.120
Non-Salary	22.802	26.918	21.244
Development Expenditure	5,657.080	4,455.031	3,749.380
Total	5,720.211	4,522.671	3,819.744

Major Achievements

The Department is working on conducting feasibility studies and constructing additional hydropower stations to increase power generation in Khyber Pakhtunkhwa. Major achievements for the Department in Financial Year 2014-15 are as follows:

- two projects i.e. 2.6 MW Machai HP Mardan, 17 MW Ranolia HPP Kohistan, which will be completed by June 2015
- Pre-feasibility studies of 10 raw sites conducted and these sites advertised for award to private sector
- Under Action Plan 2012-22 PEDO has started work on six Hydel Projects with installed capacity of 252 MW, i.e. 84 MW Gorkin Matiltan Swat, 36 MW Daral Khwar Swat, 41 MW Koto HPP Dir, 11.8 MW Karora HPP Shangla, 10.2 MW Jabori HPP Mansehra, and 69 MW Lawi HPP Chitral
- Tendering phase of execution process is underway for 3 sites out of the above mentioned six, i.e. 10.2 MW Jabori HPP Mansehra, 1.8 MW Karora HPP Shangla, 40.8 MW Koto HPP Lower Dir
- Various investment proposals are under consideration of Provincial Government for three projects with cumulative capacity of 426 MW, approved by ECNEC on 31st December, 2013, on Public Private Partnership (PPP) mode which include 150 MW Sharmai HPP Dir, 144 MW Shushgai-Zhendoli HPP Chitral and 132 MW Shogo Sin HPP Chitral

- Feasibility studies of the fifteen (15) hydro power projects have been completed
- Execution of 356 Mini/Micro Hydel Projects of 10kW-500kW capacity each has been started in Malakand and Hazara Divisions with 20% cost contribution by the community. Feasibility studies of 141 sites completed and construction work on 41 projects started out of which 20 projects will be completed by end of July 2015
- In order to harness alternative energy resources for power generation work on solar energy projects has been started. Under this project 200 Villages with a total of 5670 houses will be electrified through solar standalone home system in Central, Southern & Northern Districts of the Province. Each household will be provided with two Solar panel, two 100 Ampere batteries, two fans, three LED Lights and one mobile charger
- To promote industries and economic growth in KP, Provincial Government has decided to (a) divert power from Pehur Hydel Power Station to Gadoon Industrial Estate, and (b) to establish industrial estate near generation units to provide cheap energy to the industries. In this regard a consultancy was awarded to look into all available options. The consultancy report has been received, and action is underway

Future Plans

- Continued emphasis on hydel power generation through short, medium and long term interventions
- Exploring potential for power generation through gas-fired or coal-based power projects through private sector
- Arrangement of funds through different sources including donors/ development finance institution/ banks/ private sector/ energy bonds etc
- Off grid/ electrification of far-flung areas through mini/micro hydel and solar projects
- In addition to the above, the Government plans to take over management of PESCO to oversee the immense problem of load-shedding

SOCIAL WELFARE

The society cannot prosper on the road to development if it is limping due to injustice and inequities caused by socio-economic bigotry and/or unfortunate circumstances. The Government of Khyber Pakhtunkhwa is focusing efforts on strengthening education system for the special needs children and adults so as to equip them with the knowledge and skills they require and deserve to have a fighting chance in the world. The Department is also working on providing opportunities to the marginalized women and to empower them as an important pillar of the society through legal and socio-economic safety net. In addition the Department is striving to provide healthy living facilities/shelters and skills building trainings for productive inclusion for the most vulnerable groups including, destitute women, children and senior citizens. Rehabilitative services for drug addicts and beggars are also a priority for social welfare.

The Zakat and Ushr wing continues to build on the social welfare activities with disbursement of Zakat and Ushr funds to the most needy and poor in form of cash grants, educational scholarships, healthcare aid, etc.

(Rs. In million)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	1,114.157	1,106.991	1,372.119
Salary	728.156	686.061	867.638
Non-Salary	386.001	420.930	504.481
Development Expenditure	556.183	531.954	526.246
Total	1,670.34	1,638.945	1,898.365

ENVIRONMENT, FORESTRY & WILDLIFE

The Department plays an important role in dissemination of environmental concerns to the general public through mass awareness campaigns, print and electronic media, monitoring of ambient air quality, water and noise pollution across the province and promotion of environment education. In addition, the Environmental Protection Agency is an advisory body that regulates the Pakistan Environment Protection Act, 1997 and ascertains its implementation throughout the Province.

The forests and rangelands are an important source of livelihood for the local communities besides generating revenue for the state and providing watershed, ecological, recreational and ecotourism related service for the nation, forests support the rich biological diversity spreading throughout the Province. Khyber Pakhtunkhwa is rich in forestry resources compared to the rest of the country. Forest cover of Khyber Pakhtunkhwa is 20.3% and the forests of the Province account for about 36% of the total forest area of the country. In addition to the forest area, 48% of provincial Rangelands also fall under the management of the Forest Department.

(Rs. In million)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	1,651.896	1,592.533	1,837.833
Salary	1,335.814	1,288.054	1,567.296
Non-Salary	316.082	304.479	270.537
Development Expenditure	57.000	26.561	57.000
Total	1,708.896	1,619.094	1,894.833

AGRICULTURE

Agriculture is the main stay of our economy. Nearly 80 % of people live in rural and peri-urban areas, where about 85% of population directly or indirectly earns their livelihoods from agriculture⁶. Agriculture and Livestock contributes around 21% of the provincial GDP having equal share of agriculture and livestock. Thus, any improvement in this sector can directly elevate the lot of an overwhelming population in the Province. At macro or national level, a thriving agriculture sector can check inflation and can be to the benefit of every citizen in Pakistan. Additionally, diversification into horticulture (with its potential to provide more

⁶ Source: Reclaiming Prosperity in Khyber Pakhtunkhwa: Medium Term Inclusive Growth Strategy

income per acre at higher labour inputs) and rural based agriculture processing units offer promising avenues for increasing the income of rural households.

The Province is short in food commodities, hardly producing 40% of local requirements and meets the balance requirements on import from other Provinces.

(Rs. In million)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	3,142.959	2,672.471	3,519.869
Salary	2,275.086	1,993.719	2,603.528
Non-Salary	867.873	678.752	916.341
Development Expenditure	2,455.440	2,396.022	2,467.830
Total	5,598,399	5,068.493	5,987.699

Major Achievements

- Focus on research in both agriculture and livestock to standardize technology that can synchronize with the prevailing environmental and particularly in the climate change scenario. All out efforts are being made to provide access to the latest technology for the farmers to increase their income, and ultimately strengthen the overall economy of the Province;
- Advanced technology is being used to precisely level the farms on scientific patterns not only for sustainable use of water but also to increase crop production;
- Water conservation and its efficient use is being applied such as: various soil conservation activities started to conserve the soil from erosion and harvest rain water to recharge the underground water and regulate irrigation;
- All services are being provided to the farmers under one roof through Model Farm Services Centers established at district level and also at tehsil level in some districts. The farmers are registered on payment of only Rs.600/- and the Government provides matching grant and then this seed money is used for various activities. The Farm Services Centers has its own farmer associations with president, executive bodies, while the department is working as regulatory body. All the decisions are taken by farmers. All the inputs including improved seeds, agriculture machinery, other agricultural inputs and education/training to farmers and modern techniques of agriculture and livestock breeding are provided.
- Various reforms initiatives were undertaken including:
 - Khyber Pakhtunkhwa Farm Services Centers Act, 2014
 - Formulation of Khyber Pakhtunkhwa Agriculture Policy
 - Formulation of Khyber Pakhtunkhwa Livestock Policy
 - Khyber Pakhtunkhwa Market Act, 2014
 - Establishment of Halal Meat Certification Facilities for Importers & Exporters
 - Dates Processing Plant at D.I.Khan

INDUSTRIES

The Government of Khyber Pakhtunkhwa is striving to promote Industries and Trade sectors of the Province. Furthermore, the protection of the rights of the consumers of the Province is

also one of the top priorities of the Provincial Government. For this purpose, new industrial policy is being formulated which will boost industrial development in the Province.

Currently there are 2,481 industrial units setup in the Province, 1,909 industrial units are running while 334 are closed and 238 industrial units have winded up. The total investment in the Province amounts up to Rs.136,880.291 million which is providing direct employment to 71,340 persons.

(Rs. In million)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	224.805	207.163	418.665
Salary	170.598	150.045	302.579
Non-Salary	54.207	57.118	116.086
Development Expenditure	5,077.205	2,283.789	4,540.685
Total	5,302.010	2,490.952	4,959.350

Major Achievements

To further promote investment and employment in the Province the Provincial Government has approved criteria for the utilization of the land acquired by the government for industrial purpose. According to the criteria new Industrial Estates will be established which will promote investment and employment in the Province.

The Provincial Government also approved amendments in the Consumer Protection Act 1997 to penalize offenders with fine up to Rs. 50,000/- and imprisonment up to 3 years. The Provincial Government has also established seven Consumer Courts on divisional level for effective implementation of the Act. This will enable the government to curb the marketing of sub-standard/spurious consumer goods and services.

COMMUNICATION AND WORKS

The C&W Department performs a three pronged role:

- Developing efficient road network with a strategic thrust on optimal utilization of the existing capacity, emphasis on asset management with consolidation, upgradation, rehabilitation, and maintenance of the existing system
- Construction, repair and maintenance of public buildings including Civil Secretariat, Pakhtunkhwa Houses / Rest Houses and residential accommodation (Provincial Programme) and District/Tehsil Administration and residential accommodation (District Programme)
- Act as an executing agency for other provincial departments such as Health, Elementary & Secondary Education, and Higher Education etc.

An efficient transport and communication system contributes to economic growth by lowering domestic production costs, enhancing economies of scale in the production process and creating process and creating economic opportunities. Road transport is the main communication mode. The Department will establish an Infrastructure Fund and Road Fund.

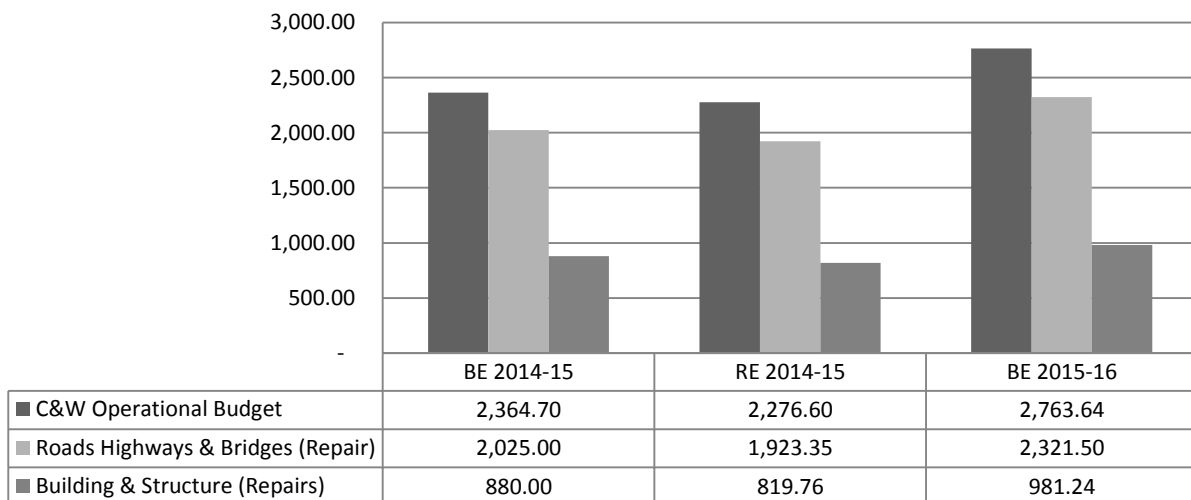
Institutional Capacity Building and Research and Development (R&D) activities will be undertaken with use of modern technology to enhance restore efficiency.

The Government of Khyber Pakhtunkhwa had introduced new works policy under which consultants have been hired for all works costing more than Rs.100 m. The project period will be two years and revision of schemes will be discouraged. Consultants will be responsible for quality and quantity.

For financial year 2015-2016, a sum of Rs. 6,066.378 million have been earmarked for provincial and devolved entities which at an increase of 15% over Financial Year 2014-15. The breakup of the budget is given below:

(Rs. In million)

Expenditure	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Current Revenue Expenditure	5,269.692	5,019.704	6,066.378
Salary	2,124.943	2,099.862	2,521.757
Non-Salary	3,144.749	2,919.842	3,544.621
Development Expenditure	18,537.626	21,910.791	20,280.940
Total	23,807.318	26,930.495	26,347.318



Current Budget breakup of C&W (Rs. in million)

PUBLIC HEALTH ENGINEERING

For financial year 2015-2016, a sum of Rs. 5,121.104 million have been earmarked for Public Health Engineering Department (Both Provincial & Devolved Entities), at an increase of 15% over the sum of Rs. 4,437.853 million for Financial Year 2014-15, to carry out the following main functions:-

- 1) Maintenance of Rural Drinking Water Supply and Sanitation Schemes including Sewage Treatment Plants and Solid Waste Management
- 2) O&M and Salaries of all categories of staff of the PHE Department

- 3) Levy and collection of fees, etc., for provision of Sanitation services including Sewage Treatment and solid Waste Management
- 4) Provision of Quality drinking water to the general public and monitoring/Mapping including maintenance of water quality data base

POPULATION WELFARE

Population Welfare Department has the mandate to address the ever increasing Population Growth and MCH services through provision of quality family Planning and reproductive Health. The Provincial Government fully owned Population Welfare Programme activities after transfer of responsibility from Federal to the Provincial Government consequent to 18th Amendment in 2010. Total numbers of 3644 posts of different categories have been taken on current side of the budget since devolution in 2010. There are 632 Family Welfare Centers, 29 Reproductive Health Services Centre and 34 Mobile Service Units.

The current budget allocation for the year 2014-15 and 2015-16 is as follows:-

(Rs. in million)

Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
1,274.800	1,126.134	1,444.523

RELIEF & REHABILITATION

Relief, Rehabilitation & Settlement Department has been created during 2011-12 for development of safer communities through an effective system for management and prevention of emergencies and disasters.

The Provincial Government's endeavors in creating Relief, Rehabilitation & Settlement department in fact indicates the paradigm shift in its approach from the traditional post disaster response and rehabilitation measures to such as mitigation, preparedness and response.

The department has the following 03 organizations under its control:-

- Provincial Disaster management Authority (PDMA)
- Provincial Reconstruction & Rehabilitation Authority (PaRRSA)
- Emergency Rescue Service (Rescue-1122)
- Directorate of Civil Defence.

(Rs. in million)

Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
5,648.253	7,350.416	5,704.417

Provincial Disaster Management Authority (PDMA)

Provincial Disaster management Authority (PDMA) is working as an attached Authority of the Relief, Rehabilitation & Settlement (RR&S) Department. PDMA is striving to achieve the objectives of a disaster resilient Khyber Pakhtunkhwa through effective disaster mitigation and preparedness planning. Some of the achievements of PDMA are given below:

Holistic training program for all key stakeholder departments and districts through ADP covering whole spectrum of Disaster Risk Management (DRM) was completed last year through which 150 officers were trained. Seven (07) Community Based Disaster Risk Management (CBDRM) trainings were conducted in collaboration with the UNDP in different UCs of district Chitral in which total of 213 community members were trained including 106 male and 107 female. Similarly CBDRM trainings were imparted in 08 UCs of district Upper Dir wherein total 320 community members were trained in which 160 were male and 160 were female. A comprehensive Capacity Building Programme, agreed with a USAID funded consulting firm ASP for training in Financial Management, Human Resource & Administration, Monitoring and Evaluation, Procurement, Project Management etc., is under implementation since last three years. PDMA is currently formulating a yearly training calendar/plan and is looking for technical assistance by donors.

Establishment of camp for the TDPs of North Waziristan Agency (NWA) at district Bannu. Some 5,560 tents/shelters have been provided for TDPs of NWA. Moreover, 08 generators and 03 vehicles were provided to district administration, Bannu for TDPs management. Maintaining warehouse stocked with all sort of relief goods has enabled the PDMA to respond to any imminent eventuality which bore successful results during monsoon and winter contingency planning and particularly in dealing with the disasters of flood in District Badin, Sindh. A state of the art Human Resource Facility (HRF) has been established with the assistance of World Food Program which will be handed over to PDMA in April 2015.

Road Map for Disaster Risk Management (DRM) 2014-19 has been prepared and approved by the competent authority in its meeting held on 10-03-2015. Besides this, District Disaster Management Plan of district Swat and Nowshera have been prepared. Furthermore, Monsoon Contingency Plan 2015 to deal with any untoward incident has been formulated.

RIGHT TO INFORMATION (RTI)

Efficiency & credibility of any government is critically dependent upon real time availability of information. The Right to Information Law is one of the pillars of good governance. The Law facilitates and enables citizens to have access to information in all sectors and matters. An independent "Information Commission" has been established for timely enforcement of the law. An amount of Rs. 30.000 million has been allocated as grant in aid for RTI.

RIGHT TO PUBLIC SERVICES (RTS)

The Right to Services (RTS) law has been framed to provide and improve service delivery to the citizens within due time and to restore confidence of common man in public offices. An amount of Rs. 52.611 million has been earmarked for RTS.

PROCUREMENT OF WHEAT AND WHEAT SUBSIDY

Khyber Pakhtunkhwa is historically a wheat deficit Province and purchase wheat from Punjab/PASSCO and import from abroad through Federal Government, for meeting its wheat requirements. Food Department, Khyber Pakhtunkhwa also caters for the needs of FATA and Afghan refugees residing in Khyber Pakhtunkhwa. Apart from this, Khyber Pakhtunkhwa has got a long porous border with Afghanistan, which is a food deficit country and traditionally depends on Pakistan especially Khyber Pakhtunkhwa for its food requirement. The Impact of the shortage of wheat and its products in Afghanistan is felt in Khyber Pakhtunkhwa either in

the shape of shortage of supply or price hikes. In this scenario, Food Department, Khyber Pakhtunkhwa plays an important role, with the following main functions:-

- i. Wheat Procurement and its storage.
- ii. Distribution of wheat.
- iii. Control over the price of essential items.
- iv. Sugar cane and production of sugar.

The annual requirements of wheat are worked out in consultation of Ministry of National Food Security& Research Islamabad in April every year. The calculations for the year 2014-15 are as under:-

Area	Population according to 1998 Census plus 2.61 increase annually	Requirements 124kg per head per annum(tonnes)
Settled Area	29,748,691	3,688,838
FATA	3,492,943	433,125
Afghan Refugees	1,550,000	192,200
Total	34,791,634	4,314,163

The above table indicates that Khyber Pakhtunkhwa wheat requirements are about 4,314,163 MTonnes per annum. After adjustment of local production of 1,158,069 M.Tonnes, the net requirement come to 3,156,094 MT. This deficiency is met out through open market from the surplus Province of Punjab according to the principle of demand and supply. The Food Department issues a specific quota to all districts on the basis of population to stabilize prices in the market during the lean period from September to April. An overview of the quantity of wheat released during the last 3 years, from Government go-downs is given in the following table:-

Year	Opening balance (M.ton)	Receipt during Year (M.ton)	Total (2+3)	Releases (M.ton)	Closing Balance (M.ton)
1	2	3	4	5	6
2012-13	104,787	325,397	430,184	383,657	46,527
2013-14	46,527	502,232	548,759	492,506	56,253
2014-15	56,253	256,262	312,515	185,162	127,353

Wheat Procurement

Food Department in consultation with the Federal Government and approval of the Chief Minister of Khyber Pakhtunkhwa has fixed a procurement target of 0.300 million metric tonnes from local growers/ parties etc., at the rate of Rs. 1300/- per 40 Kg. The growers/ parties are encouraged to offer their wheat to Food Department Khyber Pakhtunkhwa for sale enabling it to meet the target. For the procurement of wheat a credit line of Rs. 9,750 million availed from the Banks on the basis of competitive biddings. In case the procurement target is met fully or partially, the Department would save billions of rupees to the exchequer which are paid to Punjab or PASSCO as incidental and transportation charges.

Storage of Wheat

The wheat purchased locally or from Punjab/ PASSCO is stored in 27 PRCs / Godowns spread all over the Province having capacity of 4,00,000 Tonnes. The Department plans to increase this capacity to 6,00,000 M. Tonnes.

Subsidy

Subsidy is the differential between landed cost and release price of wheat. At the time of purchase of wheat Food Department in addition to the cost of wheat bears the expenditure on account of transportation charges / incidentals which is the landed cost of wheat. In order to provide cheaper atta to the general public, the Department release wheat to the flour mills at less price than the landed cost and this burden is taken up by the Provincial Government in the shape of subsidy.

There are a total of 240 flour mills in the Province, out of which 230 are in Khyber Pakhtunkhwa (187 functional and 43 non-functional) and 10 flour mills in FATA (4 functional and 6 non-functional).

The department has issued a quantity of 185,162.678 tonnes of wheat at subsidized rate to the flour mills for which the Finance Department has released an amount of Rs. 2714.900 million in the Budget 2014-15. For the financial year 2015-16 the department has demanded an amount of Rs. 2900.000 million. Details of subsidy paid during the last six years are as under:-

Year	Quantity of wheat released (M. Ton)	Subsidy Released by FD (Million)
2009-10	401,589.199	1,500.000
2010-11	191,483.000	2,000.000
2011-12	359,753.000	2,000.000
2012-13	383,657.000	2,500.000
2013-14	492,127.000	2,500.000
2014-15	185,162.678	2,714.900

LOCAL GOVERNMENTS UNDER LOCAL GOVERNMENT ACT 2013

Governance reforms at local levels are directly linked with grass root empowerment of local communities which turn them meaningful partners in governance and development. Constitution of the Islamic Republic of Pakistan obligates provinces to establish local government institutions composed of elected local representatives having special representation for peasants, workers and women (Article 32). The Government of Khyber Pakhtunkhwa enacted LGA, 2013 as a landmark step to deepen its commitment of good governance and bring state closer to the public.

Under the Local Government Act 2013, delimitation of local areas was completed and local body elections were held on 30th May, 2015, for District/ City District Councils, Tehsil/Town Councils, and Village/Neighborhood Councils.

Constitution of Local Governments under LGA 2013

Local Area	Local Council	Local Administration
District	District/City District Council	District/City District Administration
Tehsil/Town	Tehsil/Town Council	Tehsil/Town Municipal Administration
Village/ Neighbourhood	Village/ Neighbourhood Council	Village/ Neighbourhood Council

Section 12 (2) of LGA, 2013 devolves the administrative and financial authority for the management of certain offices which were previously under the Provincial ambit. The details of the devolved offices are provided in the First Schedule of the Act.

Section 51 of the Khyber Pakhtunkhwa Local Government Act provides the establishment of Provincial Finance Commission (PFC) and assigns it the mandate of making recommendations to the Government on the amount of funds for Local Governments (devolved offices) out of provincial consolidated fund in accordance with the parameters contained under section 53 of the Act. Once the Local Councils are notified, the PFC will get constituted which will make recommendations on fiscal transfers to the local governments as per its mandate.

The Act warrants that the share/grant for Local Governments out of Divisible Pool of Provincial Consolidated Fund shall be apportioned in accordance with the principles of fiscal need, fiscal capacity and fiscal performance of Local Governments. Therefore, in the absence of PFC, Finance Department has made sufficient efforts to design a provision/interim Award/Formula. To firm up/consolidate and formulate the recommendation on the design of interim PFC Award, a Core Group has been constituted in Finance Department.

Table 1 - Considerations for PFC Award

Principles	Other Considerations
Fiscal need	Population
Fiscal capacity	Poverty
Fiscal efforts	Lag in infrastructure
Fiscal performance	Revenue base

The Core Group is working in light of parameters and options contained in the recommendations of the report of Sub-Committee constituted by the Chief Secretary regarding preparation for decentralization/devolution and establishment of Local Government system. The recommendations of Core Group for interim PFC Award will be submitted to competent authority for approval in due course of time.

Fiscal Transfers to Local Government Tiers

During the transitional period Finance Department has based salary and non-salary allocations on historical trends. The District Governments will continue to receive Grant in lieu of Zilla Tax and Town/Tehsil Councils will continue to receive Grant in lieu of Octroi.

Transfers to Local Governments estimated for Financial Year 2015-16 (Rs. in billion)

Local Councils	District Salary	District Non Salary	Development/Capital
4.5	92.5	5.3	30.2

CURRENT CAPITAL EXPENDITURE

The Current Capital Expenditure of Government of Khyber Pakhtunkhwa consists mainly of repayment of different debts. It is estimated at Rs. 15,000 million for Financial Year 2015-16.

Current Expenditure on capital accounts (Rs. In million)

S.No	Nomenclature	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
i	Repayment of Federal Loans (CDL)	8,205.000	705.000	9,096.000
ii	Repayment of Foreign Loans	4,975.000	4,975.000	5,314.000
iii	Repayment of SBP Loan for Recapitalization of Bank of Khyber	1,530.000	1,230.000	500.000
iv	Loans & Advances to Provincial Government Employees.	80.000	80.000	80.000
v	Write off Loans and Advances to Provincial Govt. Employees	10.000	10.000	10.000
vi	Cooperative Bank/Insaaf Agriculture Loans Scheme	200.000	1,000.000	---
Total		15,000.000	8,000.000	15,000.000

i. Repayment of Federal Loans (CDL)

In order to finance the development plans, the Province relies on different types of borrowings. Loans from Federal Government are one of them. In the past, Federal Government has provided Cash Development Loans (in Pak rupee) to the provincial government. These loans were repayable on the following terms and conditions:-

- Five years grace period, during which only interest is payable
- Repayment in 20 years
- Markup rate determined by the Federal Government on yearly basis
- Recovery on monthly basis by the Finance Division, at source, from Federal Tax Assignment

The outstanding debt liability of the Provincial Government on account of Federal Loans (Cash Development Loans) as on 1st July, 2015 is Rs. 5,103.055 million. The detail is given at Annexure-I.

Premature Debt Retirement - Realizing the heavy debt servicing liability on the provincial budget, the Provincial Government decided as part of its debt management strategy, to retire expensive loans of the Federal Government. The Government of Khyber Pakhtunkhwa started repayment of expensive Federal Government's loans from the financial year 2002-03. A sum of Rs. 22,374.718 million (in piece meal) has been repaid prematurely to Federal Government up to Financial Year 2013-14. As a result of this premature retirement of federal loans, the Provincial Government has made savings of Rs. 5,125.836 million per annum. An amount of Rs. 8,637.000 million has been earmarked for the financial year 2015-16. The details of total prematurely retired loans and saving per annum is at Annexure-II.

ii. Repayment of Foreign Loans

All Foreign Exchange Loans are handled by the Federal Government. These loans are used for the financing of specified developmental projects under an agreement between the respective Governments. The relending terms and conditions of the loans to the provincial Government are the same as agreed by Federal Government with the loan giving agencies.

The details of outstanding liability on account of these loans against the Government of Khyber Pakhtunkhwa is Rs. 87,401.529 million as on 1st July 2015 are given at Annex-III.

The confirmation of outstanding balances of a number of foreign loans is under verification between Provincial and Federal Government (see Annexure-IV) as the disbursements under these loans are on-going to the project executing agencies. The outstanding balance/amount disbursed up to 30th June, 2015, is Rs. 28,668.538 million against the allocated share of Khyber Pakhtunkhwa.

