



Finance Department  
Government of Khyber Pakhtunkhwa

Putting  
**People First**



Citizens'  
BUDGET  
**2017-18**

# About this booklet

**Citizens' Budget 2017-18** presents the provincial budget in simple language, making it easy for common citizens to understand how the budget impacts their lives. The first ever Citizens' Budget in Khyber Pakhtunkhwa was published in 2014-15 by the Provincial Government. Its continued publication every year is a reflection of the Government's commitment to not only improve citizen's access to budgetary information but also to promote accountability and transparency in managing public finances.

The information provided in Citizens' Budget will empower citizens to hold elected representatives and public officials accountable. This will contribute to good governance and effectiveness of public budgets in addressing the needs of citizens. It complements the Right to Information Act 2013 and the Right to Services Act 2014 by enabling people to effectively exercise their right to public scrutiny of state representatives, access to information and provision of quality services.





## Our destination

“...we dream of a province where all people enjoy maximum opportunities wealth and rights. And we are working together to transform that dream into a reality.”

Parvez Khattak  
Chief Minister, Khyber Pakhtunkhwa

# Investing in People

2013-2017

# Changing the Development Dynamics of Khyber Pakhtunkhwa



## 1. Protection of Rights of the Citizens

- Right to Public Service
- Right to Information
- Prevention of Conflict of Interest



## 3. Peace and Security

- Counter Terrorism Department
- Model Police Stations
- Khyber Pakhtunkhwa Police Act
- Traffic Wardens & Women Desk Officers
- Dispute Resolution C



## 5. Economic Revival

- Board of Investment & Trade
- Economic Zones Development & Management Company
- Oil & Gas Company
- Technical Education & Vocational Training Authority
- Hydro Energy Generation Projects
- Hydro Power Policy
- Billion Trees Tsunami
- Swat Express Way
- Mass Transit Project



## 2. Revival of Culture, Sports and Tourism

- Khyber Pakhtunkhwa Youth Policy
- Playgrounds & Stadiums
- Khyber Pakhtunkhwa Tourism Policy
- Revival of Indigenous Cultures



## 4. Transparency and Accountability

- Independent Monitoring Unit
- Whistle Blower Protection
- Accountability Commission
- White Paper and Citizen's Budget
- Performance Management and Reforms Unit

## Improved Social Service Delivery

- Census for out of School Children
- Private School Management Authority
- Healthcare Commission
- Autonomy to Health Institutions
- 24/7 OPD in Hospitals
- Healthcare Protection
- Control on Polio and Other Diseases
- Every Child's Right to Education
- IT Labs, Playgrounds in Schools
- Institute for State Children
- PFM Reform Strategy
- Inclusion of Local languages in curriculum

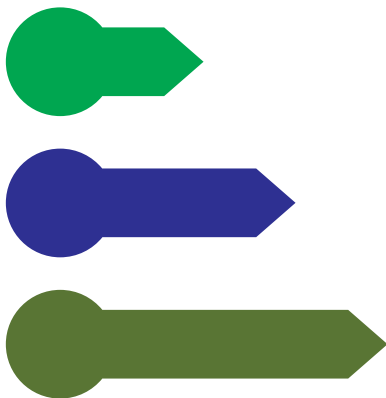


## 7. Devolution of Power

- 44,000 Elected Representatives
- 30% Development Funds Devolved to Local Governments
- Local Government Act
- Curriculum and Trainings for Local Councils & Public Officials

# Our priorities

The government is committed to fulfil the basic needs and ensure fundamental rights of citizens through a transparent and corruption free system of governance for creating a safe and prosperous society.