Outstanding debt of GoKP (Rs. in million)

Type of Loan	Outstanding debt as on 1 st July, 2015
Federal Government Loans	5,103.055
Foreign Exchange Loans	116,070.067
Total	121,173.122

iii. Loans and Advances & Write-Off of Loans and Advances to Provincial Government Employees

For facilitating the Provincial Government employees, the provisions are made under these heads for construction of houses, motor cycles and bicycles, etc., The loans are waived off in case of death of a government employee during service before the full recovery of principal amount of loan outstanding against the deceased employee.

Criteria for waiving off loans and advances to govt. employees

Basic Pay Scale	Outstanding amount	Extent of write off
1-15	Any	Full outstanding amount
16 and above	Upto Rs. 20,000/-	Full outstanding amount
	Beyond Rs. 20,000/-	Rs.20,000/- plus 50% of residual liability Subject to total relief not exceeding Rs. 1.5 lac (inclusive of Rs. 20,000/-)

iv. Loan to Cooperative Bank/*Insaaf* Agriculture Loans Scheme

Provincial Government has released an amount of Rs. 1,000.000 million to the Agriculture Department for execution of *Insaaf* Agriculture Loan Scheme through Bank of Khyber (BoK) during financial year 2014-15.

The debt servicing liability is a hindrance to the progress of the Province as it places two-fold burden on the provincial resources on account of repayment of principal and payment of mark up of loans.

Repayment of debt (Rs. in million)

Nomenclature	Budget 2014-15		Revised 2014-15		Budget 2015-16	
	Mark up Payment	Principal Repayment	Mark up Payment	Principal Repayment	Mark up Payment	Principal Repayment
A-INTERNAL DEBT						
i) C.D.Loans	927.000	8205.000	927.000	705.000	481.000	9096.000
ii) Un-funded Debt (GP Fund)	4600.000	---	4600.000	---	5000.000	---
iii) Other Floating Debt	500.090	---	500.090	---	500.090	---
Sub-Total (A)	6027.090	8205.000	6027.090	705.000	5981.090	9096.000
B - Loans From Foreign Agencies	1090.000	4975.000	1090.000	4975.000	1040.000	5314.000
C - Other Debt Servicing	5972.910	---	972.910	---	5978.910	---
Sub-Total (B&C)	7062.910	4975.000	2062.910	4975.000	7018.910	5314.000
D – Domestic Debt (SBP)	---	1530.000	---	1230.000	---	500.000
Total (A+B+C+D)	13090.000	14710.000	8090.000	6910.000	13000.000	14910.000

ANNUAL DEVELOPMENT PROGRAMME

Government of Khyber Pakhtunkhwa is responding to unprecedented levels of destruction and disruption caused by militancy and civil unrest resulting from terrorism and natural calamities in the Province. This has resulted in severe loss of infrastructure, and the virtual wiping out of the entire economy.

Provincial Government in Khyber Pakhtunkhwa has embarked upon the pursuit of ambitious reform agenda, ever since coming in power since 2013. Reform agenda pursued by provincial government is geared to actualize the promise of change through palpable improvements in the lives of the ordinary citizens of the Province. GoKP is seeking to consolidate and stabilize the economy with post-crisis measures that aim to overcome the trust deficit with its citizens.

Improved service delivery at all levels, especially in social sectors has traditionally figured high in governance reform agenda of successive governments in KP. There has been abundant

realization that unless government interventions show definitive results at the service delivery level, the confidence of common citizens in governance edifice could not be restored. It is therefore crucial that government investments in basic social services at all levels are geared to maximize citizen trust and confidence in government's ability to deliver.

Peculiar realities of Khyber Pakhtunkhwa necessitated efforts for devising some kind of evidence based performance system, covering citizen needs in major sectors. A coherent mechanism of identifying and articulating service delivery needs at the district level was largely missing. Therefore, it was vital that concerted efforts may be made to identify service delivery needs for each district in a holistic manner and across major sectors and also that sectoral needs are assessed at the district level on the basis of empirical evidence and citizen demand.

Keeping the above in view, the present government is committed to bring about major shifts both at policy and implementation level through transparent, efficient, equitable and just mechanism in all the development sectors of the Province as evident from the following Reforms Initiatives already undertaken by the Provincial Government.

Sectoral Reforms in Khyber Pakhtunkhwa

The agenda of "change" articulates the long neglected aspirations of the people of Khyber Pakhtunkhwa i.e., Good Governance, Responsive Social Services Delivery, Economic Prosperity and peace for all. The Government initially chose four sectors as priority intervention that were later on extended to twenty seven departments. Apart from various reform initiatives already undertaken, the provincial government promulgated the following laws during 2014-15;

- Private Health Care Supervision Act, 2015
- Health Care Commission Act (Health Regulatory Authority Act), 2015
- Khyber Pakhtunkhwa Injured Persons (Medical Aid) Act, 2014
- Khyber Pakhtunkhwa Protection of Breast Feeding and Child Nutrition Act, 2015
- Medical & Health Institution Reforms Act, 2015
- Khyber Pakhtunkhwa Charitable & Religious Trusts Act, 2014
- KP Evacuee Trust Properties Management and Disposal Act, 2014
- KP Protection of Communal Properties and Minorities Act, 2014

Reclaiming Prosperity in Khyber Pakhtunkhwa (A medium-term Growth Strategy)

Despite severe internal and external shocks to KP's economy over time, the per annum economic growth of 4.5% underscore the resilience of KP's citizens and its institutions. Recent events suggest that the Province is on the verge of realizing higher economic growth rates than any witnessed earlier. The 'Growth Strategy' is an attempt to take stock of the drivers of the future economic growth and outline challenges in reaching the cherished goals. The objective of the growth strategy is to reverse and improve KP's human development indicators up to the national average. For this to happen, KP's economy will need to grow at a much higher rate, preferably 7.5% per annum in accordance with Vision 2025's target.

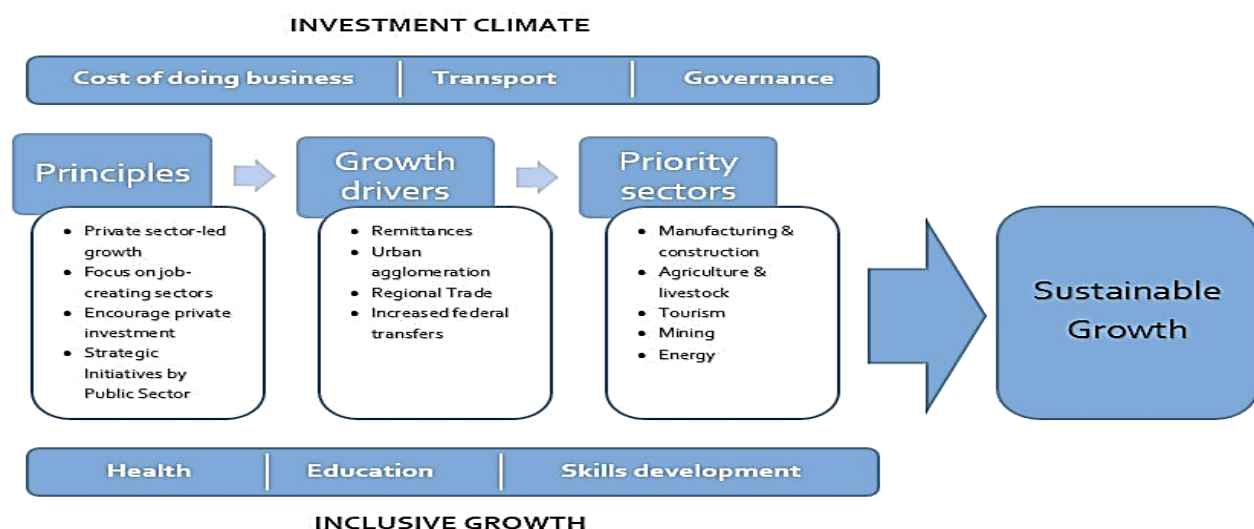
The future economic growth rate in KP is likely to be driven by Urbanization, Trade and Connectivity, Remittances and Fiscal Transfers. Urbanization is important in the context of agglomerations, whose importance comes from their potential role in facilitating growth through their high density populations. KP has immense potential when it comes to becoming

a regional trade centre as well as prime location in terms of transit trade across geographical locales. Its geographical location makes it especially attractive in terms of Pak-Afghan trade. The potential for reaping cross-border (between Pakistan, Afghanistan, China and Central Asian states) and intra-regional trade is limitless.

Remittances play a very important role in Pakistan's economic development. These are an estimated 5 percent of Pakistan's total GDP. Every fourth migrant worker belongs to KP who sends substantial remittances back home. Majority of these remittances, however, end up being used for consumption only. The growth sectors getting priority in the context of growth policy consist of Manufacturing, Construction, Agriculture and Livestock, Mining and Tourism. Manufacturing has slowed down, owing to problems of law & order and electricity load shedding. Construction sector's main importance is due to the fact that it is the second largest employer in KP after agriculture.

Agriculture remains the most important sector in KP's economy since it employs the majority of KP's labor force. But it is plagued with several problems like low productivity, incomplete markets, low value added crops, partial access to markets, lack of R&D, etc., In order to fully utilize the potential of this sector, certain steps like diversification of crops, development of seed nurseries, rational water utilization, etc., need to be taken. Mining sector, another important contributor to KP's GDP and revenue, is also plagued by problems. Despite containing gemstones and minerals that are high in demand, problems such as financing mine operations, low level of technology, inappropriate of dispute resolution mechanisms, discretionary power use, etc., have held back this sector. An early redress of these problems will go a long way in propelling this sector's performance.

Realization of goals of enhanced GDP growth cannot come about without improvement in the investment climate. For improvement in the overall investment climate, reduction in transaction costs, increased competitiveness and increased emphasis on hydel power investment must become a priority.



Economic Growth Framework for KP covers priority sectors of industries and construction, agriculture and livestock, energy, mining and tourism. By following this framework, it is

expected that the desired 7.5 % GDP growth rate will be achieved in the medium term leading to reduced poverty, increased prosperity and more jobs in the Province.

Strategic Development Framework Partnership (SDPF)

The coalition government of Khyber Pakhtunkhwa wishes to deepen and accelerate the partnership for development between the Government and the international community. For this purpose the Chief Minister and the Coalition Government has established a partnership framework with donors based on mutual accountability and with follow-up mechanisms in place to track and discuss progress. The purpose of this partnership framework is as follows:

- a) The framework has set out the shared and individual commitments of the Government and Donors.
- b) It provides a basis for discussion of top-level strategic priorities and sets the context for the delivery of assistance in line with Khyber Pakhtunkhwa's priorities.
- c) The strategic framework will accelerate and expand the delivery of programmes in the Khyber Pakhtunkhwa.
- d) The framework has been agreed between the Government of Khyber Pakhtunkhwa and major international partners.
- e) The Economic Affairs Division will be an observer to this process and the agreed framework.

Integrated Development Strategy (IDS)

Integrated Development Strategy (IDS) is the development roadmap for KP up to 2018 to help meet the needs of a region with fast growing population of over 25 million with huge potential for reforms and growth but caught in an unfortunate militant conflict. IDS is designed to address the challenges of bad governance, socio-economic and socio-political marginalization which are fuelling conflict and have been shaking the society for decades. IDS propose multiple solutions integrating social and economic perspectives to tackle the issues with resources, planning, strategic vision and drive of political leadership.

The pivotal section in IDS is based on the priorities identified in Strategic Development Partnership Framework (SDPF) serving as a hub and gateway to achieve targets of effective governance capabilities, regional economic growth and social development. Governance reforms are embedded in all government priorities driving sectoral strategies for economic growth and social development. Together these provide infrastructure framework to boost income standards of people by sustainable and equitable growth in a better governed Province. IDS is based on the understanding that development is a multidimensional process involving all sectors of economy and all factors of human life impacting on quality of life.

Emphasizing governance led reforms and enhanced focus on social sector service delivery to achieve an inclusive growth, IDS attaches great importance to an approach embracing all relevant policy areas. Ensuring public service delivery particularly Education and Health along with governance transformation by transparent government machinery is at the fore front. Economic growth, albeit, is not accorded a subordinate position but rather pursued with appreciation of inter-linkages among real sectors and social services. Appreciating that economic growth creates more and better jobs, helps reduce poverty, raise standards of living of people, IDS recognizes that cycle is further augmented only when people are educated, better skilled, healthy, informed and are at the centre of development priorities.

Special Initiatives

The coalition Government of Khyber Pakhtunkhwa is committed to produce a people friendly budget. In the current budget 2015-16 apart from other objectives, the Government is focusing on poor and marginalized sections of society in order to develop their socio-economic conditions. An amount of Rs 8166.000 million has been allocated during 2015-16 for ongoing as well as new initiatives.

The ongoing special initiatives include cash stipends programmes to enable jobless youth to start self-employment activities; in-kind support schemes in the form of free textbooks and vouchers for female students; skills development programmes and free-of-cost training in technical skills to deserving youth.

In this regards, a series of microfinance schemes have already been launched, that includes Youth Challenge Fund and “Khud-Kifalat” Scheme. The Youth Challenge Fund is envisaged to provide technical and financial assistance to skilled youth, while the ‘Khud Kifalat’ scheme is intended to extend interest-free loans from Rs 50,000 to Rs 200,000 for a period of three years.

In health sectors several initiatives have been undertaken that includes Health Insurance Care for Critical Illnesses, Insulin for Life, Mother and Child Health (MCH) Special Initiative for enhancing immunization coverage. It has been planned to set up a Widows and Orphans Welfare Foundation, with the objectives to implement measures for wellbeing, assistance and rehabilitation of deserving widows and special persons in the Province.

Similarly various initiatives have been stated in education sector, cash awards are being paid to position holder students in Matric and Intermediate @ Rs 10000/- & Rs 15000/- respectively who appeared in board exam from government school. A voucher scheme for out of school children has also been initiated. In order to strengthen the education system, an incentive programme has also been initiated for the best performing school teachers and principals of the government schools.

A mega program of Food subsidy has also been initiated by the Provincial Government with a nomenclature of “SastaAata Ghee Khasoosi Package” this initiative is mandated to provide a simple and transparent subsidy on most essential food items Ata & Ghee to the target families. It will help the government to embark upon creation of a partnership with civil society so as to establish closer cooperation between the two. Under this program, the government intends to improve the purchasing power and food consumption of poor citizens by providing food assistance to that segment of the society which is finding it increasingly difficult to make ends meet.

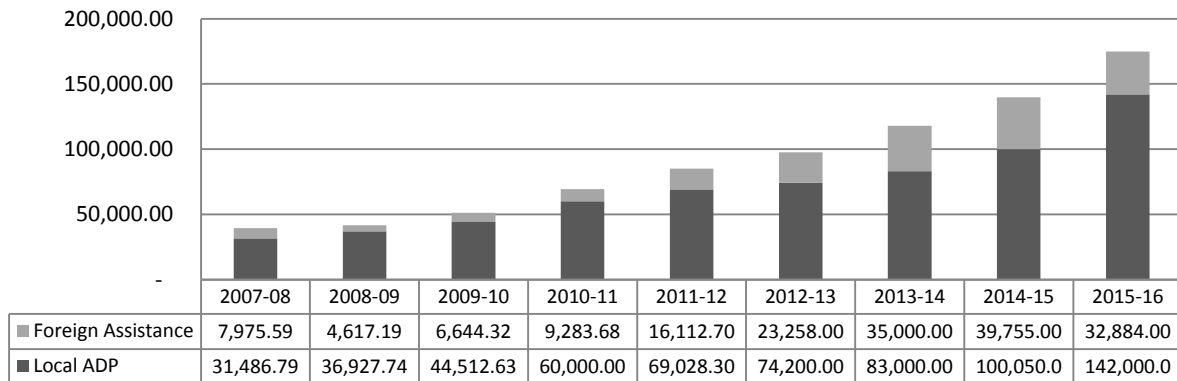
Every year certain numbers of new projects form part of Annual Development Plan along with on-going projects in various sectors. These projects are approved by project approving fora working at various levels. These include the Departmental Development Working Party, Provincial Development Working Party, Central Development Working Party and Executive Committee of National Economic Council. In the current financial year, 23 PDWP meetings were held in which 497 Projects pertaining to different sectors were approved.

Major components of the Annual Development Programme 2015-16 are as follows:-

Rs. In million

Expenditure head	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Development Revenue Expenditure	28,378.066	28,460.336	32,028.094
Development Capital Expenditure	71,671.934	76,155.528	109,971.906
Local	100,050.000	104,615.864	142,000.000
Foreign	39,755.000	30,121.464	32,884.000
Total	139,805.000	134,737.328	174,884.000

To meet the fiscal gap between the needs and available resources the Province is blessed to have significant foreign assistance to finance specific development projects. Foreign assistance has increased substantially over the last ten years.

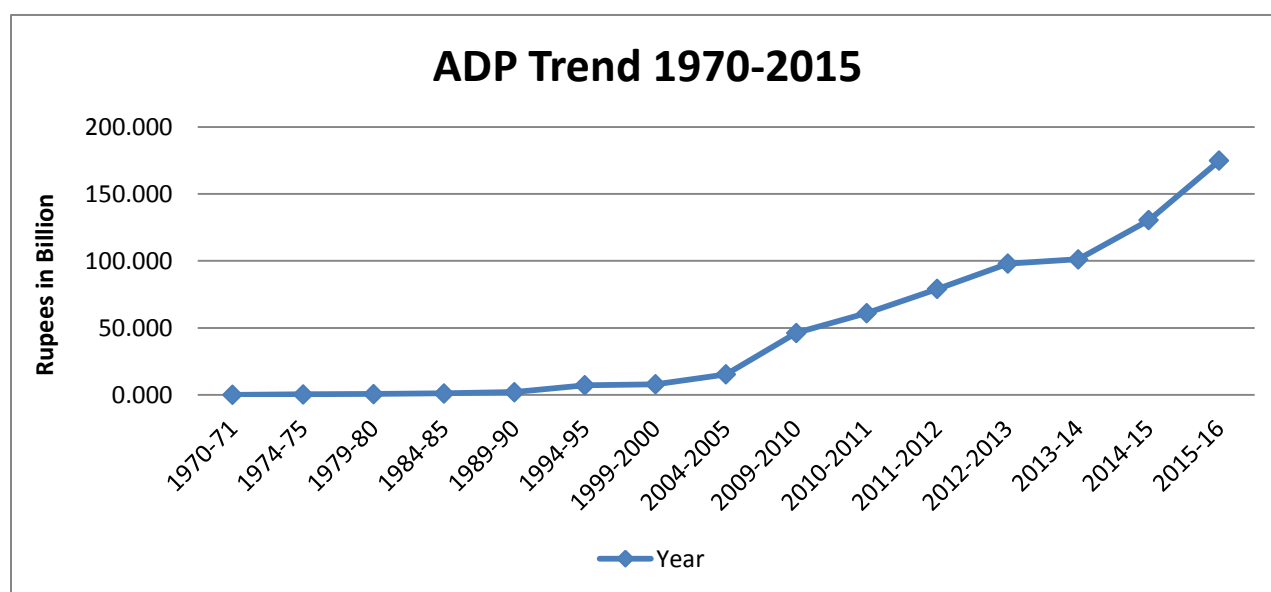


Trend of ADP financing

The size of the Annual Development Program has steadily grown since, the dissolution of One Unit in Pakistan, and emergence of the Khyber Pakhtunkhwa Province as a separate unit in 1970-71.

(Rs in Millions)

Year	Size of A.D.P	Revised Size of A.D.P
2009-10	51156.956	46330.547
2010-11	69283.682	61103.166
2011-12	85141.000	79217.559
2012-13	97458.000	98000.971
2013-14	118000.000	101197.041
2014-15	139805.000	130511.998
2015-16	174884.000	174884.000



Review of ADP 2014-15

The original size of the ADP 2014-15 was Rs 139805.00million, which included foreign aid component of Rs 39755.00million. The Provincial Government's contribution in the ADP was Rs 100050.000 million. The provincial program comprised of 1254 projects including 711 ongoing and 543 new projects out of which,300 projects were completed.

Sources of Funding of ADP 2014-15

(Rs in millions)

S.No	Source of funding	Allocation	%age
A	Provincial Budget	100050.00	72%
B	Foreign Assistance	39755.00	28%
Total A+B		139805.00	

*Total Foreign Assistance includes Rs30751 (77.35%) as grant and Rs 9003.780(22.65%) as loan.

Original & Revised Allocations for ADP 2014-15

The original sectoral allocations of local resources in ADP 2014-15 and revised allocation after re-appropriation are given as under:

S.No	Sector	Original Allocation	%age of Total ADP	Revised Allocation	%age Increase/ Decrease	%age Utilization (against B.E)
1	Agriculture	1587	1.6	2396.022	2.4	151
2	Auqaf, Hajj	149	0.1	143.006	0.1	96
3	Building	1271	1.3	1713.4	1.7	135
4	District's ADP	1672	1.7	1672	1.7	100
5	DWSS	5851	5.8	6020.582	6.0	103

6	E&SE	8132	8.1	9492	9.5	117
7	Energy & Power	3046	3.0	3325.831	3.3	109
8	Environment(EPA)	57	0.1	26.561	0.0	47
9	Finance	4094	4.1	4813.274	4.8	118
10	Food	501	0.5	182.151	0.2	36
11	Forestry	1015	1.0	1123.869	1.1	111
12	Health	8280	8.3	7934.695	7.9	96
13	Higher Education	6180	6.2	5961.957	5.9	96
14	Home& Tribal Affair	3500	3.5	3331.709	3.3	95
15	Housing	956	1.0	326.408	0.3	34
16	Industries	3471	3.5	1499.266	1.5	43
17	Information	224	0.2	278.502	0.3	124
18	Labour	26	0.0	3.18	0.0	12
19	Law & Justice	1050	1.0	1232.601	1.2	117
20	Mines & Minerals	626	0.6	285.38	0.3	46
21	Population Welfare	330	0.3	292.562	0.3	89
22	Pro-Poor Initiatives	7900.12	7.9	4394.973	4.4	56
23	Reg. Dev.	12258.88	12.3	13253.162	13.2	108
24	Relief & Rehabilitation	2053	2.1	770.48	0.8	38
25	Research & Development	1001	1.0	1186.98	1.2	119
26	Roads	9590	9.6	12631.716	12.6	132
27	Social Welfare	500	0.5	468.992	0.5	94
28	Sports, Tourism	1325	1.3	1635	1.6	123
29	ST&IT	1000	1.0	719.281	0.7	72
30	Transport	200	0.2	88.043	0.1	44
31	Urban Dev.	7467	7.5	7070.141	7.0	95
32	Water	4737	4.7	6116.99	6.1	129
Total		100050.000	100.0	100390.714	100	100.341

Salient Features of Annual Development Programme 2015-16

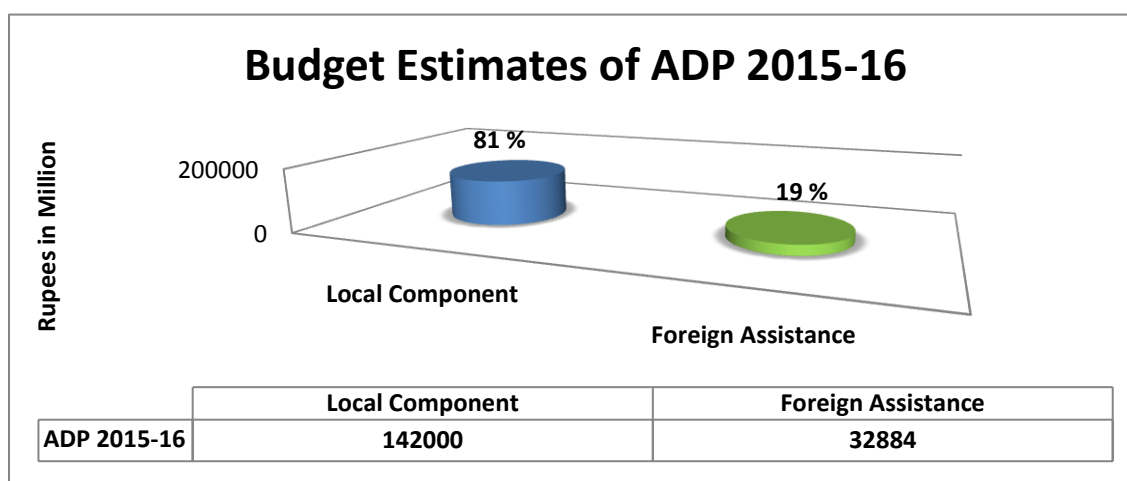
The outlay of ADP, 2015-16 is **Rs 142000.000** million, with an increase of **42%** over the local share of last year's development program. The ADP comprises of **1525** projects, with **911** ongoing and **614** new. Formulated on the basis of priorities of the development departments solicited under the Integrated Development Strategy & Economic Growth Strategy, the ADP envisages substantial allocations for all the development sectors. The source of funding details are tabulated below:

Sources of Funding of ADP 2015-16

(Rs in Million)

S.No.	Source of funding	Allocation	% age
A	Provincial Budget	142000	81
B	Total Foreign Assistance	32884	19
Total	A+B	174884	100

Total Foreign Assistance includes an amount of Rs 27660.990 (84%) as Grant and Rs 5223.010(16%) as Loan.



Formulation of ADP 2015-16

The ADP-2015-16 has been formulated after an intensive consultative process. The process included a series of sessions with all the development departments, Finance Department, Advisor to CM for Planning and Development Department and the Chief Minister, in order to seek their guidance.