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To read more about Government's socio-economic strategies, please visit:

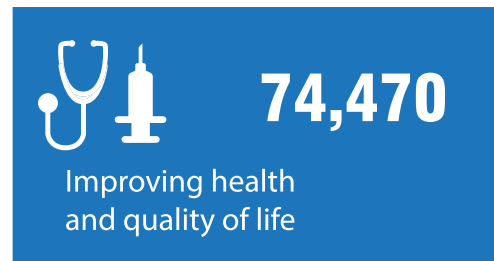
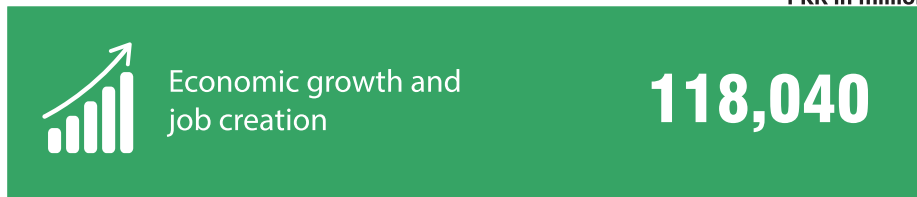
<http://khyberpakhtunkhwa.gov.pk>

The Budget for 2017-18 reflects the Government's broader goals of:

- ✓ Accountable and efficient government able to protect life and property of citizens
- ✓ Universal primary education and high standard of education at schools, colleges and universities
- ✓ Adequate healthcare services for all
- ✓ Poverty alleviation by creating more job opportunities
- ✓ Empowering people by installing elected local governments
- ✓ Merit based employment and upward social mobility for all
- ✓ Enabling environment for growth in private sector
- ✓ Ending the VIP culture
- ✓ Eliminate laws that limit the rights of the citizens

# How can these strategic objectives improve the life of a citizen?

This would help raise the overall quality of life and living standard of citizens, addressing the issue of poverty and bringing basic services closer to the people - reducing unemployment, creating jobs, improving law and order and fostering citizens' trust in the government.

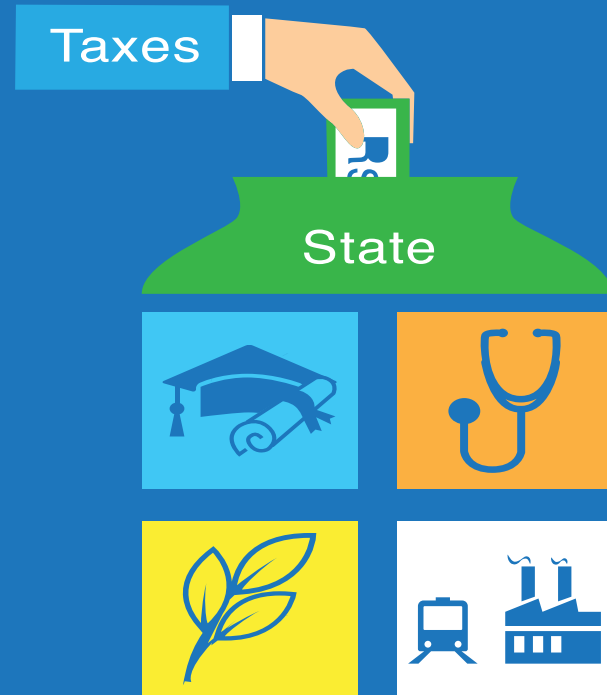


# What is budget?

Budget is a government's plan that explains where the money is coming from (revenue) and how it will spend that money (expenditure) during a period of one year for the public good. The Government of Khyber Pakhtunkhwa prepares its budget for a twelve month period starting from 1st July to 30th June (also called a fiscal/financial year).

The Constitution of Islamic Republic of Pakistan 1973 makes it compulsory for the provincial government to prepare and present the budget for approval of the Provincial Assembly before the start of a financial year.

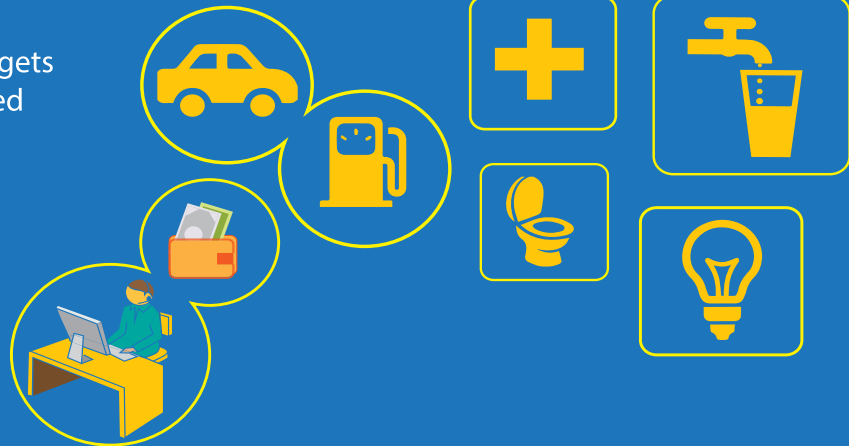
The budget document is an important link between citizens and the state. People pay taxes to the state so that in return it can provide them with services such as education, health, social safety net and security etc.