Highlights of ADP 2015-16

In view of the allocated resources, the following order of priority has generally been observed:

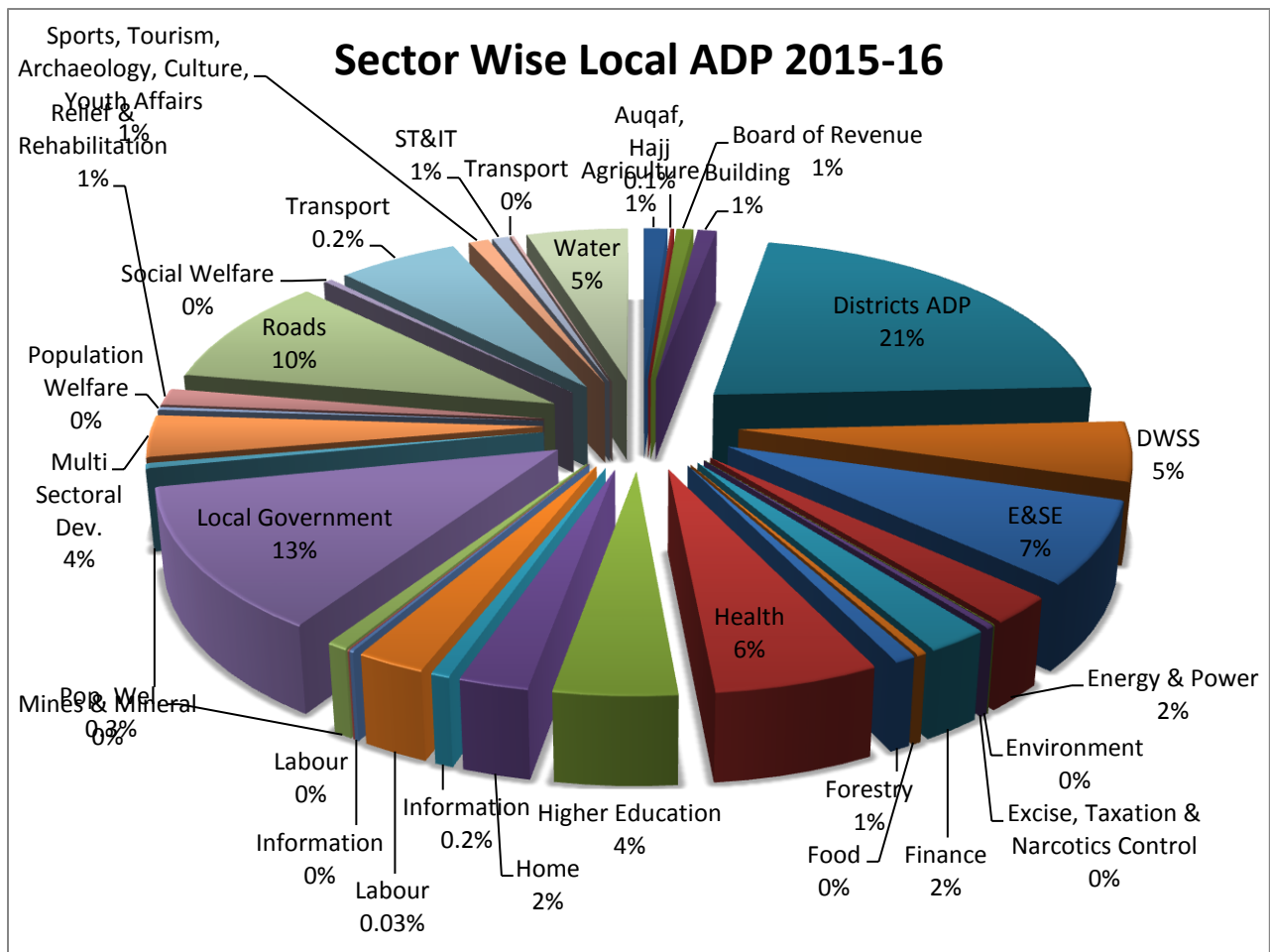
- 42% increase in Local Component of ADP
- 54 % allocations for 911 on-going Projects & 46 % allocation for 614 new Projects
- Throw-forward on the lower side, 2.2 years
- 26 % increase in DWSS sector, 25 % increase in E&SE sector, 7 % increase in Forestry sector, 41 % increase in Roads sector & 45 % increase in Water sector over the previous year allocation
- Total Foreign Assistance includes 84% Grant and 16% Loan
- Priority to Health, Education, Energy & Power, Sports, Tourism & Youth Affairs
- Provisions for reform initiatives especially in Health, Education, IT, Skill Dev., Mines & Minerals, Agriculture and Local Government
- Encouraging Public Private Partnership
- Special Initiatives
- Equitable distribution of funds among the regions

Sector-Wise Allocation:

The size of ADP, 2015-16 is Rs 174,884.000 Million which includes Foreign Assistance of Rs 32884.000 million. There are 1525 projects in the ADP, of which 911 are on-going and 614 are new. The sector-wise allocations for ongoing and new schemes are as under:

(Rs in millions)

S.NO	Sector	Schemes		Schemes		Total	
		(On Going)		(New)			
		No	Allocation	No	Allocation	No	Allocation
1	Agriculture	28	933.499	19	653.501	47	1587
2	Auqaf, Hajj	9	89	9	133	18	222
3	Board of Revenue	7	959	2	170	9	1129
4	Building	32	1125	8	150	40	1275
5	Districts ADP	0	0	3	30274	3	30274
6	DWSS	16	4637	77	2725	93	7362
7	E&SE	49	7950.001	22	2249.999	71	10200
8	Energy & Power	22	3094.994	17	305.006	39	3400
9	Environment	6	39.35	2	17.65	8	57
10	Excise, Tax, Narcotics	2	311	2	95	4	406
11	Finance	8	157	5	2949	13	3106
12	Food	5	253.6	6	247.4	11	501
13	Forestry	37	960.435	19	128.565	56	1089
14	Health	75	7214.8	23	1065.2	98	8280
15	Higher Education	39	4435	28	1765	67	6200
16	Home	40	3094.997	17	405.003	57	3500
17	Housing	7	752	3	204	10	956
18	Industries	28	2541	8	930	36	3471
19	Information	3	134.287	3	89.713	6	224
20	Labour	3	28.963	2	45.037	5	74
21	Law & Justice	26	898.22	6	151.78	32	1050
22	Local Government	31	9235.9	20	8530.1	51	17766
23	Mines & Mineral	9	349	7	277	16	626
24	Multi Sectoral Dev.	28	3487.864	15	1657.136	43	5145
25	Population Welfare	9	282	3	67	12	349
26	Relief & Rehab.	8	968.003	10	1084.997	18	2053
27	Roads	191	10997.551	138	2502.449	329	13500
28	Social Welfare	16	324.366	10	198.634	26	523
29	Special Initiatives	1	5000	1	3166	2	8166
30	Sports, Tourism,	31	750	23	575	54	1325
31	ST&IT	29	800	10	280	39	1080
32	Transport	6	91	4	143	10	234
33	Water	110	4755.605	92	2114.395	202	6870
	Total ADP	911	76630.435	614	65369.565	1525	142000
	Foreign Assistance						32884
	Grand Total						174884



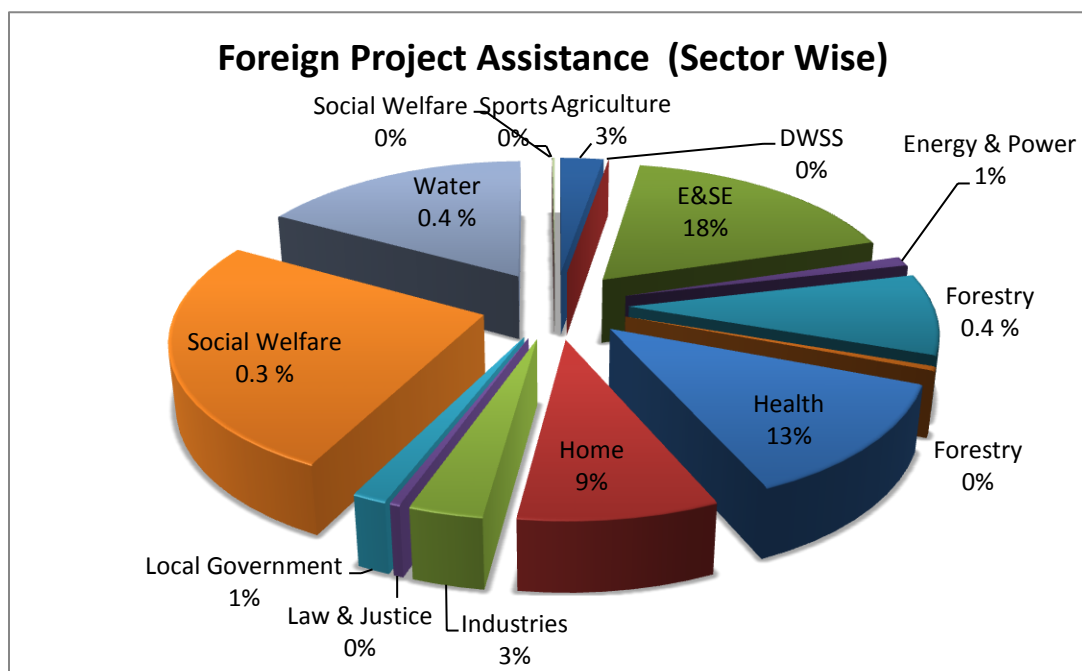
Foreign Assistance

For the year 2015-16, the size of foreign assistance is Rs 32884.000 million, comprising of Grant amounting to Rs 27660.990.00 million while Rs 5223.010 Million as loan. The sector wise allocation of foreign assistance is tabulated as under:

(Rs in millions)

S.No	Sectors	Allocations	Number of Projects	%Age
1	Agriculture	880.83	2	2.7
2	DWSS	0.01	1	0.0
3	E&SE	5778.45	5	17.6
4	Energy & Power	349.38	1	1.1
5	Finance	2961.33	1	9.0
6	Forestry	153	1	0.5
7	Health	4152.594	6	12.6
8	Home	2878.781	8	8.8
9	Industries	1069.685	3	3.3
10	Law & Justice	149.95	1	0.5
11	Local Government	500	1	1.5

S.No	Sectors	Allocations	Number of Projects	%Age
12	MSD	8448.272	17	25.7
13	Roads	5505.94	5	16.7
14	Social Welfare	3.246	1	0.0
15	Sports	52.532	1	0.2
Total		32884	54	100.0

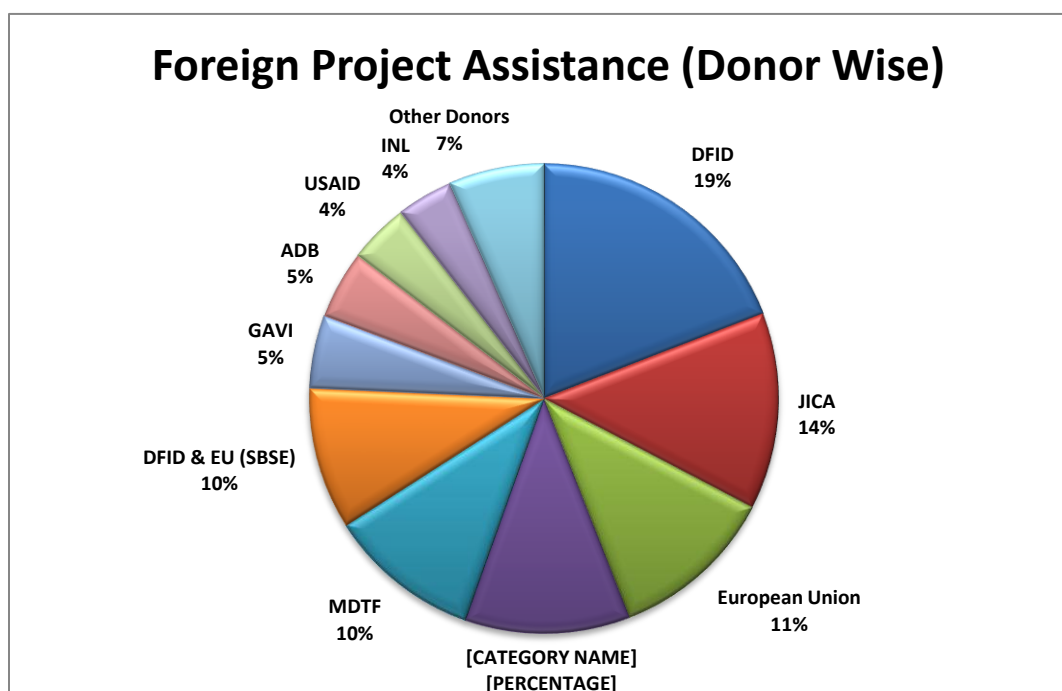


The individual contributions by the Development Partners of the Provincial Government are as under:

(Rs in million)

S.No	Donor	Grant	Loan	Total
1	ADB	700	849.38	1549
2	AusAid	523.29		523
3	CIDA	250		250
4	CVF Japan	200		200
5	DFID	6287.673		6288
6	DFID & EU (SBSE)	3200		3200
7	European Union	3756.693		3757
8	GAVI	1650		1650
9	GiZ	317.796		318
10	INL	1268.46		1268
11	Italian Debt Swap	52.532		53
12	JICA	78.915	4373.63	4453
13	KfW	525		525
14	MDTF	3464.68		3465
15	SDC	285.376		285

S.No	Donor	Grant	Loan	Total
16	One UN Program *	3732.385		3732
17	USAID	1368.19		1368
	Total	27660.99	5223.01	32884



SECTOR-WISE INVESTMENT PROGRAMS IN ADP 2015-16

AGRICULTURE

Agriculture

Vision

To develop a vibrant agricultural sector that promotes value addition and helps tap international markets for agriculture produce

Policy

- To shift from conventional cropping pattern to high value, high yield crops, fruits, and vegetables
- To minimize the environmental risks associated with unsustainable means of agricultural production
- Reforming the agricultural marketing system to improve profitability, productivity and value for money for producers and consumers
- To revitalize/reform the agriculture research and extension system of the Province, including the induction of private sector in research and extension

Fisheries**Vision**

Conserve, manage and develop aquatic resources in public and private sector to meet protein requirement of the masses

Policy

Increasing fish production through replenishment of fish resources in natural water bodies

- Aquatic research and conservation program focusing on productivity enhancement, disease control, nutrition, genetics, pollution control and protection of vulnerable species
- Promotion of fish and shellfish farming
- Promotion of Public Private Partnerships to bring in private sector
- Introduction of co-operative fishing to alleviate poverty

Livestock**Vision**

To create an enabling environment for the livestock sector by removing market distortions, supporting efficient use of public resources and encouraging participation of private sector in the industry to increase the contribution of the sector to the GDP of the Province by 20% in 3 years.

Policy

- Redefining the role of the public sector in the governance, management, planning and development of livestock related infrastructure, services and facilities
- Creation of a demand-driven approach to markets for livestock related goods and services
- Recognition that there is a cost for goods and services associated with the delivery of livestock related goods and services
- Elimination of resource allocation distortions in the livestock sector
- To promote sustainable use of resources in the livestock sector
- To develop an independent policy for socially and economically disadvantaged groups

The Khyber Pakhtunkhwa has predominantly an agrarian economy. Agriculture and Livestock contributes around 21% of the provincial GDP having an equal share of each. Agriculture has engaged about 80% of the rural population, which depends for its survival on Agriculture, out of which 70% are directly or indirectly engaged in Agriculture. Keeping in view the pivotal role of this sector the provincial government has allocated an amount **Rs 1587.000** Million for total of **47** projects out of which **28** are ongoing with allocation of **Rs 933.499** Million and **19** are new with allocation of **Rs 653.501** Million. The following major targets will be achieved in this sector:

- Insaf Food Security Program in Khyber Pakhtunkhwa.
- Quality Seed Production and distribution in Khyber Pakhtunkhwa.
- Establishment of Carp Fish Hatchery at Swabi District for Management of Fisheries resources in Terbel and Khan-Pur Dam.

- Productivity Enhancements through Conservation and efficient use of water resources for higher Agriculture Production.
- Improvement in lining of Watercourses in Khyber Pakhtunkhwa.
- Gulley Plugging through Check Dams in Khyber Pakhtunkhwa.

AUQAF, HAJJ & MINORITY AFFAIRS**Vision**

Ensuring adequate protection, conservation and sustainable use of Auqaf properties, mosques, shrines and promotion of religious harmony in the Province.

Policy

- Safe guarding and promoting the rights of minorities
- Better management and maintenance of Auqaf properties as per the provisions of The North-West Frontier Province Auqaf Properties Ordinance 1979
- Improving facilities at mosques and shrines and ensuring security around mosques in order to provide peaceful environment for the devotees.
- Explore, Identify, and document historic shrines in neglected and far-flung areas.

The Constitution of Islamic Republic of Pakistan provides for protection of rights of minorities living in the Province. The Government of Khyber Pakhtunkhwa initiated various projects to provide basic amenities of life and raise standard of living of the minorities living in the Province. In addition to this, the department will also implement projects pertaining to promotion of religious activities and improvement of Deeni Madaris in the Province. An allocation of **Rs 222.000** Million has been made for total of **18** projects out of which **9** are ongoing with allocation of **Rs 89.000** Million and **9** are new with allocation of **Rs 133.000** Million. The following major targets will be achieved in this sector:

- Reconstruction/Restoration of Hindu Mandar at Teri, District Karak
- Provision of Text books & Uniforms for Students of Minority Educational Institutions in KP.
- Welfare Package for Minorities in Khyber Pakhtunkhwa. (Phase-VI)
- Improvement and Rehabilitation of Residential Colonies for Minorities in Khyber Pakhtunkhwa. (Phase-VI)
- Khyber Pakhtunkhwa Scholarship Scheme for Minority Students (Phase-II)
- Provision of Security measures to worships places of Minorities in KP.
- Repair and Rehabilitation of Mahabat Khan Mosque, Peshawar.
- Scholarship Programme for Madaris Students in KP (Phase-II)

REVENUE & ESTATE**Vision**

To Improve Revenue Collection through Strengthening of Land Management Procedures at all levels.

Policy

- Transform the manual system into electronic systems to ensure the data availability to public
- Compliance of all applicable laws and regulations

- Expediting collection from Land Revenue, Registration Fee, Capital Value Tax (CVT), and Land Tax/Agriculture Income Tax and Stamp Duty
- Updating and assessment of Land Revenue Records
- Enforcement of Land Revenue Rules 1968 and collection of services charges, taxes, fee and cess

The Revenue & Estate is the controlling authority in all matters connected with administration of the land, collection of land revenue, preparation of Land Records and other matters relating thereto. It is the highest Court of appeal and revision in Revenue Cases in the Province. An allocation of **Rs 1129.000** Million has been made for total of **9** projects out of which **7** are ongoing with allocation of **Rs 959.000** Million and **2** are new with allocation of **Rs 170.00** Million. The following major targets will be achieved in this sector:

- Construction of 100 No Patwar Khanas in Khyber Pakhtunkhwa (Phase-II).
- Construction of new Mohafiz Khanas/Record Rooms on Need Basis.

BUILDING

Vision

Constructing and maintaining residential and office accommodation facilities in the public sector to render functionally adequate services in cost efficient manner in order to ensure conducive environment for an effective public service delivery system.

Policy

- Stock taking of existing assets and facilities for comprehensive planning of public housing
- Master planning for sequencing developments to cater for building needs under various government departments
- Adoption of standardized plans for construction of residences and offices
- Provision of residential facilities for employees in lower grades

The Building sector covers Building at district and provincial level. The building includes Civil Secretariat, District/ Tehsil Administration, Pakhtunkhwa Houses, Rest Houses and residential accommodation. An allocation of **Rs 1275.000** Million has been made for total of **40** projects out of which **32** are ongoing with allocation of **Rs 1125.000** Million and **8** are new with allocation of **Rs 150.00** Million. The following major targets will be achieved in this sector:

- Establishment of Khyber Pakhtunkhwa Services Academy at Peshawar (Phase-I)
- Installation of solar Panels, Automatic Geysers and Security Cameras at KP House Islamabad-Abbottabad, Shahi Mehman Khana and E&A Department.
- Establishment of Housing Foundation for Government Servants.

DISTRICTS ADP

Section 53 (a) of the LGA 2013 envisages development grant for local governments not less than 30% of the total development budget of the Province. Keeping this in view the Provincial Government has allocated an amount of **Rs 42030.000** Million for District Development Programme. Out of this, an amount of **Rs 11756.000** Million has been allocated for ongoing

devolved projects while an amount of **Rs 30274.000** Million has been allocated to Village/Neighbourhood Councils, Tehsils and Districts as per the following breakup:

- Provision for VCs/NCs : **Rs 13100.000** Million
- Provision for Tehsils : **Rs 8587.000** Million
- Provision for Districts : **Rs 8587..000** Million

DRINKING WATER SUPPLY AND SANITATION (DWSS)

Vision

To provide adequate and safe water supply and extending sanitation coverage to un-served and underserved areas

Policy

- Provision of potable water with a focus on un-served, underserved, brackish and rain-fed areas
- To introduce community participation in the planning, management and development of water supply and sanitation infrastructure, facilities and services
- To halve by 2016, the proportion of people without access to safe drinking water
- To halve by 2016, the proportion of people without access to sanitation
- To develop the technical and financial capacities of water supply utilities and local governments for improvements in water supply and sanitation

Fresh water is liquid of life. The supply of water is finite, but demand is rising rapidly as the population growth and the water use per capita increases. Similarly, along with water, sanitation is regarded as the basis of development. Provincial Government is giving special importance for Development works in Public Health Engineering Department and in this respect efforts are being made that such like projects are covered in each and every part of the Province, for which drinking water could be supplied to the masses. Keeping in view, the importance in this sector the government will take adequate measures to provide sanitation facilities and provision of potable drinking water to the population in all the corners of the Province. In the new development year, the Public Health Engineering department will further expand the existing coverage of clean drinking water and sanitation facilities in the Province wherein new water supply schemes will be implemented, old village based water supply schemes will be rehabilitated and dilapidated pipe lines will be replaced. An allocation of **Rs 7362.000** Million has been made for total of **93** projects out of which **16** are ongoing with allocation of **Rs 4637.000** Million and **77** are new with allocation of **Rs 2725.000** Million. This amount is 26 % above the previous year allocation. The following major targets will be achieved in this sector:

- Solarization of 200 schemes both existing and new water supply schemes, Gravity Schemes and High Head Schemes without Solar in Khyber Pakhtunkhwa.
- Construction/Rehabilitation of Water Supply and Sanitation schemes in Khyber Pakhtunkhwa.
- Gravity Flow Water Supply Scheme, District Mansehra.
- Construction/Rehabilitation of Water Supply and Sanitation schemes in Khyber Pakhtunkhwa.

ELEMENTARY & SECONDARY EDUCATION**Vision**

A progressive Khyber Pakhtunkhwa with equal access to education for all

Policy

- Standardizing Primary Education across the Province
- Encouraging the completion of full primary schooling by all children
- Addressing gender disparity by promoting gender equality, affirmative action and the empowerment of women
- Enhancing the quality of education infrastructure, facilities and services

Education plays pivotal role in the progress of nations. The government is committed to provide free and quality education to all up to higher secondary level. Moreover, new blocks & hostels will be constructed and computer equipment will be provided in various colleges for imparting education in information technology and other sciences. An allocation of **Rs 10200.000** Million has been made for total of **71** projects out of which **49** are ongoing with allocation of **Rs 7950.001** Million and **22** are new with allocation of **Rs 2249.999** Million. This amount is 25 % above the previous year allocation. The following major targets will be achieved in this sector:

- Establishment of 150 Primary Schools in Khyber Pakhtunkhwa (100 for Girls)
- Establishment of Model Higher Secondary School Ring Road, Charsadda Road Portion, Peshawar
- Girls Community Schools Project (Phase-II)
- Establishment of 70 Girls Secondary Schools in Khyber Pakhtunkhwa
- Establishment of 30 Boys Secondary Schools in Khyber Pakhtunkhwa
- Up-gradation of 50 Government Girls Middle Schools to Secondary Level in Khyber Pakhtunkhwa
- Up-gradation of 50 Girls High to Higher Secondary Schools in Khyber Pakhtunkhwa
- Establishment of IT Labs in 500 High & Higher Secondary Schools

ENERGY & POWER**Vision**

To develop the potential of the Province in Hydro-Power generation, alternate energy and oil & gas to contribute significantly in the re-dressal of energy crises in the country and to generate resources for self-sustainability of the Province

Policy

- Emphasis on Hydel Power Generation in Khyber Pakhtunkhwa through short, medium and long term interventions.
- To raise the capacity of PEDO and Energy & Power Department to the highest level of excellence.
- Associate in Hydel development, Private Parties & Foreign companies (Korea, China) in Partnership with the Government of Khyber Pakhtunkhwa and Local private sector (Tri Partied Partnership)
- Efficient utilization of Net Hydel Profits.

- Mitigating the effects of Power short falls by developing feasible alternate energy sources.
- Thrust on Thermal Power generation in Southern districts utilizing flare gas.
- Developing Hydel policy frame work in Khyber Pakhtunkhwa.
- Establishment of Oil refinery in Khyber Pakhtunkhwa in Partnership with PSO.

The Province of Khyber Pakhtunkhwa has been blessed with huge hydel potential and large reserves of oil and gas. The resources are not only contributing in decreasing the gap between the energy demand and supply but also earning billion of rupees for the Province. Production of oil and gas in Khyber Pakhtunkhwa has opened new avenues of economic development in the Province. Huge deposits of oil & gas have been discovered in southern belt of the Province, including district Kohat, Karak and Hangu. As per Petroleum Exploration & Production Policy 2012, the Provincial Government has taken non-working interest in Pezu and Barati Blocks along with OGDCL. An allocation of **Rs 3400.000** Million has been made for total of **39** projects out of which **22** are ongoing with allocation of **Rs 3094.994** Million and **17** are new with allocation of **Rs 305.006** Million. The following major targets will be achieved in this sector:

- Construction of 14 MW Ghorband HPP, District Shangla (20% ADP & 80% HDF).
- Construction of 22 MW Patrak-Shringal HPP District Dir (20% ADP & 80 % HDF)
- Construction of 47 MW Barikot Patrak HPP District Dir (20% ADP & 80 % HDF)
- Construction of 102 MW ShigoKach HPP District Dir (10 % Equity) (Private Sector/Donors/FI)
- Construction of 51 MW Mujigram Shoghore HPP District Chitral (10% Equity: 1% ADP & 9% HDF).
- Construction of 52 MW Istaru Booni HPP District Chitral (Private Sector/Donor/FI)
- Construction of 79 MW Arkari Gol HPP District Chitral (Private Sector/Donor/FI)
- Construction of 188 MW Naran Dam District Mansehra (Private Sector/Donors/FI).
- Construction of 105 MW Batakundi HPP District Mansehra (Private Sector/Donors/FI)

ENVIRONMENT

Vision

Ensure the conservation, rehabilitation and enhancement of the environment and drive sustainable development in the Province while mitigating environmental pollution.

Policy

- Implementation of the provisions of Multilateral Environmental Agreements (MEAs)
- Integrate environmental considerations in the policy and planning processes
- Enhance the institutional capacity of Environmental Protection Agency and other Government and non-Government organizations for the efficient management of the environment
- Create awareness about environmental issues amongst the youth across educational institutions, civil society and various other stakeholders
- Monitoring of pollution level in air, surface water & groundwater

The Environmental Protection Agency is basically an advisory body, and its role is to regulate the Pakistan Environment Protection Act 1997 and ascertain its implementation

throughout the Province. The department plays an important role in dissemination of environmental concerns to the general public through mass awareness campaigns, print and electronic media, monitoring of ambient air quality, water and noise pollution across the Province and promotion of environment education. An allocation of **Rs 57.000** Million has been made for total of **8** projects out of which **6** are ongoing with allocation of **Rs 39.350** Million and **2** are new with allocation of **Rs 17.650** Million. The following major targets will be achieved in this sector:

- Activity Based Capacity of EPA Khyber Pakhtunkhwa
- Institute of Climate Change Studies in Khyber Pakhtunkhwa.

EXCISE, TAXATION & NARCOTICS CONTROL

Vision

To promote distinctive function of Taxation, Regulation and Public Welfare in the Province to enhance the provincial tax net and facilitate the taxpayers.

Policy

- Collection of various provincial taxes (Enhancing Tax Revenue by Facilitating Tax Payers).
- Tax facilitation and extension to trace-out the use of illegal and smuggled vehicles and traffic in contraband's.
- Regulatory and public welfare functions/services such as motor vehicle registration and development of tobacco crop, tobacco production areas and tobacco farmers, through utilization of collected Tobacco Development Cess (TDC).
- Facilitate the registration of Motor Vehicle Dealers, Real Estate Agents and Video Cassette/ CD Shops.

The Excise & Taxation Department is primarily engaged in collection of various provincial taxes, duties, fees and cess items. An allocation of **Rs 406.000** Million has been made for total of **4** projects out of which **2** are ongoing with allocation of **Rs 311.000** Million and **2** are new with allocation of **Rs 95.000** Million. The following major targets will be achieved in this sector:

- Establishment of Anti Narcotics Force in Khyber Pakhtunkhwa (UNDOS).
- Independent Survey for Taxable Units and Assessment.

FINANCE

Vision

Attainment of a secure, just and prosperous society through socioeconomic and human resource development, creation of equal opportunities, good governance and optimal utilization of resources in a sustainable manner.

Policy

- Financial matters affecting the Province as a whole.

- Preparation of annual budget statements and supplementary/excess budget statements for the consideration of the Provincial Assembly, accounts and audits of the Provincial autonomous Organizations.
- Effective & Efficient resource management, Financial Regulation, Administration of Treasuries and Banking.