# Types of budget?

- 1 Current budget** is the money allocated for routine activities of the government and consists of salaries and non-salary items such as utilities, fuel, purchase of assets etc.
- 2 Development budget** is used for new activities, such as building of schools, clinics, roads, water and sanitation projects etc.

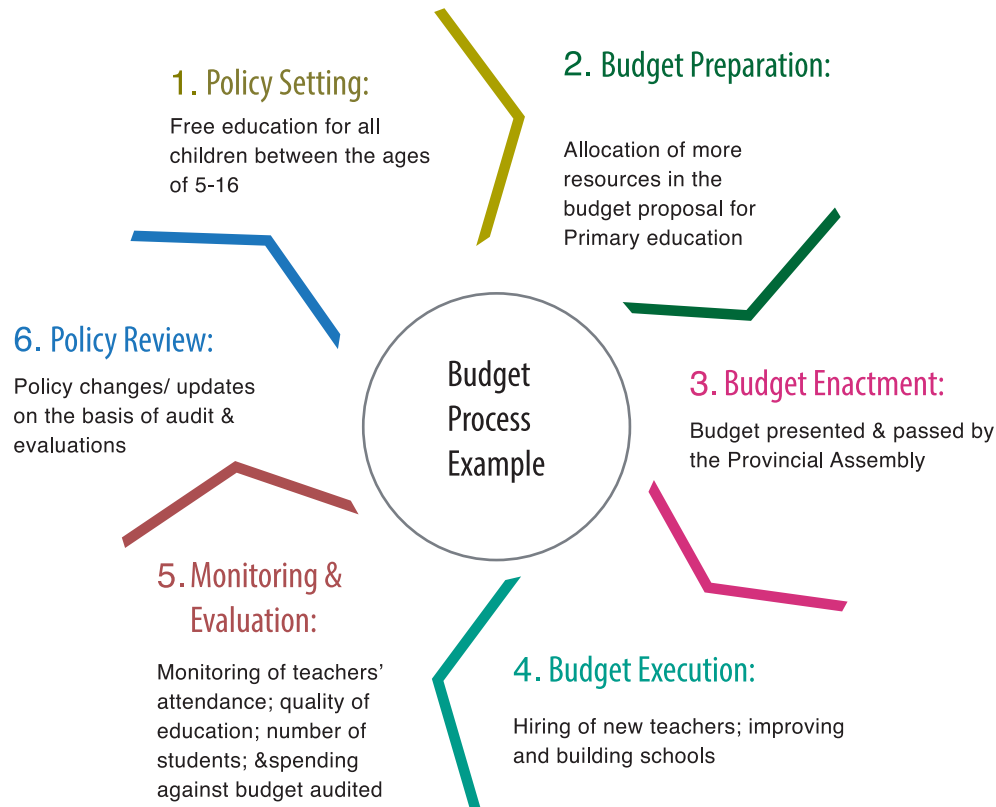
Both current and development budgets are essential for delivery of continued quality services to people.