The Finance Department Pakhtunkhwa is the custodian of Provincial Exchequer and deals with the subjects pertaining to Finance of the Provincial Government and An allocation of **Rs 3106.000** Million has been made for total of **13** projects out of which **8** are ongoing with allocation of **Rs 157.000** Million and **5** are new with allocation of **Rs 2969.000** Million. The following major targets will be achieved in this sector:

- Construction / Renovation of Treasury / District Accounts Offices in KP.
- Financial Monitoring of Provincial services delivery network (PSDN).
- Block Provision for projects to be funded from 10% of Oil & Gas Royalty
- Block provision for projects to be funded from 10% Net Hydel Profit.
- Projects to be funded from Tobacco Development Cess.

FOOD

Vision

To ensure food security and safe and healthy food for the Province

Policy

- To eradicate adulteration of food by 2018
- Better Planning for the sector

In wake of global climatic changes, rising population and nutrition intake values, it is of paramount important for the government to initiate efforts not only to increase production of staple food but also ensure food safety and quality by providing requisite infrastructure in the vicinity of the cropping areas. An allocation of **Rs 501.000** Million has been made for total of **11** projects out of which **5** are ongoing with allocation of **Rs253.600** Million and **6** are new with allocation of **Rs 247.400** Million. The following major targets will be achieved in this sector:

- Construction of Food Grain Godowns of 5000 Ton Capacity in District Tank
- Purchase of Land and Construction of Food Grain Godowns in District Shangla
- Construction of Food Grain Godowns of 6000 Ton Capacity in District Dir Upper
- Construction of Food Grain Godowns of 250 x16 = 4000 Ton Capacity in District Chitral at 16 Places

FORESTRY

Forest Department

Vision

To Develop and maintain forestry sector resources in the Province in a scientific, environmentally sustainable and socially acceptable manner

Policy

- Improved management of forest stock
- Increasing forest/ tree cover through cost effective and sustainable plantation through outsourcing mode.
- Better use of precious water resources
- Developing rangelands for increasing the fodder/ feed resources through reseeding and rotational grazing for poverty alleviation.

Wildlife**Vision**

To protect wildlife resources to maintain bio-diversity and to make them ecologically stable and safeguard them for current and future generations.

Policy

Protection, preservation and management of natural habitat of diversified wildlife species endowed to the Province

- Promote wildlife based tourism through development of safaris and trophy hunting

Ecologically-balanced wildlife policy

The Forest cover of Khyber Pakhtunkhwa is 20.3% and the forests of the Province account for about 36% of the total forest area of the country. In addition to 20.3 % of the forest area, 48 % of Rangelands of the Province also fall under the management of Khyber Pakhtunkhwa Forest Department. The forests and rangelands of the Province are an important source of livelihood for the local communities besides generating revenue for the state and providing watershed, ecological, recreational and ecotourism related service for the nation. The Forestry sector comprises of Forest, wildlife and Non Timber Forest Products (NTFP) sector and Pakistan Forest Institute (PFI). An allocation of **Rs 1089.000** Million has been made for total of **56** projects out of which **37** are ongoing with allocation of **Rs 960.435** Million and **19** are new with allocation of **Rs 128.565** Million. This amount is 7 % above the previous year allocation. The following major targets will be achieved in this sector:

- Establishment of Biodiversity/Forestry Gardens at Shimla Hills in District Abbottabad.
- Remote Sensing solution for Forest change detection.
- Introduction of Range Management Initiatives in Khyber Pakhtunkhwa.
- Development and Management of National Parks in Khyber Pakhtunkhwa.
- Development of Breeding and tourist facilities at Wildlife Park, District Lakki Marwat, Bannu Wildlife Division.
- Establishment of Jurassic Park/ Museum of Natural History.
- Strengthening of Forestry Education at Pakistan Forest Institute (PFI) Peshawar.
- Integrated Forestry Research Initiative and Computerization of Important Pakistani Timbers.

HEALTH

Vision

Work towards a healthy population in partnership with the private sector and civil society and develop effective and efficient healthcare systems targeted towards women in reproductive age and critical illness coverage.

Policy

- Up-gradation and optimal usage of health care facilities leading to measurable improvement in primary, secondary and tertiary health care
- Building upon and improving health delivery systems and health management systems with measurable impact on Strategic Development Goals
- Social protection for low income and vulnerable income groups
- Capacity building for evidence and outcomes based planning with emphasis on data analysis research
- Focusing on Community led community health programs and public private partnerships

Being a high priority sector, the provincial government is focusing on both preventive and curatives sides. In order to provide relief to the poor patients, preventive and free treatment programmes will be kept continued and will be allocated adequate funds. In the ADP 2015-16, an allocation of **Rs 8280.000** Million has been made for total of **98** projects out of which **75** are ongoing with allocation of **Rs 7214.800** Million and **23** are new with allocation of **Rs 1065.200** Million. The following major targets will be achieved in this sector:

- Establishment of Divisional Food & Drug Testing Laboratories at Swat, D.I.Khan and Abbottabad.
- Up-gradation of 06 BHUs to RHCs.
- Establishment of Works Directorate in Health Department.
- Purchase & Installation of new AC Plant at KTH, Peshawar.
- Construction of purpose built buildings for Nowshera, Zulfiqar Ali Bhutto, Gajju Khan and Timergarah Medical Colleges.
- Establishment of Orthopedic and Spine Surgery Hospital at HMC, Peshawar.
- Integrated HIV, Hepatitis and Thalassemia control Program.
- KP Immunization Support Program.

HIGHER EDUCATION

Vision

A progressive Khyber Pakhtunkhwa with equal access to education for all

Policy

- Standardizing Higher Education across the Province
- Addressing gender disparity by promoting gender equality, affirmative action and the empowerment of women in Higher Education Sector
- Enhancing the quality of education infrastructure, facilities and services
- Enabling tertiary educational institutions to be autonomous and accountable in terms of finance, administration and academics

- Reforming college level education through the development of career placement and other linkages with the job market

Education plays pivotal role in the progress of nations. The higher education sector has planned to establish new degree colleges in the Province. Moreover, new blocks & hostels will be constructed and computer equipment will be provided in various colleges for imparting education in information technology and other sciences. An allocation of **Rs 6200.000** Million has been made for total of **67** projects out of which **39** are ongoing with allocation of **Rs 4415.000** Million and **28** are new with allocation of **Rs 1765.000** Million. The following major targets will be achieved in this sector:

- Establishment of Government Degree Colleges in Khyber Pakhtunkhwa on need basis
- Establishment of Sub-Campus of UET at Dir (Upper)
- Up-gradation of Havelian campus of Hazara University to full fledge University
- Establishment of Government Colleges of Management Science (GCMS) at Swabi (for girls) and Dir Upper (for Boys)
- Establishment of Women University at Mardan

HOME

Vision

To ensure effective and professional provision of public security and law enforcement

Policy

- Capacity building of Law Enforcement Agencies
- To improve infrastructure for Law Enforcement Agencies
- To improve infrastructure for jails
- To build capacity for better planning

In this sector there are three main sub sectors including Home & Tribal Affairs, Police Department & Prison infrastructure. Massive allocations have been made for strengthening Police Support Development Program, with the aim to strengthen Police department for constructing Police infrastructure in the Province i.e. Police stations/posts/lines and procure requisite equipment to fight in order to, improve security and safeguard against terrorism. The portfolio of Prisons Department incorporates projects for the construction & rehabilitation of Prisons, Solar energization & provision of water filtration plants & enhancing security measures in jails etc., An allocation of **Rs 3500.000** Million has been made for total of **57** projects out of which **40** are ongoing with allocation of **Rs 3094.997** Million and **17** are new with allocation of **Rs 405.003** Million. The following major targets will be achieved in this sector:

- Strengthening of the Directorate of Provincial Public Safety & Police Complaints Commission and its District formations.
- Enhancing & Strengthening the Capacity of Bomb Disposal Unit of Police Department in Khyber Pakhtunkhwa.
- Non- Intrusive X-Rays Vehicle Inspection System (NVIS), Scanners.
- Feasibility Study and Construction of Central Prison D.I.Khan on existing Site (Phase-II).

- Video Conferencing & Video Linking facilities in Internment Centres and Antiterrorism Courts along with all the Jails of Khyber Pakhtunkhwa
- Construction of Watch Towers in Cantonment & Rural Division for enhanced security in funnel area of Bacha Khan International Airport, Peshawar
- Construction/ Improvement of mess facilities for staff & prisoners in Jails of Khyber Pakhtunkhwa
- Capacity Building of staff in various Jails of Khyber Pakhtunkhwa

HOUSING

Vision

Establish a comprehensive system of town planning at different levels in the Province to ensure systematic integrated growth of urban and rural areas and to achieve the objective of “Housing for all” including shelter less government servants.

Policy

- Facilitate provision of Housing inputs, including land, finance, building materials through institutional and legal frame work and develop indigenous and effective approaches.
- Facilitate Public & Private partnership in housing and development of recreational activities.
- To Assist in formulation of provincial land use policy, plan and prepare regional development plans (inter district spatial planning-master planning) for an integrated, coordinated and systematic planning to ensure orderly growth and development of physical infrastructure.
- Propose suitable amendments in land acquisition laws to make provisions for unified transparent and market oriented system of land acquisition on land sharing basis.

The department has been mandated to provide adequate housing facilities for the general public as well as the government servants. It is also responsible for acquisition and development of sites through public finances and with the assistance of private sector. Under the proposed Programme, the department besides pursuing the ongoing interventions will launch new housing scheme in Peshawar.

An allocation of **Rs 956.000** Million has been made for total of **10** projects out of which **7** are ongoing with allocation of **Rs 752.000** Million and **3** are new with allocation of **Rs 204.000** Million. The following major targets will be achieved in this sector:

- Feasibility Study & construction of 13 KM long approach road to Peshawar Model Town
- Feasibility Study & detailed designing and planning of Motorway City M-I (80,000 Kannals) and its execution through PPP node
- Feasibility Study & detailed planning, designing of Model Town Peshawar (117,000 Kannals) and execution project on royalty mode
- Feasibility Study & detailed planning, designing of Hangu Township (10,000 Kannals) and its execution through PPP mode
- Feasibility Study & detailed planning, designing of Tourist City Chitral (20,000 Kannals) and its execution through PPP mode
- Construction of Office accommodation for PHA at Hayatabad
- Construction of Flats at Civil Quarters Peshawar

INDUSTRIES

Vision

To support growth of locally and internationally competitive industries, generating employment and technological up-gradation. To advocate sustained growth in export, government revenues and industrial and service sector profits.

Policy

- Public sector to ensure creation of business enabling environment for the private sector to come forward, grow and prosper
- Business primarily to be left to the private sector
- Ensuing economic activity and growth will lead to increased employment opportunities leading to poverty reduction and increase in earnings and income
- Public Sector to facilitate provision of state of the art infrastructure

Industrial Sector can play a pivotal role in the uplift and well-being of a nation. The main focus in the industrial sector is to produce skilled manpower, essential for the industrialization of the Province. In order to meet the increasing demand for skilled workers in various production and services sectors of the Province, The Technical Education & Manpower department will mainly concentrate on establishing Polytechnic institutes, Technical & Vocational Institutes through its ongoing and new portfolio. An allocation of **Rs 3471.000** Million has been made for total of **36** projects out of which **28** are ongoing with allocation of **Rs 2541.000** Million and **8** are new with allocation of **Rs 930.000** Million. The following major targets will be achieved in this sector:

- Establishment of small industrial Estate Swat
- Establishment of construction machinery training institute at Swabi
- F/S for Establishment of Campus of Khyber Pakhtunkhwa university of Technology at Swabi
- F/S Studies and consultancies
- Establishment of KP SMEs Development Authority
- Construction of 132 KV Grid Station at Industrial Estate Hattar
- Acquisition of land for small industrial estate at Swat
- One liner provision for improvement & development of technical Education
- Support to Economic Zone Development & Management company (EZDMC)

INFORMATION

Vision

To provide factual and broad based projections of socio-economic, political and religious affairs of the Province to the general masses in the print and electronic media. Establishing an adequate institutional framework for protecting and promoting Language, Art and Culture of the Province. Encouraging and inculcating commitment in the youth of the Province for national solidarity within the ideological framework of Pakistan.

Policy

- Having a definite and dedicated program for the conservation, protection and safeguard of entire cultural heritage in Khyber Pakhtunkhwa
- Promoting Language, Art & Culture of the Province
- Expanding the existing net of media coverage by allowing new entrants for television
- Encouraging telecast of documentaries for the projection of culturally enriched province
- Preservation and protection of cultural heritage and tourists attractions by promoting public private partnerships
- Encouraging youth participation in social and political affairs
- Promoting positive values among the educated youth of KP in order to channelize

Due to the advent of fast medium of communication, the entire world today has assumed the shape of a cohesive village where no one can live in isolation. The information department in line with the requirements of the present era has formulated its own communication strategy keeping in view the needs and aspiration of the masses and also ensures the freedom of media as well as welfare of the journalist community. An allocation of **Rs 224.000** Million has been made for total of **6** projects out of which **3** are ongoing with allocation of **Rs 134.287** Million and **3** are new with allocation of **Rs 89.713** Million. The following major targets will be achieved in this sector:

- Establishment of 03 FM stations at Kohat, Swat and Abbottabad and strengthening of Pakhtunkhwa Radio FM 02.2 at Peshawar.
- Study for publication of Government Newspaper.
- Strengthening of Information Department.

LABOUR**Vision**

To promote healthy labour management practices for greater socio-economic progress and social justice in the work place by means of worker's rights protection and ensuring industrial peace.

Policy

- Recognizing the importance of adequate and fair remuneration, workers health and welfare, and under taking special measures including health care coverage for families, education and housing.
- Improvement of working conditions and Environment
- Discouraging and combating bonded labor and child labor in the Province
- Promotion of welfare of industrial and commercial workers
- Strengthening of Labor management relations.
- Exploring new avenues to absorb skilled labor of the Province

Manpower plays a very important role in the overall development of a nation. Labour community constitutes an integral and important part of the manpower of a nation. There are instances that nations endowed with properly managed and satisfied manpower have achieved heights of success even in the face of scarcity of other natural resources. It is an admitted fact that a satisfied workforce can bring about exponential increase in the productivity of a nation. That is why vigilant nations have always been trying to release its workforce from various encumbrances by providing them various facilities. To ensure guaranteed rights to the

workers, the Labour Department through its attached Departments, implements various Labour Laws. Similarly, for provision of the aforementioned welfare facilities, other organizations/institutions work under the Labour Department. An allocation of **Rs 74.000** Million has been made for **5** projects out of which **3** are ongoing with allocation of **Rs 28.963** Million and **2** are new with allocation of **Rs 45.037** Million. The following major targets will be achieved in this sector:

- Land acquisition and Construction of Office Building for the Directorate of Labour, Khyber Pakhtunkhwa.
- Establishment of Centre for Occupational Safety & Health (OSH) in KP.

LAW & JUSTICE

Vision

To ensure access to affordable timely and equitable justice

Policy

- Improved infrastructure for judicial officers
- Capacity building of relevant stakeholders of the legal justice system
- Research and Development

In this sector, schemes pertaining to Law department & Peshawar High court are considered. The law department deals with the human rights & Government Pleaders office while the Peshawar High Court mainly encompasses the judiciary process across the Province. An allocation of **Rs 1050.000** Million has been made for total of **32** projects out of which **26** are ongoing with allocation of **Rs 898.220** Million and **6** are new with allocation of **Rs 151.780** Million. The following major targets will be achieved in this sector:

- Feasibility Study & Master Planning for Construction of ‘Model Anti-Terrorism Courts’.
- Automation of Courts in Selected Districts of Khyber Pakhtunkhwa.
- Construction of Courts in D.I.Khan Bench.
- Construction of Judicial complex Manshera.
- Establishment of Mobile Courts in Khyber Pakhtunkhwa.

LOCAL GOVERNMENT

Vision

Enhance the Local Government’s ability to generate revenue and optimally utilize the available resources while meeting the needs of their respective administrative units, Including the ability to deliver municipal services and provide infrastructure facilities.

Policy

- To enable cities and towns in the Province to become engines of economic growth
- To create efficient mechanisms for governance of urban and rural areas that can facilitate the flow of goods and services
- To address inter-jurisdictional and intra-jurisdictional issues between cities, towns and villages
- To build the capacity of local governments to provide municipal infrastructure, facilities and services

In this sector various developmental activities will be undertaken to improve infrastructure in the Urban & Rural areas of the Province. Urban areas are important to the national economy as these are considered the focal points for trade, commerce and governance. Moreover, bridges, flyovers will be constructed for extension & widening of roads an effective load management of traffic in the cities. Similiary the rural areas are the home to employment of the majority of the workforce in our country, hence also need proper development. An allocation of **Rs 17766.000** Million has been made for total of **51** projects out of which **31** are ongoing with allocation of **Rs 9235.900** Million and **20** are new with allocation of **Rs 8530.100** Million. The following major targets will be achieved in this sector:

- Uplift of Rural Roads in District Dir Upper & Lower.
- Establishment of WSSC in Divisional HQ of KP.
- Improvement of Infrastructure in Selected Development Authorities in KP.
- Uplift of Regi Model Town (RMT) including provision of Utilities and other infrastructure.
- Safe City Hayatabad Project.
- Construction of Pre-Fabricated elevated/ Dedicated U-Turns in Peshawar.
- Development Package for WSSP Peshawar.

MINES & MINERALS

Vision

To increase Mineral sector's contribution to the GDP by promoting large scale private sector investment.

Policy

- Formulation of an efficient and suitable Policy framework for the Province.
- Formulation of a competitive regulatory framework based on international best practices
- Having proper Institutional arrangements in place for efficient management of the Mineral sector and implementation of the Mineral Policy.

The Khyber Pakhtunkhwa, Province covers a total area of 75421 Sq Km out of which 70% contains mountains & rocks. Being a mountainous region, Khyber Pakhtunkhwa has tremendous potential in marble, granite and other decorative stones etc., relating to construction industry. Other resources are NephelineSyenite, phosphates, gemstones, and metallic minerals including gold and base metals and variety of other industrial minerals. The department has been making strenuous efforts to explore and develop mineral resources by involving private sector due to huge mineral potential of the Province. An allocation of **Rs 626.000** Million has been made for total of **16** projects out of which **9** are ongoing with allocation of **Rs 349.000** Million and **7** are new with allocation of **Rs 277.000** Million. The following major targets will be achieved in this sector:

- Land Acquisition & Construction of District Office of Mines & Minerals at Chitral.
- F/S and Construction of Access Roads to Minerals Bearing Areas of KP.
- Feasibility/Research Studies & Consultancies.
- Study & Establishment of Gems and Gemology centre in Peshawar.
- Establishment of Metallurgy Research centre.

- Study for Economic Evaluation & Reserve estimation of metallic minerals in Malakand & Hazara Divisions.

Multi Sectoral Development

Vision

To promote strategic and output based planning to integrate sectoral plans into a coherent policy framework.

Policy

- Improve delivery of public services
- Enhancing the productivity sectors
- Reducing poverty, inequality and addressing vulnerability
- Enhancement of private sector participation through Public Private Partnership
- Ensuring balanced urban, regional and gender development
- Accelerated and balanced economic growth

An allocation of **Rs 5145.000** Million has been made for total of **43** projects out of which **28** are ongoing with allocation of **Rs 3487.864** Million and **15** are new with allocation of **Rs 1657.136** Million. The following major targets will be achieved in this sector:

- AAWAZ Voice and Accountability Programme.
- Multiple Initiatives under One UN Programme.
- Multi Donor Trust Fund for Improved Growth, Governance & Service Delivery.
- Mass Transit Facility in Peshawar (Public Private Partnership/ Donor).
- 3rd Party Validation of Development Schemes through Reputed Private Firms.

POPULATION WELFARE

Vision

To promote a healthy and industrious population through smart family planning

Policy

- To develop population welfare programme for KP
- Initiate pilot projects for population welfare
- Capacity building for population welfare department

To address 26% unmet needs of Family Planning/ Reproductive Health Services in the Province, an allocation of **Rs 349.000** Million has been made for total of **12** projects out of which **9** are ongoing with allocation of **Rs 282.000** Million and **3** are new with allocation of **Rs 67.00** Million. The following major targets will be achieved in this sector:

- Construction of Reproductive Health Service Center Type-A, District Tank, Dir Lower, Lakki Marwat and Karak.
- Establishment of Regional Training Institute, Abbottabad & Batkhela-Malakand.
- Establishment of KP Population & Research Training Institute, and develop linkages with Bureau of Statics.

RELIEF & REHABILITATION

Vision

Development of safer communities through an effective system for management and prevention of emergencies and disasters

Policy

- Development of a safer and resilient community to through proactive approach towards emergencies and disaster management, community awareness and training
- to have positive socio-economic impact on the society by reducing disabilities and deaths due to injuries

The provincial government's endeavors in creating Relief, Rehabilitation & Settlement department in fact indicates the paradigm shift in its approach from the traditional post disaster response and rehabilitation measures to development of a plausible roadmap to address pre-disaster measures such as mitigation, preparedness and response. The department had played a proactive role in the relief and rehabilitation operations during and post flood in 2010. The department's future initiatives have been incorporated in the new sector wherein it is intended to undertake multitude activities in the Province. These include, establishment of ware houses, preparation of Monsoon contingency plan, district & community based Disaster Management Strategies, Capacity building of related stakeholders throughout the Province etc., An allocation of **Rs 2053.000** Million has been made for total of **18** projects out of which **8** are ongoing with allocation of **Rs 968.003** Million and **10** are new with allocation of **Rs 1084.997** Million. The following major targets will be achieved in this sector:

- Establishment of Khyber Pakhtunkhwa Emergency Rescue Service (Rescue 1122) in District Bannu, Kohat, Swabi, Lower Dir and Manshera.
- Construction & Renovation of Civil Defence Offices in KP.
- Enhancement capacity of Khyber Pakhtunkhwa Emergency Rescue Service.

ROADS**Vision**

Up-gradation and maintenance of modern road network under optimal and efficient development and management regimes.

Policy

- Enhance road densities through construction and upgrading of existing network
- Rehabilitation of roads that have outlived their designed life
- Construction of missing road links
- Preparing Asset Management Plan for the Provincial Road Sector
- Developing secondary arteries linking national motorways and trade corridors to promote economic growth
- Improving Road Safety and undertaking improvements in road design and specifications
- Dualization of main arteries and improving geometry of existing roads

Keeping in view, the deplorable conditions of roads special attention is being given to the improvement of existing infrastructure in the neck and corner of the Province. Efforts will be made to extend the existing road network to the remote and less developed areas of the

Province. An allocation of **Rs 13500.00** Million has been made for total of **329** projects out of which **191** are ongoing with allocation of **Rs 10997.551** Million and **138** are new with allocation of **Rs 2502.449** Million. This amount is 41 % above the previous year allocation. The following major targets will be achieved in this sector:

- Widening and Improvement of Rajjar-Takht-e-Bhai Road i/c Takht-e-Bhai Bypass road, District Mardan
- Construction/ Pavement of roads /streets alongwith allied works in UC's Aman Kot, Mohib Banda, Kurvi and Dheri Kati Khel, District Nowshera
- a) Impt and BT of 15 KM roads b) Constn and BT of Swari Bypass road c) Constn/ Extension & BT of Battara Akhun Kalay road Via Koz Shamnal d) F/S design & construction of RCC bridge at Budal-Rial Khwar, Buner.
- Construction of roads from Odigram to Haya Sairay, Odigram to Lajbook & Shahko, Kadh road and Shudas to Fazal Abad, Maimai road, Kumbatar to Burkhanay Nambaty Dir Lower.
- a) Rehabilitaiton/Reconstruction of roads Ala Salamkot, Dobando Dara, Nasrat Dara, Darora sharamkand & b) Const of Maj General Sanullah Saheed road at Dir Upper.
- Rehabilitation/Reconstruction of a) RCC roads Kumrat, Badgoai & Jandrai Road b) Doag Dara, Usorai Dara Road Dir Upper.
- a) Rehab/Reconstn of Sultan Khail Dara (left & right), Roghano Darra, & Karro Darra road (left & Right), Lugman Banda via Adhokay and Safaray Qamar Tall, b) Constn of Nehag Dara road (Phase-II) District Dir Upper

SOCIAL WELFARE & WOMEN EMPOWERMENT

Vision

To develop an integrated and comprehensive social protection system for general population of KPK especially women, deprived, poor and the most vulnerable segments of the society

Policy

- Build strategies that reduce poverty, protect household consumption and support capacity building and productive inclusion
- Build healthy living facilities for the most vulnerable groups including , base of the pyramid women and children and destitute senior age group citizens
- Capacity building of the vulnerable groups by imparting skills to make them contributory members of the society while earning livelihood for themselves
- Build safety nets through service chain for the welfare of the poorest
- Work on eradicating drug menace; and medico-legal protection of women, children and old age prisoners
- To invest in women development to reduce gender disparity

In social Welfare and Women Empowerment sector, focus will be laid upon providing social cushion to the deprived and marginalized segments of society especially, women. In the proposed development plan, the department included schemes for the wellbeing and safeguarding of destitute women, orphans, beggars, drug addicts and special persons. An allocation of **Rs 523.000** Million has been made for total of **26** projects out of which **16** are ongoing with allocation of **Rs 324.366** Million and **10** are new with allocation of **Rs 198.634** Million. The following major targets will be achieved in this sector:

- Establishment of Model Institute for Street Children (Zamung Kor at Nasapa Payan Flats).
- Construction of Special Education Centre at Shangla.
- Construction of building for Deaf & Dumb School at Takhtbhai, Mardan.
- Provision of Laptops for students of Blind Schools in KP.
- Construction of Building for Special Children Education, Haripur.
- Establishment of Zakat & Usher Offices at Hayatabad.
- Construction of TABDEELI Center at Hayatabd Peshawar.
- Completion of Balance work of women vocational center at Matta, District Swat.

SPECIAL INITIATIVES

The coalition Government of Khyber Pakhtunkhwa is committed to produce a people friendly budget. In the current budget 2015-16 apart from other objectives. The Government is focusing on poor and marginalized sections of society in order to develop their socio-economic conditions. An allocation of **Rs 8166.000** Million has been allocated for **2** projects out of which **1** is ongoing with an allocation of **Rs 5000.00** Million and **1** is reflected as new scheme with allocation of **Rs 3166.000** Million. Under the sector, initiatives proposed by various departments will be financed, keeping in view their relevance with the sector; as to be prioritized in line with the objectives and goals of Integrated Development Strategy.

- Sasta Atta, Ghee Khasosi Package
- Special Initiatives.

SPORTS, TOURISM, CULTURE AND MUSEUMS

Sports

Vision

Develop a competitive advantage in sports through state of the art facilities and infrastructure, accessible to all citizens of the Province

Policy

- Promotion of sports through various interventions at gross root level
- Restoration, up-gradation and creation of state of the art infrastructure
- Research and Development
- Development of state of the art infrastructure with cutting edge sports facilities.

TOURISM

Vision

Promote Khyber Pakhtunkhwa as a preferred tourist destination, nationally in the short-to-medium term and globally in the long term

Policy

- Develop a Tourism Policy for KP Province
- Develop a Public-Private Partnership (PPP) Framework for Increased private sector investment in KP tourism sector

- Increase tourist traffic in the Province by at least 10% every year over the next five years
- Ensure maximum investment (domestic and foreign) in the tourism sector over the next five years

Performance of Tourism sector is interconnected with the Law & Order situation, better infrastructure and performance of other sectors. Considering these factors, the government is committed in promoting this sector on priority basis. An allocation of **Rs 1325.000** Million has been made for total of **54** projects out of which **31** are ongoing with allocation of **Rs 750.000** Million and **23** are new with allocation of **Rs 575.000** Million. The following major targets will be achieved in this sector:

- Establishment of Sports Complex at Kohat and Squash Complex at Peshawar.
- Feasibility and Improvement of Arbab Niaz Cricket Stadium Peshawar.
- Establishment of international standard indoor Gymnasium District Nowshera.
- Construction of 76 Jawan Markaz in Khyber Pakhtunkhwa.
- Establishment of tourists Water Sports facilities in Khyber Pakhtunkhwa.
- Up-gradation of Archaeological Complex Gor-Kuttree, artisan village and Conservation of Peshawar Walled City.
- Acquisition of land for safeguarding and development of 11 archaeological Sites in Swat.
- Establishment of Cultural Village and renovation of Nishtar Hall Peshawar.

SCIENCE AND INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

Vision

To make the Province a hub of information technology and to promote economic growth in the IT sector through enabling IT policies and harness the potential of Information Technology as a key contributor to the development of KPK by providing the people of the KPK easy access to the information technology resources.

Policy

- Investing strongly in research, training and education. Support the local IT industry through building a Province wide infrastructure.
- Building infrastructure for the electronic handling of the land records.
- IT research funding geared towards educational institutes and organizations
- Capacity building in the public IT sector.
- Introducing computer based programs and protocols for government departments.
- Introduction of E-governance regimes in key sectors.

Keeping in view the importance of modern technologies one can easily conceive that Information Technology can play a vital role in all the running transactions/operations of the Government. The ST&IT department is using its technical Capabilities to bring a constant attention towards implementation of such policies which cover the gap between local and international demands. To achieve such goal the ST&IT Department endeavors various initiatives for the information Technology in Khyber Pakhtunkhwa. These initiatives consist of IT Education, HRD, and Software Development activities, E-Governance & IT infrastructure.

An allocation of **Rs 1080.000** Million has been made for total of **39** projects out of which **29** are ongoing with allocation of **Rs 800.000** Million and **10** are new with allocation of **Rs 280.000** Million. The following major targets will be achieved in this sector:

- Establishment of Computer Labs with solar system in Government Institutions of KP.
- Entrepreneurship Development via Establishment and Strengthening of Technology Incubation Centers at Education Institutions.
- Licenses software for GoKP.
- ICT Cell at CS Office and Video conferencing facility for DCs.
- ICT endowment Fund.
- Centralized Automated HR management system.
- Establishment of Centralized GIS facility
- Exploitation of alternative Renewable Energy resources.
- School for development of Robotics
- Propagation of synthetic Biology.

TRANSPORT

Vision

To alleviate the vehicular and commuter traffic congestion issues by providing an alternative urban transport system which is fast, comfortable and is easily accessible.

Policy

- To introduce new and improve existing public transport system
- To ensure convenient, safe and time efficient transport based on modern technology
- To provide jobs and alleviate poverty

The aim of the Transport Department is to provide safe, reliable, affordable and environment friendly transport system and ensure efficient mobility of people and goods for the welfare of the people through economic growth and poverty reduction. Keeping in view the transport & traffic issues, an allocation of **Rs 234.000** Million has been made for total of **10** projects out of which **6** are ongoing with allocation of **Rs 91.000** Million and **4** are new with allocation of **Rs 143.000** Million. The following major targets will be achieved in this sector:

- Establishment of Khyber Pakhtunkhwa Transport Complex at Peshawar under PPP.
- Purchase of Land for Establishment of Trucking Terminal at Peshawar & D.I.Khan.
- Establishment of new Dry Port at Peshawar.

WATER

Vision

To enhance Agricultural productivity by ensuring requisite, equitable and reliable irrigation supplies to cultivable lands of KPK.

Policy

- Sustainable development of irrigation infrastructure with focus on holistic management and institutional reforms.
- Transparent and sustainable management of water resources

- Improving irrigation service delivery
- Improving on-farm water management

Irrigation serves as a lifeline for the agriculture sector. As Agriculture is the main source of livelihoods in rural areas of the Province, therefore, a sustainable irrigation system becomes eminent for the Province. The province's economy is mainly agrarian and it predominantly depends on an effective irrigation system. The department will also execute diverse projects pertaining to construction & improvement of irrigation channels, construction of new flood protection works and installation of tube wells. An allocation of **Rs 6870.000** Million has been made for total of **202** projects out of which **110** are ongoing with allocation of **Rs 4755.605** Million and **92** are new with allocation of **Rs 2114.395** Million. This amount is 45 % above the previous year allocation. The following major targets will be achieved in this sector:

- Construction of Latamber Dam District Karak.
- Construction of Marobi Dam District Nowshera.
- Construction of Protection Structures on L/S of Kabul River U/S and D/S Nowshera Mardan Road Bridge, District Nowshera.
- Construction of Protection Structures on R/S of Kabul River U/S and D/S Nowshera Mardan Road Bridge, District Nowshera.
- Construction of Roads along with Canals / Channels in District Swat.
- Construction of Flood Protection Structures at Vulnerable Locations on Rivers, Nullahs and Khawars in Khyber Pakhtunkhwa.
- Installation of Solar based Irrigation/ Augmentation Tube Wells and Small Life Irrigation Schemes in Khyber Pakhtunkhwa.
- Construction and Improvement of Small Channels & Ponds in Khyber Pakhtunkhwa.

CHAPTER 3 - PUBLIC FINANCIAL MANAGEMENT

Effective management of public resources is the cornerstone for optimal service delivery which ultimately leads to greater citizens' satisfaction viz. a. viz. their expectations from the Government. Hence, public financial management (PFM) includes all components of the province's budget process - both upstream (including strategic planning, medium term fiscal modelling, budget strategy making, issuance of budget guidelines and indicative budgetary ceilings, and scrutiny/review and consolidation of budget proposals through pre-budget hearings) and downstream (including revenue management, procurement, internal controls, accounting, reporting, monitoring and evaluation, audits and oversight). Sound systems of PFM are important for democratic governance, macro-economic stability, effective use of available resources and poverty reduction. A sound PFM system is a precondition for making it possible to effectively channelize resources to service delivery e.g. basic education and health services. The Provincial Government of Khyber Pakhtunkhwa is fully cognizant of the significance of effective PFM systems and has therefore embarked upon significant PFM reforms - lying at the heart of its overall Governance Reforms agenda.

This chapter dwells on some of the key strategic interventions undertaken by the Government of Khyber Pakhtunkhwa as part of its reforms agenda for an open, transparent, accountable, citizen centric participatory Governance for inclusive growth.

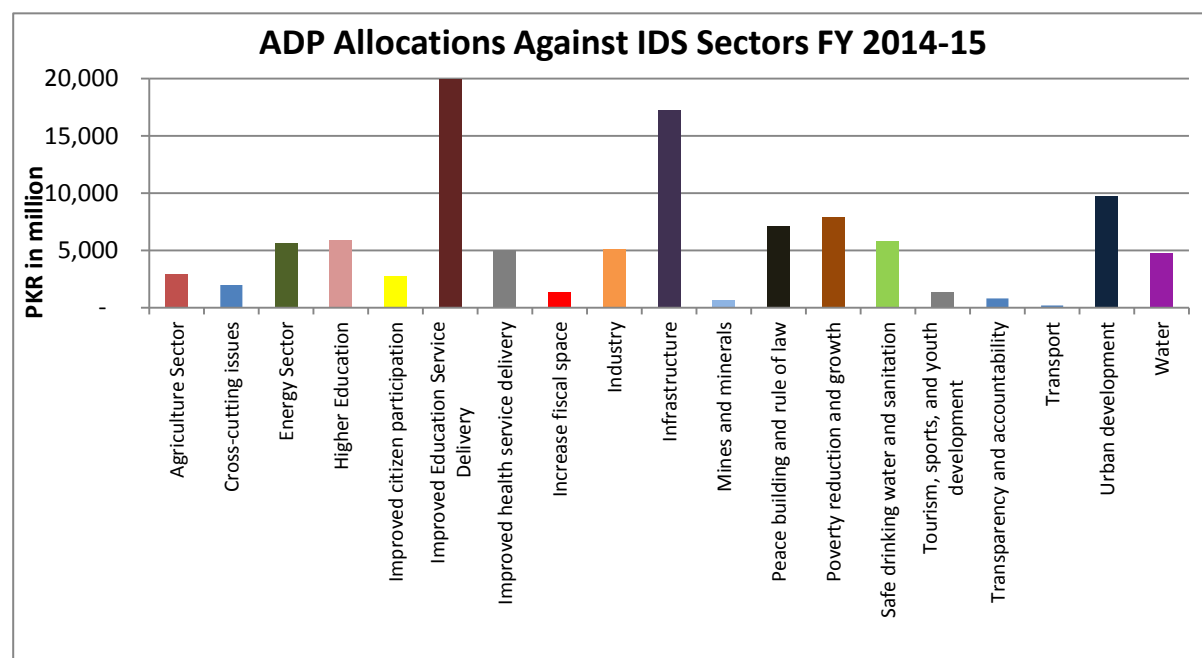
Strategic Development Partnership Framework and Integrated Development Strategy

The Government of Khyber Pakhtunkhwa adopted Strategic Development Partnership Framework (SDPF) with the development partners with the aim of creating synergies for gearing up the socio-economic development of the province through concerted efforts by the Government and its development partners. SDPF drives on the Government's Agenda of transformational development which provides the platform for establishing development pacts building around the principles of inclusive and accelerated socio-economic growth and good governance based on the premise of enhanced social services delivery.



The SDPF laid a solid foundation for aligning the donor financial assistance with the country policies and priorities as well as country system. However, to operationalize the SDPF and to realign government policies/priorities and to consolidate the earlier work (Comprehensive Development Strategy, Economic Growth Strategy, and Post Crises Needs Assessment); the Government formulated Integrated Development Strategy (IDS). The IDS comprehensively articulates the strategic objectives of SDPF by elaborating sector plans thereby identifying initiatives/tasks to be undertaken in various sectors of the Government. The IDS provides a roadmap for operationalizing the transformational reforms agenda through a consistent and robust approach for creating linkages amongst the sector strategies.

An analysis of ADP 2014-15 reveals that 76% of ADP interventions have already been aligned with IDS stipulations. Same trend is expected to be adhered to during formulation of ADP 2015-16. This is a true measure of success and effectiveness of SDPF and IDS that, Sectoral reform interventions are on the course of maximum alignment with overarching policy priorities, enshrined in these documents. SDPF can therefore be seen both as a process as well as instrument for ensuring realization of the reform and change agenda of provincial government through pro-poor development and inclusive growth for a prosperous, stable and peaceful Khyber Pakhtunkhwa.



The dialogue process and effective implementation of the SDPF/IDS is facilitated through regular formal High Level Dialogue (HLD) led by the Chief Minister on the development partnership between the Government and its development partners. Various issues in the implementation are brought up on the table during the HLD that impinges the successful pursuit of strategic targets set forth both in the SDPF and IDS. Sectoral Coordination committees meet regularly to oversee the progress on the implementation of the SDPF/IDS in their respective sectors and provide feedback to inform the dialogue. In addition, an Apex Committee is formed with the representation from major donors and key government officials for effective coordination amongst the SCCs and to consolidate the progress of SCCs for the discourse during the High Level Dialogue.

Reclaiming Prosperity in Khyber Pakhtunkhwa - Medium Term Strategy for Inclusive Growth

Under the overall umbrella for a paradigm shift in development agenda of the government of Khyber Pakhtunkhwa set through the Strategic Development Partnership (SDPF) and Integrated Development Strategy (IDS), the Government has further deepened its strategic drifts through expansion and elaboration of policy directions set in the twin strategy documents (SDPF & IDS) through Medium Term Strategy for Inclusive Growth. This Strategy recognizes the ever pressing growth challenges faced by the Province with domestic, regional, and international constraints limiting the capacity of the Province to optimally exploit its economic potential.

Thus this Strategy sets realistic growth benchmarks based on the federal government's projections of national growth. The parameters for the emerging growth drivers include urbanization, regional trade and connectivity and increased federal fiscal transfers, whereas the priority growth sectors identified are manufacturing and construction, agriculture and livestock, mining, and tourism. The Strategy realizes that without health and education little success can be made in impacting growth in the target sectors in line with overarching objectives of inclusive growth in KP.

Integrated PFM Reforms Strategy

The Government of Khyber Pakhtunkhwa has strong commitment in streamlining PFM systems and processes as a cornerstone for improved public service delivery. In 2010-11 the first ever PFM Reforms Strategy was developed around the following five key objectives:

- i. Making budget strategic by linking policy, planning and budgeting.
- ii. Making budget result oriented by introducing Output Based Budgeting.
- iii. Enhancing the capacity of line departments to prepare, execute and monitor their budget.
- iv. Improving budget execution and reporting.
- v. Improving Monitoring and Evaluation.

In order to consolidate the reforms initiatives and to align the priorities of the GoKP the Finance Department with the support of Sub-National Governance Programme has initiated the process of updating the PFM Reforms Strategy. For greater legitimacy and institutionalization of these reforms the GoKP has constituted a PFM Reforms Oversight Committee under the chair of Minister Finance with membership of Senior Minister Local Government, Ministers for Health and Education, Advisor to CM for P&D, Secretaries of Finance, P&D and Local Government Departments, and Reforms Coordinator RMU. This oversight committee is mandated to:

- a. Provide strategic guidance and policy direction on the core objectives of PFM Reforms Strategy and associated implementation arrangements;
- b. Update and fine-tune the PFM Reforms Strategy as and when the situation warrants;
- c. Instil effective coordination mechanisms among concerned departments and/or stakeholders for greater efficiency and accountability of the reforms measures;
- d. Assess progress against key deliverables of the core components of PFM Reforms Strategy and to advise risk mitigating measures;
- e. Approve periodic progress updates for presentation to the cabinet;

- f. Make recommendations to the provincial assembly for matters requiring legislative/statutory enactments and to facilitate the formulation of such laws/statutes;
- g. Ensure effective liaison and coordination with the development partners/financial institutions/development financial institutions for greater harmonization around the core functions of PFM Reforms Strategy
- h. Devise a robust communication strategy for timely and effective dissemination of key information on PFM Reforms Strategy to key stakeholders;
- i. Constitute sub-committees on matters related to any component of PFM Reforms Strategy.

A fresh and extended PEFA Assessment covering the total portfolio of the Government is being undertaken in collaboration with the World Bank. The updated PFM Reforms Strategy is aimed to be finalized in 2015-16 through greater consultations under the aegis of the PFM Reforms Oversight Committee.

Budget Transparency Review

Finance Department with the support of SNG programme and Omar Asghar Khan Foundation conducted a Budget Transparency Review in March 2014. The objective was to establish a baseline for effectively responding to the KP Right to Information and Right to Services Acts by bringing the elements of transparency and accountability in budgetary processes at par with international best practices.

This Budget Transparency Review (BTR) uses the Open Budget Survey methodology to assess the contents and timely release of eight key budget documents in Khyber Pakhtunkhwa. These are documents that all governments should issue at different points in the budget cycle, according to generally accepted good practice criteria for public financial management. Many of these criteria are drawn from those developed by multilateral organizations, such as the International Monetary Fund's Code of Good Practices on Fiscal Transparency, the Organization for Economic Co-operation and Development's (OECD) Best Practices for Fiscal Transparency, and the International Organization of Supreme Audit Institutions' (INTOSAI) Lima Declaration of Guidelines on Auditing Precepts. The strength of such guidelines lies in their universal applicability to different budget systems around the world and to countries with different income levels.

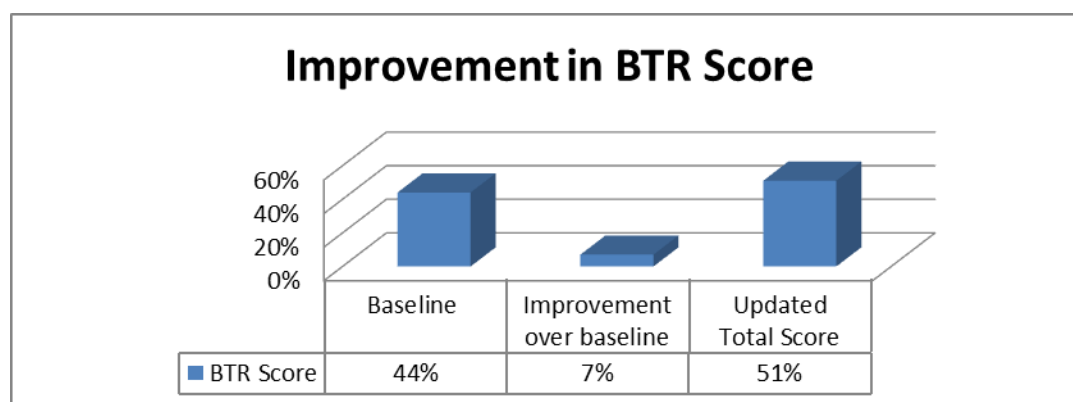
During budget preparation for Financial Year 2014-15 & 2015-16 following efforts were made by Finance Department, with the support of SNG Programme, to mitigate some of the gaps/weaknesses identified by the BTR report;

- Development of 'The Citizens' Budget'. This document is produced for the dissemination of budgetary information in a simple and easy to understand language to public. The key features of the document includes: a summary of overarching policy targets that guides the budget making, a simple account of where money comes from and where it goes, why citizens should pay taxes, and brief sections on important sectors such as energy, education, health, irrigation, urban development & agriculture etc., each showing important targets (where ever available) and major initiatives. The Citizens' Budget is approved by the Provincial Assembly along with other budget documents during the budget session.

- Actual expenditure outcomes for the year(s) proceeding the budget year are included in the budget documents.
- For greater transparency and social accountability the Output based budget is improved in substance and layout; and a robust set of key performance indicators and targets developed.
- The formulation, approval and timely release of Budget Strategy Paper describing the provincial government's macroeconomic and fiscal framework.
- Release of Budget Call Circular inclusive of the budget timetable/calendar to the public for formulation of the executives' budget proposals.

As a result of these efforts the BTR score is projected to show an improvement of 7% over the baseline.

BTR - Areas of Improvements	Total Score	Baseline Score	Updated Score
1. Pre budget statement	3%	0	2%
2. Budget narrative & performance monitoring	3%	0	3%
3. Citizens' budget	4%	0	1%
4. Executive's formulation of the budget	3%	0	1%
TOTAL	13%	0	7%



In order to further improve the baseline score through more concerted efforts towards greater transparency and openness, Finance Department is in the process of implementing Budget Transparency Improvement Measures more specifically in the areas of improved budget execution reporting and effective citizens' feedback and communication mechanisms.

Medium Term Budgetary Framework (MTBF) & Output Based Budgeting (OBB)

The Provincial Government continued to strengthen business processes under the Medium Term Budgetary Framework (MTBF) as a prime tool for linking policy, planning and budgeting aiming improved service delivery. The guiding principles driving the budget 2015-16 included participative, transparent, open and accountable business processes throughout the budget cycle.

Following are some of the salient features which guided the budget 2015-16 under MTBF:

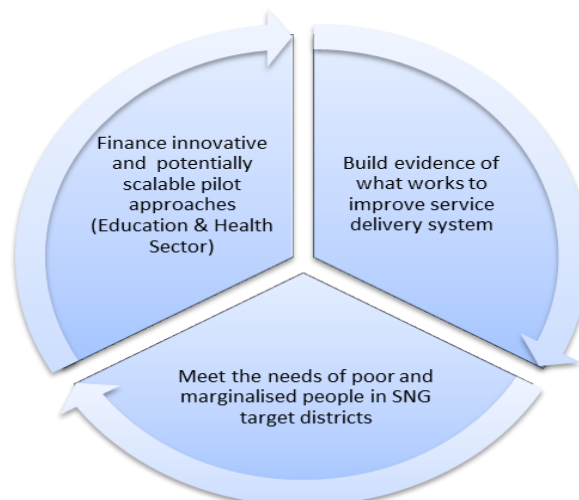
- i. Forward Budget Estimates (FBEs) for a period of 3 years i.e. 2015-18 were formulated by Finance Department.
- ii. Development of Medium Term Fiscal Framework for a period of 3 years i.e. 2015-18.
- iii. Improvements in the Integrated Budget Call Circular (BCC) were introduced. The improved BCC entailed specific provisions on needs based budgeting and performance benchmarking at the district level.
- iv. The block development budget ceilings for 3 years i.e. 2015-18 were finalized and issued to P&DD along with detailed guidelines.
- v. Improved guidelines for the formulation of the ADP 2015-18.
- vi. Indicative Budgetary Ceilings for a period of 3 years i.e. 2015-18 were issued to all departments for the recurrent and development budgets by Finance and Planning & Development Departments along with BCC and ADP Guidelines respectively.
- vii. Presentation of Budget Strategy Papers as part of the annual budget process for the approval of the Cabinet.
- viii. Pre budget hearings held with all line departments by Finance and P&D Departments to finalize the proposed budgets of line departments with due regard to the indicative budgetary ceilings and ensure their alignment with the strategic objectives of the Government.
- ix. Budget Estimates for Service Delivery/Output Based Budget (OBB) 2015-18 continued as part of the annual budget process. The OBB 2015-18 in the post-devolution scenario serves as a policy document for translating the provincial policy objectives at the district level through clearly spelled out performance benchmarks.

Districts Delivery Challenge Fund

As part of the Sub-National Governance Programme (SNG), the District Delivery Challenge Fund (DDCF) is a GBP 2.7 million (approx. PKR 450m) fund aimed to identify and finance viable innovative pilot interventions from the open market that are designed to improve public service delivery and can later on be incorporated into the provincial and district budgets. The DDCF is initially focusing on primary education and health in the six districts of Buner, Haripur, Nowshera, Karak, Lakki Marwat, and D.I Khan.

The Fund is operated and managed by SNG under the supervision of a Sub-Committee and Working Group constituted by the provincial government; whereas the Provincial Steering Committee of SNG provides an overall guidance and direction to DDCF. The pilot projects generally ensure to:

- a) work in partnership with government on improving service delivery,
- b) contribute directly in increased access to services or improved



- quality of services that benefit poor people,
- c) demonstrate equitable access to women and marginalized groups,
- d) be implemented in the six target districts in priority sectors, e) be able to have potential of scaling up,
- e) be concluded within 12 to 18 months; and
- f) be of unconventional nature and not easily supported by other sources of finance.

The DDCF is designed to run in four rounds of funding. The first round was launched in January 2014 focused on primary education, and the second round launched in September 2014 focused on primary health. The upcoming 3rd round is planned to be launched in May 2015. The Grant award value for each project is in the range between: £50,000-£300,000 (approx. PKR 8.5m-50m).

A comprehensive communication, monitoring, evaluation and physical and financial progress review mechanism has been designed for the execution of the fund. Further details of the DDCF can be obtained from <http://pk-sng.org/challenge-fund/>

Following is a short summary of the five projects being implemented through round one:

1. Learning Boost: Under this grant quality education is imparted and objective evaluation of the students' abilities and teachers skills through the usage of bespoke information technology tools. (District Haripur)
2. Science Camp: This grant supports innovative methods of learning science by conducting simple experiments. (District Nowshera)
3. Broad-Class: Radio broadcasts through local FM channel are used to impart quality lessons to students of primary schools (District Haripur)
4. Improved Governance of Primary Education: Through this grant the communities and education department are linked for the purpose of improved accountability and governance of the primary education department. (District Lakki, DI Khan, Karak, Haripur, and Buner)
5. Education Quality Assurance: This grant supports objective assessment of primary schools' students learning milestones. (District Lakki)

Khyber Pakhtunkhwa Community-Driven Local Development (CDLD) Policy - District Governance and Community Development Programme

Development with and by local communities

The Provincial Government of Khyber Pakhtunkhwa has approved the first ever Community Driven Local Development Policy which provides a framework and governance structure for ensuring the key role of citizens in development planning and implementation especially the marginalized groups in the society. The District Governance and Community Development (DGCD) programme will provide support for community driven projects in six districts of Malakand including Swat, Malakand, Shangla, Dir Lower, Dir Upper and Chitral with a total cost of EUR 80 million plus complimentary funds from the Government of Khyber Pakhtunkhwa over the period of 2014 to 2018.

Implementation through consultation and cooperation

The CDLD Policy is being implemented through district governments initially in the six districts of Malakand Division. Community-based organisations (CBOs) have been formed by the target communities at the village council level. These CBOs are working in consultation

and cooperation with the district governments to identify projects for implementation on the basis of a meticulous and competitive scrutiny process conducted by Technical Evaluation Committees (TECs) within the respective districts. Against the 1,097 target projects for the first two rounds, a total of 3,610 applications have been received. This statistic speaks volumes about the trust of the communities in the CDLD Policy and their interest in the measures undertaken by the Government of Khyber Pakhtunkhwa for the betterment of the citizens. The whole process will help in bridging the gap between the government and communities by improving service delivery and responsiveness.

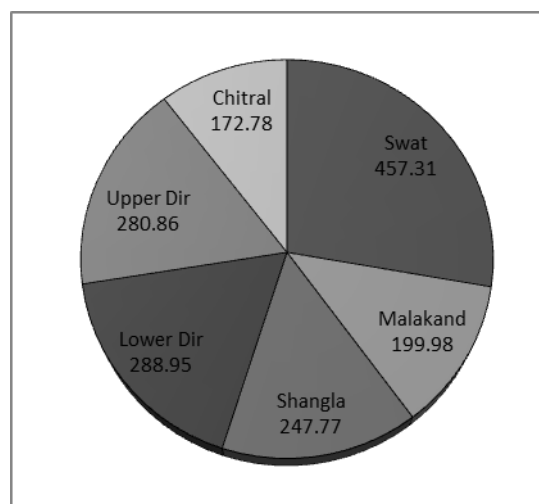
Budget support to the CDLD Policy implementation

With the Euros 64 million budgetary support by the European Union, the Government of Khyber Pakhtunkhwa is enabling financial grants and technical support aimed at the communities around the key concept of CDLD Policy i.e. mobilisation, participation and ownership of community projects. This innovative model is a blend of the traditional government development approach and a novel community oriented development paradigm. This is in itself a remarkable innovation towards community development via participatory mechanisms.

Funding mechanism and scaling up of the CDLD Policy

For Financial Year 2014-15, the Government of Khyber Pakhtunkhwa allocated PKR 500 million and the European Union contributed with Euros 9 million. These funds were distributed among the six target districts as per the details in the figure given below:

The districts have approved local development schemes based on proposals submitted by communities from a target of 50% of the total village and neighbourhood councils in each district during Financial Year 2014-15. In continuation of the CDLD Policy implementation, the Government of Khyber Pakhtunkhwa is set to allocate PKR 800 million for Financial Year 2015-16. To support the government's commitment, the European Union will also provide budgetary support of Euro 18 million (out of which Euro 9 million is fixed tranche while the remainder is from a variable tranche subject to defined conditions).



District allocation (Rs. in million)

Towards Gender Equality - From Policy to Practice

Amongst other challenges, KP still lags behind in securing positive results for women and girls to contribute to the socio-economic development of the Province. As highlighted in the GoKP's IDS, equal rights and opportunities - to education, healthcare, and economic opportunity - for all citizens, including men, women and children - are key to reducing poverty and inclusive growth. The IDS outlines gender equity and equality as a core pillar to help enable improved governance including better budgeting and planning to promote the rights of women, girls and other marginalized groups.

Further strengthening this commitment, the Chief Minister of Khyber Pakhtunkhwa, Pervez Khattak, launched the Khyber Pakhtunkhwa Women's Empowerment Policy in April 2015. The policy framework was formulated by Provincial Commission on Status of Women (PCSW) in collaboration with the Social Welfare Department. The policy framework provides for the empowerment of women in socio-economic, legal and political spheres of life and is seen as a milestone for empowering women in the Province. To enable smooth implementation of the framework, the CM announced autonomy to the Provincial Commission on the Status of Women, Khyber Pakhtunkhwa (PCSW-KP).