# Budget process

Budget is the key tool for government to translate its policies into action



# Economic Assumptions

The budget has been prepared on the basis of following economic assumptions for FY 2017-18:



## Economic Growth Rate

**6 %**

Target 2017-18

**5.28 %**

Actual 2016-17

## Inflation

Below **6 %**

Target 2017-18

**4.09 %**

Actual 2016-17

**FBR Taxes  
to GDP  
Ratio**

**13.7 %**

Target 2017-18

**10.7 %**

Actual 2016-17

## FBR Revenue Target

**PKR 4,013 billion**

Target 2017-18

**PKR 3,521 billion**

Actual 2016-17

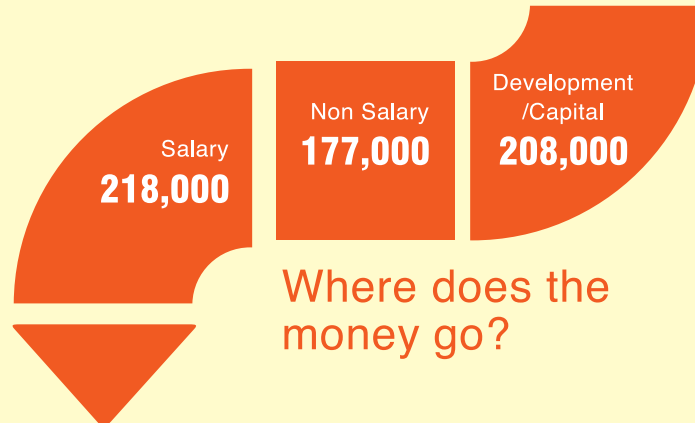
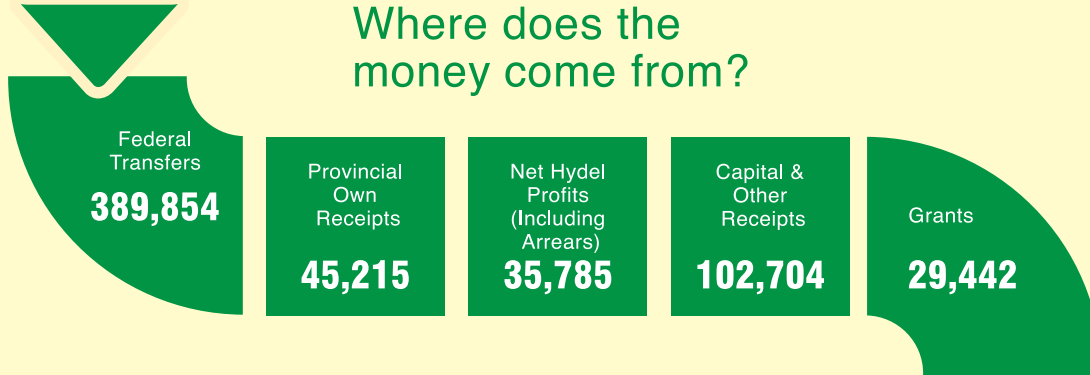
1 GDP stands for Gross Domestic Product i.e. the value of all goods and services produced in a year taken at market price.

**Total Receipts**  
**603,000**

# Total size of Budget 2017-18

PKR in million

Where does the money come from?



Where does the money go?

**Total Expenditure**  
**603,000**



# Enriching lives through education

Article 25-A of the Constitution of Pakistan grants free and compulsory education to all children between ages of five and sixteen.

Education is one of the most important investments that a Government makes in its people. It's critical to reducing poverty and inequity.

Budget Allocation	PKR in million
Education	168,084
Pre-primary & primary education affairs and services	97,101
Secondary education affairs and services	35,064
Tertiary education affairs and services	29,510
Subsidiary services to education	701
Administration	5,708



Salary	114,192
Non-salary	24,752
Development	29,141



## Key Achievements

- Education Sector Plan 2015-2020 formulated
- 1,447 community schools established providing education to 7,000 students out of which 67% are girls
- 61 primary schools for boys and 64 primary schools for girls established and 354 schools have been upgraded
- 40,000 teachers hired through merit and school based recruitment policy
- 134,000 school teachers trained on teaching English language, and science subjects, conducting examination and student guidance
- 20,000 schools provided with basic missing facilities through parent teacher councils
- 350,000 to 400,000 students provided with scholarships each year
- Chief Minister's Education Endowment Fund Scholarship Programme initiated for university students
- Curriculum of KG to Class 5 reviewed and updated and standardised learning assessment system established for Class 5
- Adopt a school programme initiated
- Early childhood care pre-school facilities provided
- Independent monitoring of schools and campaigns helped increasing student's enrolment and reducing teacher absenteeism

# Plans and priorities for 2017-18





# Improving health & quality of life

The Government is committed to providing all citizens free and fair healthcare services, clean and safe drinking water and adequate sanitation facilities to promote hygiene and a cleaner environment.