To support the GoKP's commitments to gender equality, PFM reforms have demonstrated practical ways to ensure responsiveness and address issues of equity. Small steps include the very integration of gender and social development concerns at the policy and implementation levels. As with most PFM reform programmes, results in gender and social development can be slow to be seen. Some examples of gender sensitive planning and budgeting, achieved with the support of SNG Programme, include:

- Strengthening the Gender Sectoral Coordination Committee under the Strategic Development Partnership Framework (SDPF).
- The District level Performance Framework ensures that sectors other than health and education also **track results for women, girls and marginalized groups**.
- **Focus on women, girls and marginalized groups in key policy and planning documents:** Citizen's Budget, the White Paper, PFM Reform Strategy, Budget Call Circular, and Output Based Budget.
- The **district needs assessment** exercise has contributed towards the realization of over-arching social development and gender mainstreaming objectives of the government. Concerted efforts were made to ensure the needs assessment adequately reflected gaps in service delivery for girls and women.

Pre-budget consultations included the representation of civil society organizations and NGOs working on gender equality and women's empowerment. Questionnaires developed for these workshops contained specific provisions for understanding the concerns and priorities of girls and women. Representatives of the Social Welfare and Women Development Department identified proposals related to gender mainstreaming and women's' empowerment.

Internal Audit Function in Departments of Khyber Pakhtunkhwa

Internal Audit Function is a management utility to exercise greater control over financial management and administration. Internal audit function not only ensures to strengthen the systems and processes in place at the organization but also serves the entry point for external audit. Though there are functions in place to curb any potential for misuse of the public resources, the strengthening of the systems are critical in identifying the weak areas which are susceptible for comprising for unwanted interests. The key point, therefore, is that public sector audit activities must be configured appropriately to enable public sector entities to fulfill their duty to be accountable and transparent to the public while achieving their objectives effectively, efficiently, economically, and ethically. Internal audit facilitates those responsible for the affairs of the public organizations to exercise their obligated role of financial proprietorship.

Internal controls were identified as an area of high risk and low confidence in the pre-award assessment of the Government of Khyber Pakhtunkhwa (GoKP) conducted by Deloitte in March 2010. In this context, the Government of Khyber Pakhtunkhwa (GoKP) took several initiatives in order to be more responsive, responsible and accountable. One of these initiatives was the establishment of internal audit function across the Provincial Government departments, offices, organizations, autonomous bodies, etc.

Finance Department initially started with an audit of Pension & Payroll first. Technical assistance was then sought from Assessment & Strengthening Program -RSPN for implementation of this reform agenda. The idea was to establish internal audit functions within three departments on a pilot basis (Health, Education, and Communications & Works) and equip them with the latest tools and technologies tailored to the needs of the local environment and enabling them to achieve their intended objectives.

The Government has strived to institutionalize and built upon successful reform initiatives especially those contributing towards fostering good governance. Given the due significance, and having assessed the results of the initial test at the three departments, the government has sanctioned posts for creation of Internal Audit Cells in 06 departments (i.e. Energy & Power, Higher Education Archives and Libraries, Public Health Engineering, Industries Commerce and Technical Education, Agriculture Livestock and Cooperatives, and Irrigation) in the budget for 2015-16.

CHAPTER 4 - BANK OF KHYBER

“Custodian of Rich Values”

Established in 1991 through Act XVI of the Provincial Assembly of N.W.F.P. - main purpose was to cater to the growing banking requirements of Khyber Pakhtunkhwa (formally N.W.F.P). Commenced commercial operations in November 1991, and was designated as a scheduled bank by the State Bank of Pakistan in 1994. The bank is listed on the Karachi Stock Exchange (KSE).

Established in 1991, the bank has completed 24 years in banking Industry. What makes us celebrate this unique moment is not only owing to the journey of 24 years travelled as a bank but it is much more than that. Just like the name of the bank is synonymous with the name of Khyber Pakhtunkhwa; it represents and reflects the aspirations of the peoples of our Province. What fascinates the most is the virtual beginning of a new journey of the bank from all over the country.

The bank was able to establish 41 branches in the first 18 years i.e. till 2009, however in brief span of last five years the management of the bank has almost taken this tally to total of 116 branches. This renewed vigor comes from their past experience that is helping them charter a new course for the bank in the days to come. They ask their patrons as well as customers to hold their breath to be part of journey of rising to newer heights and newer destinations. At present i.e. on 31.03.2015, the bank operates a network of 116 branches in cities across the country with main concentration in Khyber Pakhtunkhwa.

Offers full fledged banking services to its clients. As a mainstream bank now, they have the unique distinction of offering the best of Islamic as well as Conventional banking at entire network of branches. The bank has established network of 317 correspondent international banks in 79 countries. The Board of Directors of BOK comprises of senior officials from the Government of Khyber Pakhtunkhwa and also from the private sector. The management of the bank comprises of professional personnel having experience of the leading and well renowned local as well as foreign institutions.

Major Products of Bank of Khyber are:

- Commercial Lending
- Islamic Finance
- Consumer Finance
- Car Finance
- Housing Loans
- Salary Loan Schemes
- Micro Finance business development programmes
- Agricultural Finance

The Bank of Khyber in light of preceding year performance and future outlook in 2015:-

The Bank of Khyber is operating in with a network of 116 branches all over the country, with majority of branches in Khyber Pakhtunkhwa i.e. 58 branches.

PERFORMANCE REVIEW FOR THE YEAR 2014

Profitability

Alhamdulillah, the Bank's operational performance demonstrated record improvement in all areas for the year 2014. This year has been exceptional for the Bank as it has created history

by posted an operating profit of Rs.2,135 million as against Rs.1,751 million in the corresponding period last year. Profit before tax was recorded at Rs.1,900 million as against Rs.1,669 million in the corresponding period giving increase of 14%. Profit after tax for the same year grew by 13% to reach at Rs. 1,309 million over Rs.1,154 million in the corresponding year that translates into earnings per share of Rs.1.31 against Rs.1.15 in 2013. The Board has recommended the cash dividend of Rs. 1.00 per share i.e. 10% for the year 2014 to the shareholders of the bank.

Growth indicators

The achievements for the year 2014 were widened assets base, improved equity and profitability, stronger capital base and sustained returns. The total asset base of the Bank grew up to Rs.126,106 million from Rs.108,170 million registering healthy growth of 17% whereas the shareholders' equity showed an increase of 11% over 2013 and stood at Rs.13,211 million.

On the liability side of the Bank's financial position, the deposit base of the Bank witnessed consistent growth throughout the financial year 2014 and was reported at Rs.92,264 million showing healthy increase of 19% over the year 2013. The gross advances of the Bank also showed increase of 13% and stood at Rs.43,243 million from Rs.38,339 million of the year 2013. A commendable increase of 36% has been witnessed in the size of investments which showed an amount of Rs.72,431 million as compared to Rs.53,363 million of the last year. An increase of 15% was recorded in net markup based income which stood at Rs.3,541 million in 2014 as compared to Rs.3,071 million for the year 2013. Total Non mark-up / interest income registered increase of 54% and stood at Rs.1,066 million as compared to Rs.692 million of the corresponding period last year.

These encouraging results were achieved without making compromise on growth of the balance sheet size, management of cost of deposits, improvement in operational efficiencies and without ignoring the asset quality. The Return on Assets (ROA) and Return on Equity (ROE) stood at 1.04% and 10% respectively.

Both the credit rating agencies in Pakistan i.e. PACRA & JCR-VIS has assigned short term entity ratings at A1 and long term entity ratings at A.

Branch Network

At the end of the year 2014, the Bank was operating with 116 branches with 62 branches working on the Conventional side whereas 54 branches were functioning as dedicated Islamic Banking Branches. Further, 2 sub branches and 2 booths were also providing basic banking facilities to the customers. The Bank has also received approval from the State Bank of Pakistan for opening of 14 new branches in the year 2015. Through this network, the Bank is able to offer wide range of products and services to its valuable customers.

While the year end results are encouraging, the Bank still needs to strengthen its human resource base and improve systems and controls for which appropriate measures are being taken. The growth in branch network is being consolidated and issue of loss making branches is being addressed. At the same time costly deposits are being shed and efforts are underway to reduce reliance on Government deposits and build the deposit base on current/saving accounts from the private and corporate sectors. More emphasis is being placed on increasing advances in the corporate sector to improve the Bank's ADR and profitability. Considerable

progress has been made on implementation of the new core banking software which once operational will facilitate an effective MIS for better monitoring of operational activities.

Future Outlook in 2015

The Bank is focusing on building and maintaining quality advances portfolio and to enhance its focus on customer service quality and major cost rationalization initiatives through continuous improvement in automation and product innovations. Efforts are also underway to target new market segments and to improve efficiency and productivity in Bank's overall performance. The Bank is taking the following initiatives to provide efficient services to the customers:

- Implementation of New Core Banking Software.
- Issuance of BOK Debit Card with Co-Branding of Japanese Credit Card Company which will enable the Bank to transform its ATM Cards into Debit Cards. The BOK Debit Card backed by Japan Credit Bureau (JCB) will be acceptable outside Pakistan in more than 90 countries at approximately 15 million locations.
- Inter Bank Funds Transfer.
- Utility Bill Payments (UBPs) through BOK ATMs.
- Construction of Head Office Building so as to house all the operational activities under one roof and to have a focused and steady approach towards decision making.
- Construction of Training Institute.

Being a socially responsible corporate institution, the Bank has offered its services to the Provincial Government for complete assistance in granting interest free loans to Pakistani Youth having technical education to establish their new businesses under Youth Challenge Fund.

Branch Network

Keeping the pace of moving forward, the State Bank of Pakistan has approved Bank's expansion plan and allowed 14 new branches to be opened in the country in the year 2015 wherein 2 branches will be conventional and 12 branches will be Islamic. These branches are planned to be opened in Peshawar, Bannu, Mingora, Barikot Swat, Shangla, Wari Dir, Bajaur Agency, Tangi, Pabbi, Manki Sharif, Torkham & Tor Ghar.

CHAPTER 5 - FUNDS MANAGEMENT

Fund Management is the professional management of various securities (shares, bonds and other securities) in order to meet specified investment goals for the benefit of the investors. Investors may be institutions (insurance companies, pension funds, corporations, charities, educational establishments etc.) or private investors (both directly via investment contracts and more commonly via collective investment schemes e.g. mutual funds or exchange-traded funds).

Industry scope

The business of investment has several facets, the employment of professional, research (of individual assets and asset classes), dealing, settlement, marketing, internal auditing, and the preparation of reports for management Board.

Long-term returns

It is important to look at the evidence on the long-term returns to different assets, and to holding period returns (the returns that accrue on average over different lengths of investment). For example, over very long holding periods (e.g. 10+ years) in most countries, equities have generated higher returns than bonds, and bonds have generated higher returns than cash. According to financial theory, this is because equities are riskier (more volatile) than bonds which are themselves more risky than cash.

Diversification

An investment fund that contains a wide array of securities to reduce the amount of risk in the fund. Actively maintaining diversification prevents events that affect one sector from affecting an entire portfolio, make large losses less likely.

Performance Measurement

Fund performance is often thought to be the acid test of fund management, and in the institutional context, accurate measurement is a necessity. For that purpose, institutions measure the performance of each fund for internal purposes components and also measured by external firms that specialize in performance measurement.

Risk-adjusted Performance Measurement

Performance measurement should not be reduced to the evaluation of fund returns alone, but must also integrate other fund elements that would be of interest to investors, such as the measure of risk taken. Several other aspects are also part of performance measurement: evaluating if managers have succeeded in reaching their objective, i.e. if their return was sufficiently high to reward the risks taken; how they compare to their peers; and finally whether the portfolio management results were due to luck of the manager's skill. The need to answer all these questions has led to the development of more sophisticated performance measures, many of which originate in modern portfolio theory.

The Government cautiously regulates its funds and investment and aims to benefit the subscribers of the funds, during and after, their service. The Government of Khyber Pakhtunkhwa is custodian to the contributions made by the subscribers in shape of Provident Fund and Pension fund. Each year the Government pays a hefty amount as interest on the Provident Fund balance and at the same time it receives a considerable burden in the shape of expenditure on pension liabilities. The annual markup brings heavy toll on the Provincial exchequer. If both these revenue expenditures are put together, it exceeds the Provincial own receipts. Foreseeing this adverse and unfavorable scenario, the Provincial Government has taken certain initiatives like establishment of the General Provident Investment Fund and Pension Fund. The establishment of such funds was also essential to augment and supplement the resources of Khyber Pakhtunkhwa.

The Khyber Pakhtunkhwa Government established the following Funds:

1. General Provident Investment Fund
2. Pension Fund
3. Hydel Development Fund

General Provident Investment Fund

Investing Provincial Reserves in safe and well protected instruments for earning maximum profits and benefits was the prime factor behind the establishment of this Fund. Therefore, a fund was established called **General Provident Investment Fund** in the year 1991-92 with initial allocation of Rs. 200 million as equity. To oversee the affairs of the fund, a Fund Management Board, under the Chairmanship of the Chief Secretary, Khyber Pakhtunkhwa has been established. It has diversified composition comprising members from Finance, Administration, Banking sectors and representative of the subscribers. This gives a more representative and robust outlook to the management of the fund affairs. The Fund is governed by an Act with specified rules of business for running the affairs of the Fund. Moreover, Finance Secretary heads Investment Committee which was constituted to carry out the day to day functions of the Fund. It has a total size of Rs 40,137 million (Government contribution of Rs. 19,234 million + un-appropriated Profit Rs. 20,903 million) up to 30th June, 2015.

General Provident Investment Fund					
Year	Opening Balance	Released during the year	Total	Profit earned during the Year	Cumulative Total
				(Rs. in million)	
Till 30.06.11		4,705.00	4,705.00	9,841.35	14,546.35
2011-12	14,546.35	2,000.00	16,546.35	1,929.24	18,475.59
2012-13	18,475.59	6,944.00	25,419.59	2,276.18	27,695.77
2013-14	27,695.77	5,539.72	33,235.49	2,952.85	36,188.34
2014-15	36,188.34	--	36,188.34	3,949.05	40,137.40

Pension Fund

The necessitated of Fund to meet the ever increasing pension liabilities of the retired Government employees. The Government of Khyber Pakhtunkhwa was established a Fund namely Pension Fund in 1997-98 with initial allocation of Rs. 150 million as seed money. The Chief Secretary heads the Management Board, constituted to look after this Fund. Up to 30th June 2015, it will have a total size of Rs 26,321 million (Government contribution of Rs. 14,310 million + Profit Rs. 12,011 million).

Pension Fund					
Year	Opening Balance	Released during the year	Total	Profit during the Year	Cumulative Total
				(Rs. in million)	
Till 30.06.11		4,850.00	4,850.00	4,790.42	9,640.42
2011-12	9,640.42	2,000.00	11,640.42	1,363.86	13,004.28
2012-13	13,004.28	2,000.00	15,004.28	1,519.25	16,523.53
2013-14	16,523.53	3,000.00	19,523.53	1,843.60	21,367.13
2014-15	21,367.13	2,460.00	23,827.13	2,493.92	26,321.05

Hydel Development Fund

The Government of Khyber Pakhtunkhwa established Hydel Development Fund in 1992 with an initial allocation of Rs 50 million. The Fund was provided with legal cover through enactment namely Khyber Pakhtunkhwa, Hydel Development Fund Ordinance 2001. The objective of this Fund was to develop Hydel capacity of the Province. The Provincial Government has up-to 30th June, 2015 contributed Rs. 14,512 million as equity in the Fund; whereas, profit up to 30th June, 2015 is Rs. 13,054 million.

This Fund is controlled by a Management Board headed by the Chief Minister, Khyber Pakhtunkhwa, with Minister for Finance, Minister for Energy & Power, Chief Secretary, Additional Chief Secretary, Finance Secretary, Secretary Energy & Power as its members. To perform day-to-day business, an Investment Committee was constituted under the Chairmanship of Chief Secretary, Khyber Pakhtunkhwa, with Secretary Energy & Power, Secretary Finance, Managing Director SHYDO, and Director Finance & Admin SHYDO as members.

The Fund has contributed a sum of Rs. 2,551.490 million in development of Malakand III HPP and Rs. 425.500 million in Pehur HPP. The Fund also contributes Rs. 1,844.044 million in Feasibility study of Raw Sites in Khyber Pakhtunkhwa, Rs. 2,309.899 million for Construction of Daral Khwar HPP District Swat, Rs. 1,513.249 million for construction of Lawi HPP Chitral, Rs.847.908 million for construction of Karora HPP District Shangla, Rs. 780.198 million for construction of Jabori HPP, Rs. 1,572.867 million for construction of Matiltan HPP, Rs.1,000 million for construction of Mini/Micro HYDEL project and Rs. 1,200 million for construction of Koto HPP.

HYDEL Development Fund						
Year	Opening Balance	Released during the year	Total	Profit during the Year	Fund Utilized	Cumulative Total
					(Rs. In million)	
Till 30.06.11		14,609.71	14,609.71	3,989.44		18,599.15
2011-12	18,599.15	2,000.00	20,599.15	2,337.37	1,050.55	21,885.97
2012-13	21,885.97	3,000.00	24,885.97	2,022.58	1,969.14	24,939.41
2013-14	24,939.41	3,000.00	27,939.41	2,579.69	5,322.22	25,196.88
2014-15	25,196.88	3,000.00	28,196.88	2,125.35	2,756.00	27,566.23

In general the investments of the fund are grouped into:

- Fixed-Income Investments.
- Non Fixed-Income Investments.

Fixed-Income Investments are those whose returns are predetermined or known at the time of making the investment. The Fixed Income Investment may include the following category of investments:

- Treasury Bills.
- Fixed Deposits.
- Bonds.
- Bank Deposits.
- Corporate Finance.

Non Fixed-Income Investments are variable in the value of their returns and tend to have longer gestation periods but in the long term have the advantage of capital appreciation, developmental in nature and generally create jobs within the economy. Included in this category are the following:

- Equity (Both listed and unlisted).
- Unit Trusts.

A separate Fund Cell has been established in the Finance Department to manage the affairs of these Funds, which is responsible to maintain accounts of the Funds, conduct audit of the accounts and convene meetings of the Boards / Investment Committees.

According to Law of the Funds, Director General (Commercial) Audit, Lahore is responsible to carryout audit of the accounts of the Funds. Besides, internal audits are conducted on yearly basis through Chartered Accountants firm.

It is quite pleasing that there has been a steady growth in funds due to better management. Funds are being managed professionally, diligently and with extreme caution. Diversified portfolios have been developed to align the investment system and draw maximum advantage by minimizing risks factor with best-recognized financial practices.

The management placed over Rs. 14.389 billion of the Funds in Commercial Banks. Chief Manager, State Bank of Pakistan and Managing Director, The Bank of Khyber guides the

Investment Committee. Mainly there are two variables which come under consideration while placing funds with Banks i.e. Credit Ratings and Interest Rates.

The management has invested funds in various investment portfolios, so as to secure maximum returns. These investments avenues are:

a) Treasury Securities / Bonds

Treasury Securities are issued by the Government and the same are backed by the full faith and credit of the Government. They are considered to be free from credit risk. The treasury issues two distinct types of securities i.e. T-Bills and PIBs. T-Bills are sold at a discount to par value and interest is received when the par value is paid at maturity (like zero-coupon bonds). The management has invested Rs. 22.728 million in T-Bills, and around Rs 39.385 billion in PIBs.

b) Other Investment

The Competent Authority, during FY-2005-08 invested Rs. 378.311 million from General Provident Investment Fund and Pension Fund in shares of listed companies and units of mutual funds. The present political government, realizing the risk involved, immediately directed to disinvest the same. The process is underway to disinvest the funds.

The Provincial Government of Khyber Pakhtunkhwa looks for ways & means and tools & techniques to modernize these Funds and bring them in harmony with innovative creative and novel concepts of investments, while keeping safety of the Funds its top most priority. Regular audits are carried out to ensure this objective.

CDL LIABILITIES AS ON 01-07-2015

(Rs. in million)

Description	Rate of mark up	Outstanding Balance
(a) Cash Development Loans		
1997-98	8.50%	1,352.184
SUB-TOTAL (a)		1,352.184
(b) SAP Tied Loans.		
1999-2000	11.21%	568.212
SUB-TOTAL (b)		568.212
(C) WAPDA to the Government of Khyber Pakhtunkhwa Cash Development Loans For SCARP Tube well Projects handed over by		
Discription	Rate of mark up	Outstanding Balance
1999-2000	11.21%	871.162
2000-01	11.70%	686.789
2001-02	10.72%	395.178
2002-03	7.42%	193.117
2003-04	7.20%	11.091
2005-06	9.79%	304.576
2007-08	10.14%	623.151
2008-09	13.80%	97.595
SUB-TOTAL (c)		3,182.659
GRAND TOTAL (a+b+c)		5,103.055

DETAIL OF PREMATURE DEBT RETIREMENT

(Rs. In Million)

Financial Year	S.No	Name of Loans	Rate of Markup	Amount Retired Prematurly	Saving Per Annum
2002-03	i	SAP Tied 1995-96	15.94%	195.917	
	ii	SAP Tied 1998-99	17.71%	1,375.200	
	iii	Scarp 1996-97	16.31%	540.944	
	iv	Scarp 1997-98	18.03%	809.000	
	v	Scarp 1998-99	17.71%	1,148.305	
	vi	CDL 1996-97	16.31%	420.299	
	vii	CDL 1998-99	71.71%	1,197.126	
	Total (a)			5,686.791	1,074.817
2003-04	i	CDL 1989-90	15.93%	1,866.387	
	ii	SAP Tied 1995-96	15.94%	125.447	
	Total (b)			1,991.834	384.084
2004-05	i	CDL 1986-87	14.66%	1,160.866	
	ii	CDL 1987-88	15.28%	649.213	
	iii	Scarp 1989-90	15.93%	249.335	
	iv	Scarp 1987-88	15.28%	230.964	
	v	Scarp 1986-87	15%	167.094	
	Total (c)			2,457.472	449.246
2006-07	i	CDL 1981-82	13%	13.707	
	ii	CDL 1982-83	13%	148.105	
	iii	CDL 1983-84	13%	237.824	
	iv	CDL 1984-85	15%	466.135	
	v	CDL 1985-86	15%	661.222	
	vi	CDL 1988-89	14.84%	637.413	
	vii	Scarp 1981-82	13%	3.154	
	viii	Scarp 1982-83	13%	35.718	
	ix	Scarp 1983-84	15%	129.564	
	x	Scarp 1984-85	15%	92.863	
	xi	Scarp 1985-86	15%	180.402	
	xii	Scarp 1986-87	14.66%	12.174	
	xiii	Scarp 1988-89	14.84%	130.504	
	Total (d)			2,748.785	872.101
2007-08	i	CDL 1990-91	15.93%	1,922.752	
	ii	Scarp 1990-91	15.93%	359.661	
	iii	Scarp 1991-92	14.51%	249.115	
	iv	Scarp 1992-93	15.24%	421.081	
	Total (e)			2,952.609	626.720
2010-11	i	CDL 1991-92	14.51%	1,319.117	
	ii	CDL 1992-93	15.24%	1,378.172	
	iii	Scarp 1993-94	15.94%	367.338	
	iv	Scarp 1994-95	15.59%	381.541	
	v	Scarp 1995-96	16%	591.059	
	Total (f)			4,037.227	1,027.552
2013-14	i	CDL 1993-94	15.94%	721.399	
	ii	CDL 1994-95	15.59%	366.559	
	iii	CDL 1999-2000	11.21%	252.075	
	iv	SAP Tied 1992-93	15.24%	50.675	
	v	SAP Tied 1993-94	15.94%	534.417	
	vi	SAP Tied 1994-95	15.59%	218.775	
	vii	SAP Tied 1999-2000	11.21%	353.652	
	viii	Scrap 1998-99	17.71%	2.448	
	Total (g)			2,500.000	691.316
Grand Total (a+b+c+d+e+f+g)			22,374.718	5,125.836	

FOREIGN EXCHANGE LOAN LIABILITIES AS ON 01-07-2015

(Figures in million)

S.No	Description	Rate of Interest	No. of Installments	First Installment Due from	Balance as on 1.7.2015
1	IDA-678-Pak (3rd Education Project)	0.75%	80 half yearly	15-2-1987	*0.233
2	IDA-683-Pak (Flood Damages Restoration Project)	0.75%	80 half yearly	15-5-1987	*0.886
3	IDA-755-Pak (Hazara Forestry Project)	0.75%	80 half yearly	1-4-1998	*0.147
4	IDA-877-Pak (Salinity Control & Reclamation Project Mardan)	0.75%	80 half yearly	1-4-1989	*8.985
5	IDA-892-Pak (4th Primary Education Project)	0.75%	80 half yearly	1-9-1989	*0.507
6	IDA-1113-Pak (Bannu Leather Goods Services Control Project)	0.75%	80 half yearly	1-8-1991	*0.418
7	IDA-1163-Pak (On-Farm Water Management Project)	0.75%	80 half yearly	1-12-1991	*0.983
8	IDA-1239-Pak (Irrigation System Rehab: Project)	0.75%	80 half yearly	1-10-1992	*1.340
9	IDA-1487-Pak Command Water Mangt Project	0.75%	80 half yearly	15-6-1994	*1.867
10	IDA-1499-Pak (Small Industries Dev. Board Project)	0.75%	80 half yearly	15-1-1995	*0.088
11	IDA-1602-Pak (2nd Primary Education Project)	0.75%	80 half yearly	1-11-1995	*7.501
12	IDA-1603-Pak (On-Farm Water Mangt. Project)	0.75%	80 half yearly	1-11-1995	*1.794
13	IDA-1888-Pak (2nd Irrigation System and Rehabilitation Project)	0.75%	50 half yearly	1-8-1998	*1.929
14	IDA-2003-Pak (1988 Flood Damages Restoration Project)	0.75%	50 half yearly	15-9-1999	*1.341
15	IDA-2154-Pak (2nd Agriculture Research Project)	0.75%	50 half yearly	1-11-2000	*2.063
16	IDA-2240-Pak (Family Health Project)	0.75%	50 half yearly	1-11-2001	*7.822
17	IDA-2593-Pak (Social Action Program)	0.75%	50 half yearly	1-8-2004	*3.570
18	IDA-2999-Pak (National Drainage Programme)	0.75%	50 half yearly	15-11-2007	*1.378
19	IDA-3050-Pak (Social Action Programme-II)	0.75%	50 half yearly	15-9-2008	*5.925
20	IDA-3687-Pak NWFP Structural Adjustment Credit (SAC I)	0.75%	50 half yearly	15-12-2012	**5282.827
21	IDA-3776-Pak (Provincial HIV AIDS Control)	0.75%	50 half yearly	15-6-2013	*3.244
22	IDA-3906-Pak (Second NWFP Community Infrastructure Project)	0.75%	50 half yearly	15-9-2014	*36.466
23	IDA-3932-Pak NWFP Structural Adjustment Credit (SAC II)	0.75%	50 half yearly	15-9-2014	*87.750
24	IDA-3932-I Pak NWFP Structural Adjustment Credit (SAC II)	0.75%	50 half yearly	15-9-2014	*48.750
25	IDA-4177-Pak (Developmental Policy Credit-I)	0.75%	50 half yearly	15-9-2006	*93.040
26	IDA-4316-Pak (Developmental Policy Credit-II)	0.75%	50 half yearly	29-9-2007	*129.359
27	ADB-433-Pak (Aquaculture Dev: Project)	0.75%	60 half yearly	1-5-1990	*0.067
28	ADB-495-Pak (On Farm Water Mangt. Project)	1%	60 half yearly	15-5-1991	*0.706
29	ADB-723-Pak (Chashma Command Area Development Project)	1%	60 half yearly	15-12-1994	*13.976
30	ADB-758-Pak (Farm to Market Roads Project)	1%	50 half yearly	1-4-1996	*1.031
31	ADB-759 Pak (Science Education for Secondary School Project)	1%	60 half yearly	15-5-1996	*0.721
32	ADB-838-Pak (Chitral Area Dev. Project)	1%	60 half yearly	15-12-1997	*10.351
33	ADB-850-Pak (3rd Health Project)	1%	50 half yearly	1-3-1998	*4.029
34	ADB-851-Pak (Fruit and Vegetable Marketing Project)	1%	50 half yearly	15-4-1998	*0.444
35	ADB-874-Pak (Chashma Right Bank Irrigation Project Stage-II)	1%	50 half yearly	15-4-1998	*2.938

FOREIGN EXCHANGE LOAN LIABILITIES AS ON 01-07-2015

(Figures in million)

S.No	Description	Rate of Interest	No. of Installments	First Installment Due from	Balance as on 1.7.2015
36	ADB-916-Pak (2nd Aquaculture Dev: Project)	1%	50 half yearly	15-1-1999	*1.292
37	ADB-917-Pak (2nd Farm to Market Road Project)	1%	50 half yearly	1-2-1999	*7.501
38	ADB-957-Pak (1988-Flood Damages Restoration Project)	1%	50 half yearly	1-10-1999	*1.507
39	ADB-973-Pak (Livestock Development Project.	1%	50 half yearly	15-2-2000	*1.130
40	ADB-976-Pak (Swabi Salinity Control and Reclamation Project)	1%	50 half yearly	15-12-1999	*10.821
41	ADB-977-Pak (Primary Education Girls Project)	1%	50 half yearly	15-6-2000	*2.670
42	ADB-1004-Pak (2nd Urban Dev: Project)	1%	50 half yearly	15-6-2000	*31.350
43	ADB-1146-Pak (Chashma Right Bank Irr: Project Stage-III)	1%	50 half yearly	15-3-2002	*40.915
44	ADB-1179-Pak (Barani Area Dev. Project)	1%	50 half yearly	15-3-2003	*14.557
45	ADB-1185-Pak (Provincial Highway Project)	1%	50 half yearly	15-3-2003	*6.085
46	ADB-1200-Pak (Health Care Dev. Project)	1%	50 half yearly	15-3-2003	*1.921
47	ADB-1209-Pak (Flood Damages Restoration Sectors Project)	1%	50 half yearly	15-3-2003	*9.462
48	ADB-1210-Pak (Teacher Training Project)	1%	50 half yearly	15-2-2003	*3.746
49	ADB-1278-Pak (Middle School Project)	1%	50 half yearly	15-01-2004	*10.530
50	ADB-1294-Pak (Pehur High Level Canal Project)	1%	50 half yearly	15-05-2004	*86.130
51	ADB-1301-Pak Social Action Program-I	1%	50 half yearly	15-9-2004	*9.579
52	ADB-1373-Pak (Technical Edu: Project)	1%	50 half yearly	15-11-2005	*3.015
53	ADB-1401-Pak (Rural Access Road Project)	1%	50 half yearly	1-2-2006	*19.929
54	ADB-1403-Pak (Forestry Sector Project)	1%	50 half yearly	15-5-2006	*32.483
55	ADB-1454-Pak (Primary Education Girls Project-II)	1%	50 half yearly	1-1-2007	*2.854
56	ADB-1493-Pak Social Action Program-II	1%	50 half yearly	15-03-2007	*19.755
57	IFAD-18-Pak (4th Agriculture Dev. Project)	1%	80 half yearly	1-9-1989	*0.332
58	IFAD-558-PAK				*8.078
59	IFAD-83-Pak (On-Farm Water Mangt. Project)	1%	80 half yearly	1-6-1992	*0.230
60	West German No.8267528 (Hospital Equipment in Khyber Pakhtunkhwa)	0.75%	80 half yearly	30-6-1994	***2.498
61	West German No. 8267585 (Drinking Water Supply in Refugees Camps in Khyber Pakhtunkhwa).	0.75%	80 half yearly	30-6-1994	***3.572

(Figures in million)

Name of Currency	Foreign Currency	Conversion rate for 2014-15	Pak Currency
U.S. Dollar	807.521	1US\$ = Rs. 101.25	81,761.501
Pak-Rupees			5,282.827
DM (German Marks)	6.070	1DM = Rs. 58.847	357.201
Total			87,401.529

*US Dollar ** Pak-Rupees *** DM (German mark)

**DISBURSEMENT OF LOANS IN R/O ONGOING FOREIGN PROJECTS SHARE
AS ON 30-06-2015**

(Figures in million)

S.No	Name of Loans	Rate of Interest	No. of Installments	First Installments due from	Allocated Share	Outstanding Balance/ Amount disbursed upto 30-6-2015
1	IDA-2245-Pak (On-Farm Water Management Project)	0.75%	50 half yearly	15-9-2001	*4.590	*2.524
2	IDA-2383-Pak (Environmental Protection and Resource Conservation Project)	0.75%	50 half yearly	15-11-2002	SDR 2.196 *3.107	*1.864
3	IDA-2468-Pak (1992 Flood Damages Restoration Project)	0.75%	50 half yearly	15-3-2003	*2.500	*1.564
4	IDA-2687-Pak (Primary Education Project)	0.75%	50 half yearly	15-8-2005	*88.890	*66.666
5	IDA-2829-Pak (NWFP Community Infrastructure Project)	0.75%	50 half yearly	1/7/2006	*16.662 SDR 10.617	*12.913
6	IDA 3516-Pak NWFP Emergency Rehabilitation Project	0.75%	50 half yearly	15-6-2011	SDR 16.600	*18.469
7	IDA-3516-1 Pak (Investment Programme-I)	1%	50 half yearly	15-12-2015	—	*10.256
8	ADB – 1534 Pak Secondary Education Project	1%	50 half yearly	1/2/2008	SDR 6.175 *8.197	*6.660
9	ADB – 1671 Pak Women Health Project	1.50%	50 half yearly	15-10-2005	*7.117	*4.588
10	ADB-1672 –Pak- Malakand Rural Dev:Project	1%	50 half yearly	1.9.2008	SDR 30.852 *41.808	*34.492
11	ADB-1787 –Pak- Barani Area Development Project Phase-II	1.50%	50 half yearly	15-05-2009	SDR 40.065 *52.000	*37.917
12	ADB-1854 –Pak NWFP Urban Dev. Project	1.50%	50 half yearly	15-10-2008	SDR 3.038	*3.595
13	ADB-1877 –Pak- Agriculture Sector Programme(ASPL-II)	1.50%	32 half yearly	1/3/2010	*9.477	*6.219
14	ADB-1878-Pak Agriculture Sector Programme	Libor + 0.60%	48 half yearly	1/3/2005	*15.588	*3.074
15	ADB-1900 –Pak- Reproductive Health Project	1.5%	48 half yearly	15-05-2010	SDR 3.812	*0.258
16	ADB-2103 –Pak- WFP Road Dev. Project	Libor + 0.60%	40 half yearly	1/2/2010	**17750.229	**7725.211
17	ADB-2104-Pak Road Dev: Sector	1.50%	48 half yearly	1/2/2013	SDR 3.404	*2.074
18	ADB-2135 –Pak Restructuring and Vocational Training System Project	1.50%	48 half yearly	15-05-2013	SDR 7.339	*1.736
19	ADP-2286-Pak Renewable Energy Development Sector	Libor + 0.60%	40 half yearly	15-12-2011	**12508.650	**238.238
20	ADP-2287-Pak Renewable Energy Development Sector	1.50%	48 half yearly	15-12-2014	SDR 6.793	*0.392
21	IBRD-3327-Pak (On-Farm Water Mangt. Project Phase-III)	0.75%	50 half yearly	15-9-2001	*2.300	*1.265

(Figures in million)

Name of Currency	Foreign Currency	Conversion rate for 2014-15	Pak Currency
U.S. Dollar	216.526	1 US \$=Rs. 101.25	21,923.258
Japanese Yen	7,963.449	1 ¥ =Rs. 0.847	6,745.280
Total			28,668.538

* US Dollar

** Japanese Yen

GENERAL REVENUE RECEIPTS

(Rupees in Million)

Description	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
I-PROVINCAL TAX RECEIPTS	19,452.809	19,832.066	22,594.500
GST on Services	12,000.000	12,000.000	14,000.000
Agriculture Income Tax	79.000	79.000	1,000.000
Urban Immoveable Property Tax (net)	122.809	122.809	218.000
Registration (Transfer of Property)	100.000	121.000	133.000
Land Revenue	1,430.000	1,779.557	1,800.700
Tax on Professions	230.000	230.000	264.500
Provincial Excise	33.000	33.000	38.000
Stamp Duties	740.000	740.000	814.000
Receipts under Motor Vehicles Acts, Route Permit & Fitnesses	1,206.000	1,221.000	1,638.500
Tobacco Development Cess	565.000	551.000	633.700
Infrastructure Development Cess	2,000.000	2,000.000	1,000.000
Electricity Duty	557.000	557.000	614.000
Fee for Real Estate Deals	11.000	11.000	12.700
Electronic Media	3.000	6.700	7.900
Hotel Tax	26.000	30.000	34.500
Urban Capital Value Tax	350.000	350.000	385.000
II- NON-TAX RECEIPTS	9,327.968	10,573.174	31,830.290
Civil Administration Receipts			
Income from Property & Enterprise	136.356	1,040.673	136.356
Interest	116.356	320.673	116.356
Dividends	16.569	716.569	16.569
Return on Assets Transferred to WAPDA	3.431	3.431	3.431
RECEIPTS FROM GENERAL ADMINISTRATION	188.500	205.900	226.700
Fees from Public Service Commission	45.000	45.000	50.000
Receipt in aid of Superannuation	50.000	50.000	50.000
Weights and Measures	33.500	35.900	36.700

GENERAL REVENUE RECEIPTS

(Rupees in Million)

Description	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Local Fund Audit	60.000	75.000	90.000
Receipts from Law and Order	1,180.231	1,346.200	1,542.000
Administration of Justice	190.000	220.000	242.000
Jails and Convict Settlement	15.000	15.000	16.500
Police, Arm Licence and others fees	975.231	1,111.200	1,283.500
Receipts from Social Services	518.251	600.300	844.170
Higher Education Archives & Libraries	191.500	216.620	216.870
Elementary & Secondary Education	77.000	77.000	78.000
Technical Education	25.000	25.000	26.500
Health	204.736	260.080	500.000
Manpower Management	0.515	0.800	0.900
Museums and Tourist Deptt.	19.500	20.800	21.900
Receipts from Community Services	1,030.000	1,030.000	1,030.000
Buildings and Communications	730.000	730.000	730.000
Public Health Engineering	300.000	300.000	300.000
Receipts from Economic Services	3,104.908	3,174.008	10,402.558
Agriculture	188.100	190.100	217.200
Fisheries	28.000	47.500	53.500
Wildlife	18.500	20.000	22.000
Animal Husbandry	93.600	93.600	151.800
Forestry	750.000	750.000	7,825.000
Irrigation	500.000	525.000	551.000
Industries	13.400	16.500	36.250
Stationery and Printing	77.000	90.000	94.000
Industrial Safety Explosives (Min: Dev)	1,436.308	1,441.308	1,451.808

GENERAL REVENUE RECEIPTS

(Rupees in Million)

Description	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Miscellaneous Receipts (Including Housing)	319.722	326.093	14,348.506
Hydel Power Own Generation	2,850.000	2,850.000	3,300.000
Provincial Receipts (I + II)	28,780.777	30,405.240	54,424.790
III-FEDERAL TAX ASSIGNMENT	227,121.193	210,676.436	250,892.750
Taxes on Income	94,921.081	89,038.168	108,216.481
Custom Duties	22,602.791	20,568.942	24,128.199
Sales Tax	95,902.435	88,884.604	102,735.706
Capital Value Tax (CVT)	55.944	90.055	109.417
Central Excise	13,638.942	12,094.667	15,702.947
IV-Straight Transfers	29,263.451	24,179.243	19,412.863
Royalty on Crude Oil	16,357.690	14,918.446	9,294.134
Royalty on Natural Gas	4,234.362	3,679.110	4,143.940
Gas Dev: Surcharge	6,228.259	4,262.241	3,558.109
Excise Duty on Natural Gas	2,443.140	1,319.446	2,416.680
V-Net Profit from Hydel Power Generation	12,000.000	9,400.000	17,000.000
VI-Arrears of Net Hydel Profit	32,272.346	0.000	51,873.042
VII-1% of Divisible Pool for War on Terror	27,290.233	25,314.279	30,146.555
VIII-Population Welfare Programme	477.000	1,283.000	0.000
IX-Extra Budgetary Grant	0.000	1,738.580	0.000
X-Incentive on Surplus Cash	0.000	4,377.939	2,000.000
Total Revenue Receipts (I to X)	357,205.000	307,374.717	425,750.000

CURRENT REVENUE EXPENDITURE

(Rupees in Million)

Classification	Accounts 2013-14	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
General Public Service	46,675.782	73,280.963	69,698.667	177,350.409
Executive and Legislative Organs, Financial and Fiscal Affairs (Voted)	26,366.540	40,839.661	40,796.232	45,094.744
Executive and Legislative Organs, Financial and Fiscal Affairs (Charged)	6,611.208	13,756.101	8,836.650	13,786.329
Transfers	12,326.151	16,912.129	18,415.668	116,176.026
General Services	1,351.707	1,748.449	1,627.946	2,272.275
General Public Services not elsewhere defined	20.176	24.623	22.171	21.035
Civil Defence	56.459	62.280	76.849	14.236
Public Order and Safety Affairs	31,309.130	35,428.108	39,614.953	41,374.473
Law Courts (Voted)	2,591.982	2,854.369	3,047.345	3,254.627
Law Courts (Charged)	968.399	1,065.851	1,313.086	1,339.992
Police	25,805.983	28,852.180	31,490.457	33,383.217
Prison Administration and Operation	1,093.851	1,300.300	1,754.914	1,728.155
Administration of Public Order	848.915	1,355.408	2,009.151	1,668.482
Economic Affairs	15,074.068	19,340.205	18,785.872	18,094.726
General Economic, Commercial and Labour Affairs	161.545	342.409	313.217	400.754
Agriculture, Food, Irrigation, Forestry and Fishing	10,463.483	12,828.504	12,633.903	11,951.930
Fuel and Energy	143.501	163.131	167.640	170.364
Mining and Manufacturing	308.212	537.772	477.318	742.884
Construction and Transport (Voted)	3,933.184	5,421.306	5,152.987	4,772.641
Construction and Transport (Charged)	33.955	4.015	4.015	4.015
Other Industries	30.188	43.068	36.792	52.138
Environment Protection	26.803	37.048	33.221	46.903
Housing and Community Amenities	3,400.942	4,770.370	4,646.432	8,528.437
Housing Development	18.758	32.517	25.513	35.346
Community Development	-	300.000	50.000	6,922.060
Water Supply	3,382.184	4,437.853	4,570.919	1,571.031
Health	18,619.603	20,985.728	24,409.121	16,701.079
Medical Product, Appliances & Equipment	38.225	50.551	53.533	4.998
Hospital Services	16,505.957	17,979.567	20,349.664	15,080.755
Public Health Services	1,092.540	872.031	981.067	26.309
Health Administration	982.881	2,083.579	3,024.857	1,589.017

CURRENT REVENUE EXPENDITURE

(Rupees in Million)

Classification	Accounts 2013-14	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Recreation, Culture and Religion	608.041	818.078	747.443	782.716
Recreation and Sporting Services	169.489	137.583	171.828	77.044
Cultural services	82.028	175.798	143.499	203.619
Broad Casting and Publishing	147.446	179.431	98.343	155.176
Religious Affairs	191.573	268.863	283.946	285.872
Administration of Information, Recreation and Culture	17.505	56.403	49.827	61.005
Education Affairs and Services	70,936.627	87,632.333	87,729.707	28,549.698
Pre-primary and Primary Education Affairs and Services	30,393.791	34,291.413	35,572.388	3,371.843
Secondary Education Affairs and Services	29,755.554	37,665.345	38,130.422	866.505
Tertiary Education Affairs and Services	9,017.585	13,841.627	11,986.979	15,775.955
Education Services not definable by level	331.665	377.313	423.531	-
Subsidiary Services to Education	144.050	164.073	174.078	181.824
Administration	1,293.982	1,292.562	1,442.309	8,353.571
Social Protection	4,316.791	7,644.887	9,257.735	6,557.323
Administration	2,712.167	5,838.318	7,543.290	5,885.614
Other	1,604.624	1,806.569	1,714.445	671.709
Total Current Revenue Expenditure	191,024.246	250,000.000	255,000.000	298,000.000

DEVELOPMENT BUDGET BY SECTOR FOR THE YEAR 2014-15 & 2015-16

(Rs. in million)

DEVELOPMENT PROGRAMME	2014-15		Budget Estimates 2015-16		
	Budget Estimates	Revised Estimates	Annual Dev: Program	Foreign Project Assistance	Total
ANNUAL DEVELOPMENT PROGRAMME					
Agriculture	2,455.440	2,396.022	1,587.000	880.830	2,467.830
Auqaf, Hajj & Minority Affairs	149.000	143.006	222.000	-	222.000
Board of Revenue	-	-	1,129.000	-	1,129.000
Building	1,271.000	1,713.400	1,275.000	-	1,275.000
Drinking Water & Sanitatioin	5,851.100	6,020.582	7,362.000	0.010	7,362.010
Elementary & Secondary Education	19,926.580	21,286.580	10,200.000	5,778.450	15,978.450
Energy and Power	5,657.080	4,455.031	3,400.000	349.380	3,749.380
Environment	57.000	26.561	57.000	-	57.000
Excise, Taxation & Norcotics	-	-	406.000	-	406.000
Finance	5,374.000	4,813.274	3,106.000	2,961.330	6,067.330
Food	501.000	182.151	501.000	-	501.000
Forestry	1,365.720	1,450.389	1,089.000	153.000	1,242.000
Health	11,210.544	9,987.893	8,280.000	4,152.594	12,432.594
Higher Education	6,180.000	5,961.957	6,200.000	-	6,200.000
Home	7,114.028	6,023.022	3,500.000	2,878.781	6,378.781
Housing	956.000	326.408	956.000	-	956.000
Industries	5,077.205	2,283.789	3,471.000	1,069.685	4,540.685
Information	224.000	278.502	224.000	-	224.000
Labour	26.000	3.180	74.000	-	74.000
Law & Justice	1,344.841	1,304.710	1,050.000	149.950	1,199.950
Local Government	-	-	17,766.000	500.000	18,266.000
Mines and Mineral	626.000	285.380	626.000	-	626.000
Multi Sectoral Development	-	-	5,145.000	8,448.272	13,593.272
Population Welfare	330.000	292.562	349.000	-	349.000
Pro-Poor Initiatives	7,900.120	4,394.973	8,166.000	-	8,166.000
Regional Development	16,993.514	16,242.526	-	-	-
Relief & Rehabilitation	2,053.000	770.480	2,053.000	-	2,053.000
Research and Development	1,620.099	1,820.700	-	-	-
Roads	17,266.626	20,197.391	13,500.000	5,505.940	19,005.940
Social Welfare	556.183	531.954	523.000	3.246	526.246
Sports, Tourism, Archaeology & Youth Affairs	1,350.000	1,635.000	1,325.000	52.532	1,377.532
ST & IT	1,000.000	719.281	1,080.000	-	1,080.000
Transport	200.000	88.043	234.000	-	234.000
Urban Development	8,759.920	7,088.441	-	-	-
Water	4,737.000	6,116.990	6,870.000	-	6,870.000
Total ADP (I)	138,133.000	128,840.178	111,726.000	32,884.000	144,610.000
DISTRICT ADP (II)	1,672.000	1,672.000	30,274.000	-	30,274.000
Total (I+II)	139,805.000	130,512.178	142,000.000	32,884.000	174,884.000

DEVELOPMENT BUDGET BY SECTOR FOR THE YEAR 2014-15 & 2015-16

(Rs. in million)

DEVELOPMENT PROGRAMME	2014-15		Budget Estimates 2015-16		
	Budget Estimates	Revised Estimates	Annual Dev: Program	Foreign Project Assistance	Total
SPECIAL PROGRAMME (PSDP)					
Access to Justice Programme (AJP)	-	10.577	-	-	-
Elementary & Secondary Education	-	82.825	-	-	-
Health	-	1,933.470	-	-	-
Regional Development	-	778.919	-	-	-
Water	-	1,419.359	-	-	-
Total PSDP (III)	-	4,225.150	-	-	-
Total Annual Development Programme (I+II+III)	139,805.000	134,737.328	142,000.000	32,884.000	174,884.000

DEVELOPMENT BUDGET

(Rs. in million)

PARTICULARS	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
A-EXTERNAL RESOURCES			
I-FOREIGN LOANS			
ADB	3,111.080	1,129.200	849.380
Development of Renewable Energy in Khyber Pakhtunkhwa	2,611.080	1,129.200	349.380
Mass Transit facility in Peshawar (Public Private Partnership/Donor)	500.000	-	500.000
JAPANESE / JICA	5,158.000	5,158.000	4,373.630
Emergency Rural Road Rehabilitation Project	5,158.000	5,158.000	4,373.630
Sub Total (I) Foreign Loans	8,269.080	6,287.200	5,223.010
II-FOREIGN GRANTS			
ADB	700.000	-	700.000
Feasibility Study for References Design for Mass Transit System in Peshawar	700.000	-	700.000
UNDP	1,143.500	1,507.840	656.385
Strengthening of Rule of Law in Malakand	443.400	447.840	219.218
Refugee affected & hosting Area Programme	700.000	1,060.000	407.167
Sustainable Land Management Programme to combat Desertification and Land Degradation	0.100	-	30.000
SDC	309.000	340.700	285.376
Livelihood Programme Hundukush	159.000	224.200	104.000
Water for Livelihoods	150.000	116.500	181.376
NAS/INL	1,389.607	554.727	1,268.460
F/S strengthening of Security Crescent Around Peshawar	-	-	400.000
Kohistan Area Development Project	119.714	33.756	-
Kala Dhaka Area Development Project	150.000	62.989	150.000
Construction of Javed Iqbal Shaheed Police Line Kabal Swat	11.206	13.287	-
Upgradation / Rehabilitation of Road from Chakdara to Madian - Kanjo to Dhamana Village	230.000	226.000	176.310
Construction of Police Lines Daggar, District Buner	300.000	6.418	300.000
Construction of Joint Police Training Centre at Nowshera	283.846	140.168	92.200
Directorate of Human Rights and its District based Resources Centre - with integrated facilities for Public Prosecutors, Govt Pleaders, and Probation Officers, Govt. of Khyber Pakhtunkhwa	294.841	72.109	149.950
JICA / JAPAN ASSISTED.	271.577	245.905	278.915
Construction of Boundary Walls in Govt schools through Tameer-e-school Program	-	-	200.000
Gravity Flow Water Supply Scheme, Mansehra.	0.100	-	0.010
Establishment of Working Women Hostel at Hayatabad Peshawar	53.183	59.562	-
Promotion of Carp Fisheries	-	-	32.640
Project for Strengthening Routine Immunization	10.089	-	20.374
Capacity Building of Technical Teachers and TVC in Malakand	205.205	182.943	22.645

DEVELOPMENT BUDGET

(Rs. in million)

PARTICULARS	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Capacity Building of Government Officers for Social Participation of Persons	3.000	3.400	3.246
NORAD	257.806	257.806	-
Basic Education Improvement Project	257.806	257.806	-
UK/DFID	11,502.350	11,996.374	9,287.049
Khyber Pakhtunkhwa Immunization Support Program	-	-	1,650.000
Peace Building Initiative for Khyber Pakhtunkhwa Project	575.576	1,083.600	1,072.000
Bridge of Malakand Division SH construction of Abutments/approach and Launching of Steel Bridges under Flood Damages Restoration Project in Swat, Chitral, Dir Lower & Dir Upper	520.000	520.000	400.000
AAWAZ Voice and Accountability Program	-	-	150.599
Strengthening of Planning Cell of E&SE Department	10.000	10.000	-
Provision of Stipends to Secondary Schools Girls	1,250.000	1,250.000	1,200.000
Continuous Capacity Development of Parent Teachers Councils	734.700	734.700	500.000
Establishment of Independent Monitoring Unit	416.159	416.159	-
Schools Infrastructure	-	-	2,378.450
Sub-National Governance Programm	450.000	436.000	436.000
Upgradation of 50 Middle Schools to High level in Khyber Pakhtunkhwa	300.000	300.000	-
Establishment of 50 Primary and 50 middle schools in rented building in Urban Areas of Khyber Pakhtunkhwa	71.000	71.000	-
Upgradation of 150 middle schools to High level (B&G) on needs basis	270.000	270.000	-
Upgradation of 50 Girls Primary Schools to Middle level in Khyber Pakhtunkhwa	211.250	211.250	-
Upgradation of 100 Govt High Schools to Higher Secondary level in Khyber Pakhtunkhwa	450.000	450.000	-
Upgradation of 25 High Schools to Higher Secondary level in deficient Union Councils	265.000	265.000	-
Upgradation of 50 primary schools to middle level in Khyber Pakhtunkhwa	180.000	180.000	-
Upgradation of 150 High Schools to Higher Secondary level (B&G 30:70) on needs basis	124.994	124.994	-
Upgradation of 120 primary schools to middle schools (B&G) on need basis	246.988	246.988	-
Upgradation of 25 Govt High Schools to Higher Secondary level (B&G) on need basis	300.000	300.000	-
Reconstruction of 760 Non-Strategy Earthquake affected schools	-	-	-
Schools furniture project in Khyber Pakhtunkhwa	2,500.000	2,500.000	1,500.000
Upgradation of 100 Govt Primary schools to middle level (B&G) in Khyber Pakhtunkhwa	350.000	350.000	-
Upgradation of 100 middle schools to High level (B&G 30:70) on need basis	400.000	400.000	-

DEVELOPMENT BUDGET

(Rs. in million)

PARTICULARS	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
Construction of 500 additional classroomsthrough PTCs	325.000	325.000	-
Curriculum Development in 5 Languages, Composing and printing of curriculum and Manuals, Training of Master Trainers and Printing of extra books.	111.683	111.683	-
Repair/Rehabilitation of 700 Govt Primary, Middle, High & Higher Secondary Schools Partially Damages due to floods 2010 through PTCs in Khyber Pakhtunkhwa	300.000	300.000	-
Khyber Pakhtunkhwa Girls Community School project	220.000	220.000	-
Construction of 500 early Childhood Education rooms in existing primary schoolsthrough PTCs	220.000	220.000	-
Upgradation of 50 middle schools to High level in deficient Union Councils	210.000	210.000	-
Upgradation of 100 High Schools to Higher Secondary schools (B&G)on needs basis	390.000	390.000	-
Khyber Pakhtunkhwa Early Childhood Education (ECE) Project	100.000	100.000	-
MDTF	5,939.625	3,311.205	3,464.680
Southern Area Development Project	1,304.000	440.000	600.000
Strengthening of Health Services	1,447.000	560.230	391.800
Multi Donor Trust Fund for Improved Growth, Golvnerance and Servicxe Delivery	-	-	1,000.000
Economic Revatalization in Khyber Pakhtunkhwa	562.000	226.840	531.040
Governance Support Programme - Establihsment of PCNA Support Unit	168.999	197.720	119.840
Upgradation / Rehabilitation of Road from Chakdara to Madian - Sharif Abad to Kanjo Swat	1,618.626	1,511.675	306.000
Competative Industries Project for Khyber Pakhtunkhwa	839.000	374.740	516.000
USAID	2,961.360	1,218.300	1,368.190
Gomal Zam Dam Command Area Development and On-Farm Water Management for high value and high efficiency Agriculture Project	868.440	-	848.190
Establishment of Urban Policy Unit	92.920	18.300	20.000
Municipal Service Delivery Project	1,000.000	200.000	500.000
Conflict Victims Support Prigram	1,000.000	1,000.000	-
Italian Debt Swap	25.000	-	52.532
Archaelogy Community Tourism Field School Project	25.000	-	52.532
World Bank	660.000	587.916	1,850.624
Integration of Health Services Delivery with special focus on MNCH, LHW and Nutrition Programme	660.000	587.916	1,850.624