Budget Allocation	PKR in million
Health	56,220
Medical products, appliances and equipment	125
Hospital services	49,082
Public health services	6,144
Health administration	869
Social Protection	12,917
Administration	8,996
Others	3,921
Environment Protection	5,332
Waste water management	5,160
Pollution abatement	172



■ Salary 34,542  
■ Non-salary 15,014  
■ Development 24,914



## Key Achievements

- Autonomous Medical Teaching Institutes with more than PKR 5 billion budget in past two years; 24/7 OPD services in hospitals with expert doctors in the field
- Establishment of Healthcare Commission to regulate quality of laboratories, medicines and medical clinics in the province; Safe Blood Transfusion Authority; Medical Transplantation Regulatory Authority to regulate human organ transplant; Food Safety Authority
- Over 12,000 inspections carried out over the last three years have resulted in taking action against counterfeit drugs and medicines; Increase in attendance of staff at health facilities from 77% to 89 % due to establishment of Independent Monitoring Unit
- 22,000 positions created in health sector to improve service delivery and doctors have been hired for all vacancies in BHUs and Civil Dispensaries
- 13,200 Lady Health Workers were regularised; Four tiered promotion structure for medical officers; Health Professional Allowance increased manifold
- PKR 1 billion spent annually on provision of free medicines and services in public hospitals; PKR 200 million spent on free treatment of kidney transplant patients and PKR 1.90 billion on cancer patients; Sehat Insaaf Card (Health Protection Card) programme has provided free secondary and tertiary healthcare to more than 24,000 poor people
- Establishment of Insulin Banks and awareness on diabetes
- 'Eradication of Polio Programme' resulted in decrease number of polio cases to 8 in 2016
- Payment of PKR 2,700 to each mother to incentivize prenatal and postnatal healthcare for mother and child

# Plans and priorities for 2017-18





# Economic growth and job creation

Budget Allocation	PKR in million
Economic affairs	118,040
General economic, commercial and labour affairs	1,153
Agriculture, food, irrigation, forestry and fishing	32,760
Fuel and energy	920
Mining and manufacturing	4,483
Construction and transport	78,617
Industries	107



Salary	13,897
Non-salary	11,108
Development	93,035



## Key Achievements

- Establishment of KP Board of Investment and Trade, KP Economic Zones Development and Management Company, KP Oil and Gas Company, Technical Education & Vocational Training Authority
- Mineral Sector Governance Act, 2016, KP Farm Services Centers Act 2014, KP Market Act 2014, KP Agriculture Policy and KP Livestock Policy for the protection and promotion of agriculture and livestock professions in the province
- 236 water courses improved and 109 water storage tanks constructed to improve water efficiency, and completion of Bazai Irrigation Project in Malakand and Mardan
- Construction started on major flood protection structures all over the province
- Establishment of Halal Meat Certification Facilities for importers and exporters
- Electronic based management systems for infrastructure development such as e-tendering, geographic information system, and online laboratories for road material testing
- Provision of wheat at subsidized rates
- Establishment of Mines Monitoring and Surveillance Units
- Khud Kafalat Scheme to generate economic activities through interest free loans
- 147,774 hectares of land brought under plantation as a result of Billion Tree Tsunami Project
- Construction of Bab-e-Peshawar flyover in record time of 6 months
- Construction and repair/maintenance of 520 kms of road and 22 bridges
- First provincial technology university established in Nowshera



# Plans and priorities for 2017-18



# KP China Economic Cooperation



KP Economic Cooperation Road Show held in China and MoUs signed for 84 new Chinese investment projects worth PKR 2.43 trillion