DEVELOPMENT BUDGET

(Rs. in million)

PARTICULARS	Budget Estimates 2014-15	Revised Estimates 2014-15	Budget Estimates 2015-16
UNICEF/UN			3,076.000
Multiple Initiative under one UN Programme	-	-	3,076.000
CIDA	150.000	150.000	250.000
Construction of Abutments and Launching of Canadian Steel Bridges provided to Pak Army for Khyber Pakhtunkhwa	150.000	150.000	250.000
Feasibility Study for Mass Transit System in Peshawar			
GTZ	600.720	709.684	317.796
Support for Development Planning	250.000	250.000	150.000
Establishment of Blood Transfusion Centers in Khyber Pakhtunkhwa	-	133.164	14.796
Sustainable Management of Bio-Diversity in Malakand (Swat & Chitral)	350.720	326.520	153.000
KFW	1,113.455	771.888	525.000
Equipment for Basic Health in Khyber Pakhtunkhwa	257.665	456.648	-
Infrastructure Support to Khyber Pakhtunkhwa	300.000	-	300.000
Strengthening of TB Control Programme, Khyber Pakhtunkhwa	330.790	315.240	-
Social Health Protection Initiative for Khyber Pakhtunkhwa	225.000	-	225.000
EUROPEAN UNION	3,860.000	1,580.000	3,756.693
KP District Governance & Community Dev. Program	1,280.000	-	2,961.330
up-gradation of 50 Primary & 50 Middle Schools, construction of 20 playgrounds and 400 addl room through PTCs	680.000	680.000	-
ESR Upgradation of 50 Primary & 40 Middle Schools, Construction of 10 Playgrounds and 289 Addl. Class Rooms (4th tranche)	900.000	900.000	-
Pakistan Action to Counter Terrorism with Special reference to Khyber Pakhtunkhwa UNODC	-	-	251.966
Technical assistance for implementation of citizens justice and peace program	-	-	155.760
Rule of Law Programme in Khyber Pakhtunkhwa	1,000.000	-	387.637
AUS AID	601.920	601.919	523.290
Citizen Engagment for Social Services Delivery	601.920	601.919	523.290
Sub-Total (II) Foreign Grants	31,485.920	23,834.264	27,660.990
A-Total External Resources (I + II)	39,755.000	30,121.464	32,884.000
B-Provincial Contribution	100,050.000	100,390.714	142,000.000
C-Public Sector Development Programme (PSDP)	-	4,225.150	-
Total Development Resources (A+B+C)	139,805.000	134,737.328	174,884.000

ANNUAL DEVELOPMENT PROGRAMME SINCE 1972-73 ON WARD

(Rs. In Million)

Year	Size of ADP	Revised Size of ADP
1972-73	212.543	217.887
1973-74	300.000	285.133
1974-75	400.000	500.000
1975-76	576.700	601.366
1976-77	546.800	640.928
1977-78	617.000	687.642
1978-79	669.000	720.581
1979-80	767.000	702.850
1980-81	818.000	838.350
1981-82	980.850	1,002.323
1982-83	1,228.000	1,174.275
1983-84	1,176.500	1,191.500
1984-85	1,244.700	1,245.424
1985-86	1,697.000	1,912.787
1986-87	2,131.250	2,131.250
1987-88	2,472.250	2,471.050
1988-89	2,164.235	2,164.235
1989-90	2,197.625	2,198.649
1990-91	2,506.171	2,851.434
1991-92	4,813.715	4,881.569
1992-93	6,575.385	5,002.873
1993-94	4,959.000	4,764.638
1994-95	6,963.974	7,349.212
1995-96	7,665.634	8,081.917
1996-97	8,711.517	5,659.089
1997-98	4,884.740	5,498.215
1998-99	6,072.386	7,771.653
1999-00	5,745.220	8,057.541
2000-01	9,212.509	7,272.140
2001-02	7,986.220	8,710.147
2002-03	13,673.261	11,289.186
2003-04	14,696.006	12,882.982
2004-05	16,195.025	15,365.249
2005-06	21,000.000	24,397.398
2006-07	26,630.432	26,542.103
2007-08	39,462.372	32,913.949
2008-09	41,544.935	39,000.603
2009-10	51,156.956	46,330.546
2010-11	69,283.682	64,977.526
2011-12	85,141.000	84,473.628
2012-13	97,458.000	88,130.610
2013-14	118,000.000	104,847.616
2014-15	139,805.000	*134,737.328
2015-16	174,884.000	

(*Includes PSDP of Rs. 4,225.150 million)

GROWTH IN CURRENT REVENUE BUDGET & REVENUE RECEIPTS SINCE 1974-75 ON WARD

(Rupees in million)

Year	Provincial Tax Receipts	Provincial Others Receipts	Total Provincial Own Receipts	Net Capital Receipts	Federal Tax Assignment	Net Profits	Grants from Federal Govt.	Total Provincial Receipts	Current Revenue Expenditure	Deficit/Surplus Revenue Account	Non-Obligatory Grant	Receivable as per Arbitration Award
74-75 B.E	55.0	85.6	140.6	(-) 6.0	194.5	—	22.0	351.1	432.6	(-) 81.5	—	81.5
R.E	51.4	102.4	153.8	(-)19.2	211.3	—	88.8	434.7	551.8	(-) 117.1	96.9	20.2
75-76 B.E	51.6	104.9	156.5	7.1	305.3	—	110.7	579.6	699.5	(-) 119.9	—	119.9
R.E	72.2	113.1	185.3	7.9	329.3	—	151.3	673.8	705.4	(-) 31.6	31.6	—
76-77 B.E	74.5	120.1	194.6	6.9	367.7	—	104.8	674.0	862.2	(-) 188.2	138.2	50.0
R.E	83.7	93.1	176.8	2.2	373.6	—	123.3	675.9	955.9	(-) 280.0	223.6	56.4
77-78 B.E	88.7	127.2	215.9	(-) 6.8	401.1	—	104.8	715.0	1,149.1	(-) 434.1	398.7	35.4
R.E	93.4	119.4	212.8	14.8	426.9	—	107.6	762.1	1,137.0	(-) 374.9	352.6	22.3
78-79 B.E	96.8	135.5	232.3	12.7	461.8	—	104.8	811.6	1,314.3	(-) 502.7	456.8	45.9
R.E	96.6	201.3	297.9	(-)10.8	512.3	—	108.5	907.9	1,391.2	(-) 483.3	468.4	14.9
79-80 B.E	101.3	162.8	264.1	11.2	562.8	—	104.8	942.9	1,557.1	(-) 614.2	566.9	47.3
R.E	123.0	209.9	332.9	14.8	736.9	—	104.8	1,189.4	1,674.8	(-) 485.4	475.0	10.4
80-81 B.E	127.4	250.0	377.4	12.3	881.3	—	104.8	1,375.8	1,877.6	(-) 501.8	445.8	56.0
R.E	143.2	260.7	403.9	13.2	1,060.4	—	107.3	1,584.8	2,031.8	(-) 447.0	447.0	—
81-82 B.E	154.4	276.6	431.0	12.3	1,203.1	—	104.7	1,751.1	2,292.9	(-)541.8	531.6	10.2
R.E	174.7	282.6	457.3	37.0	1,132.6	—	106.4	1,733.3	2,538.9	(-) 805.6	805.6	—
82-83 B.E	188.7	296.2	484.9	16.6	1,223.6	—	104.8	1,829.9	2,714.7	(-) 884.8	874.8	10.0
R.E	212.0	308.0	520.0	24.8	1,223.6	—	105.4	1,873.8	2,989.7	(-) 1115.9	1,115.9	—
83-84 B.E	212.0	340.2	552.2	16.0	1,364.3	—	104.8	2,037.3	3,454.3	(-) 1417.0	1,396.0	21.0
R.E	238.3	374.6	612.9	50.7	1,374.6	—	116.6	2,154.8	3,705.2	(-) 1550.4	1,550.4	—
84-85 B.E	257.5	375.4	632.9	66.8	1,537.4	—	104.8	2,341.9	4,334.7	(-)1992.8	1,992.8	—
R.E	264.3	395.9	660.2	70.1	1,457.0	—	119.3	2,306.6	4,512.1	(-) 2205.5	2,205.5	—
85-86 B.E	288.9	412.3	701.2	75.0	1,622.0	—	104.7	2,502.9	5,201.0	(-) 2698.1	2,698.1	—
R.E	284.1	414.1	698.2	51.8	1,622.0	—	130.7	2,502.7	5,453.7	(-) 2951.0	2,951.0	—
86-87 B.E	307.2	430.2	737.4	52.8	1,622.0	—	104.8	2,517.0	6,466.3	(-) 3949.3	3,949.3	—
R.E	303.6	434.5	738.1	34.6	1,615.6	—	130.3	2,518.6	6,811.8	(-) 4293.2	4,293.2	—
87-88 B.E	309.3	466.1	775.4	34.6	1,831.3	—	104.7	2,746.0	7,382.9	(-) 4636.9	4,636.9	—
R.E	338.6	619.5	958.1	72.5	1,988.6	—	111.4	3,130.6	7,997.1	(-) 4866.5	4,866.5	—
88-89 B.E	369.2	531.1	900.3	74.6	2,204.5	—	104.8	3,284.2	8,685.1	(-) 5400.9	5,400.9	—
R.E	374.7	556.3	931.0	174.8	3,030.5	—	136.9	4,273.2	8,607.4	(-) 4334.2	4,022.6	311.6
89-90 B.E	369.3	581.8	951.1	159.6	3,330.2	—	104.8	4,545.7	9,291.2	(-) 4745.5	3,735.8	1,009.7
R.E	405.6	714.5	1,120.1	197.4	3,934.0	—	134.8	5,386.3	9,385.6	(-) 3999.3	3,574.7	424.6

GROWTH IN CURRENT REVENUE BUDGET & REVENUE RECEIPTS SINCE 1974-75 ON WARD

(Rupees in million)

Year	Provincial Tax Receipts	Provincial Others Receipts	Total Provincial Own Receipts	Net Capital Receipts	Federal Tax Assignment	Net Profits	Grants from Federal Govt.	Total Provincial Receipts	Current Revenue Expenditure	Deficit/Surplus Revenue Account	Non-Obligatory Grant	Receivable as per Arbitration Award
90-91 B.E	391.6	691.6	1,083.2	202.4	4,356.0	—	104.8	5,746.4	10,558.7	(-) 4812.3	3,475.6	1,336.7
R.E	430.5	759.8	1,190.3	72.8	4,301.6	—	132.0	5,696.7	10,281.7	(-) 4585.0	4,029.7	555.3
91-92 B.E	440.3	799.7	1,240.0	25.4	6,582.4	5,987.5	204.8	14,040.1	12,732.3	(+) 1307.8	—	—
R.E	435.7	864.3	1,300.0	20.7	6,444.1	5,999.9	402.5	14,154.8	12,737.3	(+) 1417.5	—	926.4
92-93 B.E	527.2	972.8	1,500.0	19.6	7,304.0	6,800.0	204.8	15,828.4	14,370.8	(+) 1457.6	—	—
R.E	688.8	958.8	1,647.6	19.7	7,366.0	5,680.0	205.2	16,038.5	14,579.0	(+) 1459.5	—	1,938.9
93-94 B.E	639.0	1,031.0	1,670.0	9.3	8,277.2	7,500.0	204.8	17,661.3	16,511.3	(+) 1150.0	—	—
R.E	634.2	1,040.8	1,675.0	9.3	9,392.1	5,482.0	209.5	17,785.9	16,635.9	(+) 1150.0	—	2,898.8
94-95 B.E	686.4	1,128.0	1,814.4	11.7	11,139.0	7,800.0	4.8	20,769.9	19,189.9	(+) 1580.0	—	—
R.E	724.3	1,272.7	1,997.0	17.6	11,454.7	6,500.0	10.0	21,279.3	19,404.5	(+) 1874.8	—	2,718.9
95-96 B.E	875.8	1,236.0	2,111.8	12.8	13,873.1	7,970.0	4.7	23,972.4	21,972.4	(+) 2000.0	—	—
R.E	810.2	1,487.3	2,297.5	13.9	14,345.1	6,000.0	4.8	24,631.3	23,564.0	(+) 1067.3	—	4,140.8
96-97 B.E	803.3	1,596.3	2,399.6	15.2	16,226.7	8,500.0	4.8	27,146.3	26,862.0	(+) 284.3	—	—
R.E	1,006.7	1,754.1	2,760.8	629.1	16,134.5	6,000.0	4.8	28,029.1	25,800.0	(+) 2229.1	—	5,154.9
97-98 B.E	1,407.9	1,867.1	3,275.0	(-) 775.0	15,064.0	9,423.0	3,310.0	30,297.0	30,058.5	(+) 238.5	—	—
R.E	1,167.7	1,714.1	2,881.8	(-)381.8	14,086.4	6,000.0	3,327.6	29,337.0	29,451.0	(-) 114.0	—	6,270.4
98-99 B.E	1,472.8	2,124.9	3,597.7	(-) 752.3	16,018.6	10,466.0	3,674.0	33,004.0	33,004.0	—	—	—
R.E	1,389.3	2,262.8	3,652.1	(-)646.6	14,579.5	6,000.0	3,675.3	31,726.3	32,004.0	(-) 277.7	—	7,497.4
99-2000 B.E	1,705.4	2,336.5	4,041.9	(-)830.2	16,867.7	11,624.0	4,078.0	35,781.4	35,493.0	(+) 288.4	—	—
R.E	1,592.7	2,336.0	3,928.7	(-)827.9	16,613.6	6,000.0	4,057.3	35,395.7	35,263.5	(+) 132.2	—	8,847.2
2000-01 B.E	1,740.9	2,509.1	4,250.0	(-) 955.0	21,227.5	12,899.0	4,310.7	41,732.2	39,132.2	(+) 2600.0	—	—
R.E	1,381.8	2,207.7	3,589.5	(-) 648.2	19,217.8	6,000.0	3,827.6	31,986.7	33,673.3	(-) 1038.4	—	10,331.9
2001-02 B.E	1,862.3	2,096.1	3,958.4	(-) 776.2	21,552.2	14,328.0	4,258.6	44,067.3	45,040.4	(-) 973.13	398.5	—
R.E	2,020.1	1,943.4	3,963.5	(-)953.5	19,411.8	6,000.0	3,898.0	32,323.2	34,623.0	(-) 559.845	—	1,195.1
2002-03 B.E	1,987.9	2,089.9	4,077.9	(-)1262.9	22,728.3	15,904.0	3,898.0	46,767.1	48,564.0	(-) 1796.9	159.0	—
R.E	2,140.4	2,103.4	4,243.8	1,047.9	22,872.2	6,000.0	3,898.0	37,039.3	36,171.6	(+) 867.7	221.0	13,761.6
2003-04 B.E	2,148.5	2,009.8	4,158.3	1,788.5	25,750.4	17,653.0	3,898.0	51,459.7	47,114.7	(+) 4345.1	—	—
R.E	2,019.1	1,999.8	4,018.9	3,125.2	25,660.3	6,000.0	3,898.0	39,577.2	38,400.0	(+) 1177.2	—	15,737.7
2004-05 B.E	2,278.7	2,149.4	4,428.1	3,132.0	29,344.1	8,000.0	4,500.0	46,272.2	42,650.0	(+) 3622.2	—	—
R.E	2,339.8	2,210.7	4,550.5	—	30,215.0	6,000.0	45,000.0	45,265.5	42,650.0	(+) 2615.5	—	17,911.5

GROWTH IN CURRENT REVENUE BUDGET & REVENUE RECEIPTS SINCE 1974-75 ON WARD

(Rupees in million)

Year	Provincial Tax Receipts	Provincial Others Receipts	Total Provincial Own Receipts	Net Capital Receipts	Federal Tax Assignment	Net Profits	Grants from Federal Govt.	Total Provincial Receipts	Current Revenue Expenditure	Deficit/Surplus Revenue Account	Non-Obligatory Grant	Receivable as per Arbitration Award
2005-06 B.E	2,528.5	2,365.5	4,894.0	3,132.0	35,458.2	8,000.0	10,000.0	58,352.2	51,062.0	(+) 7290.2	—	
R.E	2,633.9	2,555.2	5,189.1	—	36,805.1	6,000.0	5,000.0	65,462.8	60,693.0	(-) 8799.6	12,473.2	20,302.6
2006-07 B.E	3,053.6	2,741.4	5,795.0	—	44,034.5	8,000.0	9,712.5	67,542.0	54,500.0	(+) 13042.0		
R.E	3,049.5	2,682.3	5,731.8	—	44,645.1	6,000.0	9,765.3	66,142.2	55,173.6	(+) 10968.5		22,932.9
2007-08 B.E	3,809.1	3,172.7	6,981.8	—	55,690.1	6,000.0	11,907.8	80,579.7	61,000.0	(+) 19579.7		
R.E	3,904.6	3,075.2	6,979.8	—	55,954.2	6,000.0	11,349.1	80,283.1	61,450.0	(+) 18833.1	0.5	25,826.2
2008-09 B.E	4,737.3	3,473.4	8,210.7	—	71,445.8	6,000.0	14,432.2	100,088.7	67,300.0	(+) 32788.7		
R.E	3,749.2	3,425.5	7,174.7	—	69,965.7	6,000.0	13,183.3	96,323.7	75,600.0	(+) 20723.7	1,682.0	29,008.8
2009-10 B.E	5,991.9	3,655.7	9,647.6	—	83,218.5	6,000.0	14,822.5	113,688.6	80,000.0	(+) 33688.6		
R.E	3,497.0	4,711.8	8,208.8	—	93,998.7	16,000.0	15,207.4	133,414.9	109,000.0	(+) 24414.9	11,506.6	32,509.0
2010-11 B.E	15,559.5	3,155.2	19,556.7	—	173,033.6	31,000.0		198,590.3	127,958.0	(+) 70632.3	—	—
R.E	4,135.6	5,583.2	9,718.8	182,294.2	155,939.5	31,000.0	4,047.0	200,705.3	139,500.0	(+) 61205.3	—	—
2011-12 B.E	4,529.2	6,014.4	10,543.6	—	191,245.0	31,000.0	—	232,788.3	149,000.0	(+) 83788.3	—	—
R.E	12,571.5	6,345.7	18,917.2	—	189,058.4	31,000.0	2,264.3	241,239.9	161,000.0	(+) 80239.9	—	—
2012-13 B.E	13,862.5	6,238.5	20,101.0	—	228,391.0	31,000.0	—	279,492.0	191,600.0	(+) 87892.0	—	—
R.E	8,164.9	6,235.3	14,400.2	—	231,525.4	31,000.0		245,925.6	195,000.0	(+) 50925.6	—	—
2013-14 B.E	10,287.6	6,632.9	16,920.5	—	250,065.6	31,000.0	—	297,986.1	211,000.0	(+) 86986.1	—	—
R.E	12,637.8	8,007.5	20,645.3	—	243,076.1	31,000.0	—	294,721.4	222,000.0	(+) 72721.4	—	—
2014-15 B.E	19,452.8	9,327.9	28,780.7	—	284,152.0	44,272.3	—	357,205.0	250,000.0	(+) 107205.0	—	—
R.E	19,832.0	10,573.0	30,405.0	—	264,548.1	9,400.0	3,021.6	307,374.7	255,000.0	(+) 52374.7	—	—
2015-16 B.E	22,594.5	31,830.3	54,424.8	—	315,452.2	68,873.0	2,000.0	425,750.0	298,000.0	(+) 127750.0	—	—

GRANT WISE GENERAL ABSTRACT OF CURRENT BUDGET FOR THE YEAR 2015-16

Rs. in Million

D.NO	DEPARTMENTS	BUDGET ESTIMATES 2014-15	REVISED ESTIMATES 2014-15	BUDGET ESTIMATES 2015-16			
				POSTS	SALARY	NON SALARY	TOTAL
1	PROVINCIAL ASSEMBLY	604.014	714.605	538	539.709	250.924	790.633
2	GENERAL ADMINISTRATION	2,070.417	2,321.698	2,406	1,281.558	1,553.649	2,835.207
3	FINANCE, TREASURIES, LOCAL FUND AUDIT	2,669.675	1,322.398	1,170	2,392.148	1,507.892	3,900.040
4	PLANNING & DEVELOPMENT DEPARTMENT & BUREAU OF STATISTICS	259.863	217.115	319	207.068	52.603	259.671
5	INFORMATION TECHNOLOGY DEPARTMENT	61.306	58.281	104	51.605	23.173	74.778
6	REVENUE & ESTATE DEPARTMENT	3,925.257	3,428.176	1,400	828.099	1,144.120	1,972.219
7	EXCISE AND TAXATION DEPARTMENT	535.094	560.764	1,174	410.296	182.515	592.811
8	HOME DEPARTMENT	1,161.890	1,954.843	1,404	618.053	816.546	1,434.599
9	JAILS & CONVICTS SETTLEMENT	1,300.300	1,754.914	4,162	1,056.851	671.304	1,728.155
10	POLICE	28,534.630	31,039.557	71,312	28,564.666	4,180.578	32,745.244
11	ADMINISTRATION OF JUSTICE	4,183.032	4,476.357	6,642	3,992.277	885.817	4,878.094
12	HIGHER EDUCATION, ARCHIVES & LIBRARIES	7,044.880	6,002.280	13,000	8,311.068	957.145	9,268.213
13	HEALTH	25,237.123	28,672.301	30,525	15,207.924	6,368.209	21,576.133
14	COMMUNICATION AND WORKS DEPARTMENT	2,364.697	2,276.596	2,419	1,073.435	178.618	1,252.053
15	ROADS HIGHWAYS & BRIDGES (REPAIR)	2,025.000	1,923.350	-	-	2,321.500	2,321.500
15	BUILDING & STRUCTURE (REPAIR)	879.995	819.758	-	-	981.235	981.235
16	PUBLIC HEALTH ENGINEERING	4,437.853	4,570.919	369	504.377	1,066.654	1,571.031
17	LOCAL GOVERNMENT DEPARTMENT	2,963.797	3,791.875	124	270.162	8,027.486	8,297.648
18	AGRICULTURE	3,142.959	2,672.471	3,491	1,599.566	748.980	2,348.546
19	ANIMAL HUSBANDRY	1,707.069	1,520.473	1,125	607.999	367.583	975.582
20	CO-OPERATION	152.073	136.966	50	42.536	15.054	57.590
21	ENVIRONMENT AND FORESTRY	1,651.896	1,592.533	4,212	1,567.296	270.537	1,837.833
22	FORESTRY (WILDLIFE)	339.596	363.612	1,037	311.212	71.231	382.443
23	FISHERIES	193.446	187.470	223	100.634	21.392	122.026
24	IRRIGATION	3,206.651	3,743.894	7,614	2,310.168	1,299.027	3,609.195
25	INDUSTRIES	224.805	207.163	559	302.579	116.086	418.665
26	MINERAL DEVELOPMENT AND INSPECTORATE OF	481.864	431.120	825	318.366	184.860	503.226
27	STATIONERY AND PRINTING	97.877	119.582	186	69.870	58.333	128.203
28	POPULATION WELFARE	1,274.800	1,126.134	248	236.918	192.071	428.989
29	TECHNICAL EDUCATION AND MANPOWER	2,173.378	1,909.342	3,404	1,645.987	108.893	1,754.880
30	LABOUR	213.600	192.158	442	200.901	96.597	297.498
31	INFORMATION & PUBLIC RELATIONS	321.640	229.761	152	78.766	137.415	216.181

GRANT WISE GENERAL ABSTRACT OF CURRENT BUDGET FOR THE YEAR 2015-16

Rs. in Million

D.NO	DEPARTMENTS	BUDGET ESTIMATES 2014-15	REVISED ESTIMATES 2014-15	BUDGET ESTIMATES 2015-16			
				POSTS	SALARY	NON SALARY	TOTAL
32	SOCIAL WELFARE, SPECIAL EDUCATION	1,114.157	1,106.991	215	198.560	352.627	551.187
33	ZAKAT & USHER DEPARTMENT	153.867	199.153	402	166.115	27.726	193.841
34	PENSION	30,819.000	31,441.997	-	-	36,993.025	36,993.025
35	SUBSIDIES	2,714.900	2,714.900	-	-	2,900.000	2,900.000
36	GOVT INVESTMENT & COMMITTED CONTRIBUTION	12,000.000	13,944.111	-	-	13,400.000	13,400.000
37	AUQAF, RELIGIOUS, MINORITY & HAJJ	114.996	84.793	46	24.608	67.423	92.031
38	SPORTS, CULTURE, TOURISM & MUSEUMS	321.000	329.124	607	204.456	181.378	385.834
39	DISTRICT NON SALARY	500.100	0.100	-	-	5,302.777	5,302.777
40	GRANT TO LOCAL COUNCILS	4,114.790	4,114.790	-	-	4,526.269	4,526.269
41	HOUSING DEPARTMENT	32.517	25.513	39	22.229	13.117	35.346
42	DISTRICT SALARY	0.100	0.100	267,649	92,554.756	-	92,554.756
43	INTER PROVINCIAL COORDINATION DEPTT	32.645	28.653	56	25.730	13.801	39.531
44	ENERGY AND POWER DEPARTMENT	63.131	67.640	100	49.120	21.244	70.364
45	TRANSPORT & MASS TRANSIT DEPARTMENT	155.629	137.298	443	167.790	54.078	221.868
46	ELEMENTARY AND SECONDARY EDUCATION	73,684.438	75,025.955	1,083	6,484.586	6,051.241	12,535.827
47	RELIEF REHABILITATION AND SETTLEMENT	5,648.253	7,350.416	1,123	399.956	5,237.267	5,637.223
-	DEBT SERVICING (INTEREST PAYMENT)	7,117.090	7,117.090	-	-	7,021.090	7,021.090
-	DEBT SER. (APPRO. FOR REDUCTION OR	5,972.910	972.910	-	-	5,978.910	5,978.910
TOTAL (REVENUE BUDGET)		250,000.000	255,000.000	432,399	175,000.000	123,000.000	298,000.000
CAPITAL EXPENDITURE							
48	LOANS AND ADVANCES	290,000.000	1,090.000	-	-	90.000	90.000
-	DEBT SERVICING (LOAN FROM FEDERAL GOVT.DISCHARGED)	14,710,000.000	6,910.000	-	-	14,910.000	14,910.000
TOTAL (Capital Buget)		15,000,000.000	8,000.000	-	-	15,000.000	15,000.000
GRAND TOTAL (Revenue + Capital)		15,250,000.000	263,000.000	432,399	175,000.000	138,000.000	313,000.000
CAPITAL EXPENDITURE - FOOD (ACCOUNT-II)							
49	STATE TRADING IN FOOD GRAINS AND SUGAR	86,513.719	28,721.000	1,161	346.132	86,511.868	86,858.000
-	DEBT SERVICING (FLOATING DEBT)	15,000.000	15,000.000	-	-	15,000.000	15,000.000
TOTAL Capital Budget (Account-II)		101,513.719	43,721.000	1,161	346.132	101,511.868	101,858.000