3 projects worth PKR 2.4 billion in mines and minerals sector



11 projects worth PKR 780 billion in energy & power sector



9 projects worth PKR 246 billion in roads sector



2 projects worth PKR 214 billion in transport sector



12 projects worth PKR 598.9 billion in industries sector



19 projects worth PKR 51.8 billion in higher education sector



7 projects worth PKR 349.8 billion in housing sector



3 projects worth PKR 112 billion in water and sanitation sector



6 projects worth PKR 18 billion in Information Technology sector



4 projects worth PKR 38 billion in local government sector



1 project worth PKR 22 billion in urban development sector

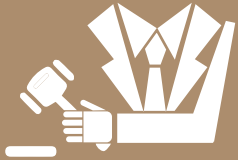


4 projects worth PKR 10 billion in sports, tourism and culture sector



3 projects worth PKR 7.7 billion in agriculture sector





# Good governance

## Budget Allocation

## PKR in million

Budget Allocation	PKR in million
General public service	131,986
Executive and legislative, financial and fiscal affairs, external affairs	85,838
Transfers	28,990
General services	17,129
General public services - others	29
Housing and community amenities	22,222
Housing development	39
Community development	17,759
Water supply	4,424



Salary	15,064
Non-salary	110,113
Development	29,032



## Key Achievements

- Establishment of Right to Information Commission, Right to Public Services Commission, Ehtesaab Commission, and enactment of Whistle-blower Act and Conflict of Interest Act for improved transparency and accountability
- Enactment of Public Private Partnership Law
- Establishment of KP Public Procurement Regulatory Authority and KP Revenue Authority
- Online monitoring of service delivery and price control
- Computerization of land record to be completed in 13 districts by 2018 and 12 districts in 2020
- A new interactive government web portal for citizens providing facilities such as online recruitment, procurement, enrolment to schools/colleges etc.
- One-window facility for CNIC verification, Domicile, Arms and Driving Licenses etc. through Citizen Facilitation Centres
- Public Financial Management Reform Strategy to ensure transparency and accountability in management of public finances
- Enabling citizen access to budget information for greater transparency and accountability
- Introducing public investment model



# Improved security and law & order for all

## Budget Allocation

PKR in million

Defence affairs and services	107
Civil Defence	107
Public order and safety affairs	50,492
Law courts	5,451
Police	41,126
Prison administration and operation	2,025
Administration of public order	1,890



Salary	39,648
Non-salary	10,265
Development	685



## Key Achievements

- Independent and autonomous Police – Police Ordinance 2016
- Women Counters established in police stations
- Establishment of 7 model stations, 7 police lines, 33 police stations, 57 police posts, and 31 patrolling posts
- Online FIR system launched
- Fully equipped Counter Terrorism Department
- Dispute Resolution Councils established throughout the province
- Forensic Labs established in Peshawar and Swat
- Establishment of specialized policing units: School of Investigation & Intelligence, Women Elite Commando Unit, Rapid Response Force, Canine Unit, and Traffic Wardens
- Comprehensive and specialized trainings of police force
- Cash grants for victims of terrorism in law enforcing agencies

# Plans and priorities for 2017-18





## Empowering citizens

For the people; by the people

With the new elected local governments at districts, tehsils and village/neighbourhood level, people have better opportunities to make decisions about their communities.



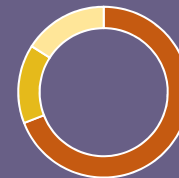
### Key Achievements

- Promulgation of KP Local Government Act 2013
- 25 District/City District Councils, 76 Tehsil/Town Councils and 3,501 Village/Neighbourhood Councils established in the province
- Equitable formula agreed by Provincial Finance Commission for distribution of public funds to local governments
- Till date PKR 10.9 billion have been released to district governments, PKR 10.9 billion to tehsil governments, and PKR 14.9 billion to village/neighbourhood councils for development
- Community driven local development policy

#### Budget Allocation

#### PKR in million

Transfer to Local Governments	175,586
Salary	121,378
Non-salary	26,208
Development Budget	28,000



- Salary
- Non-salary
- Development

# Plans and priorities for 2017-18





## Preservation & promotion of our culture and sports

Budget Allocation	PKR in million
Recreation, culture & religion	4,410
Recreation and sporting services	3,178
Cultural services	248
Broadcasting and publishing	380
Religious affairs	446
Administration of information, recreation and culture	158



Salary	656
Non-salary	562
Development	3,193

## Plans and priorities for 2017-18

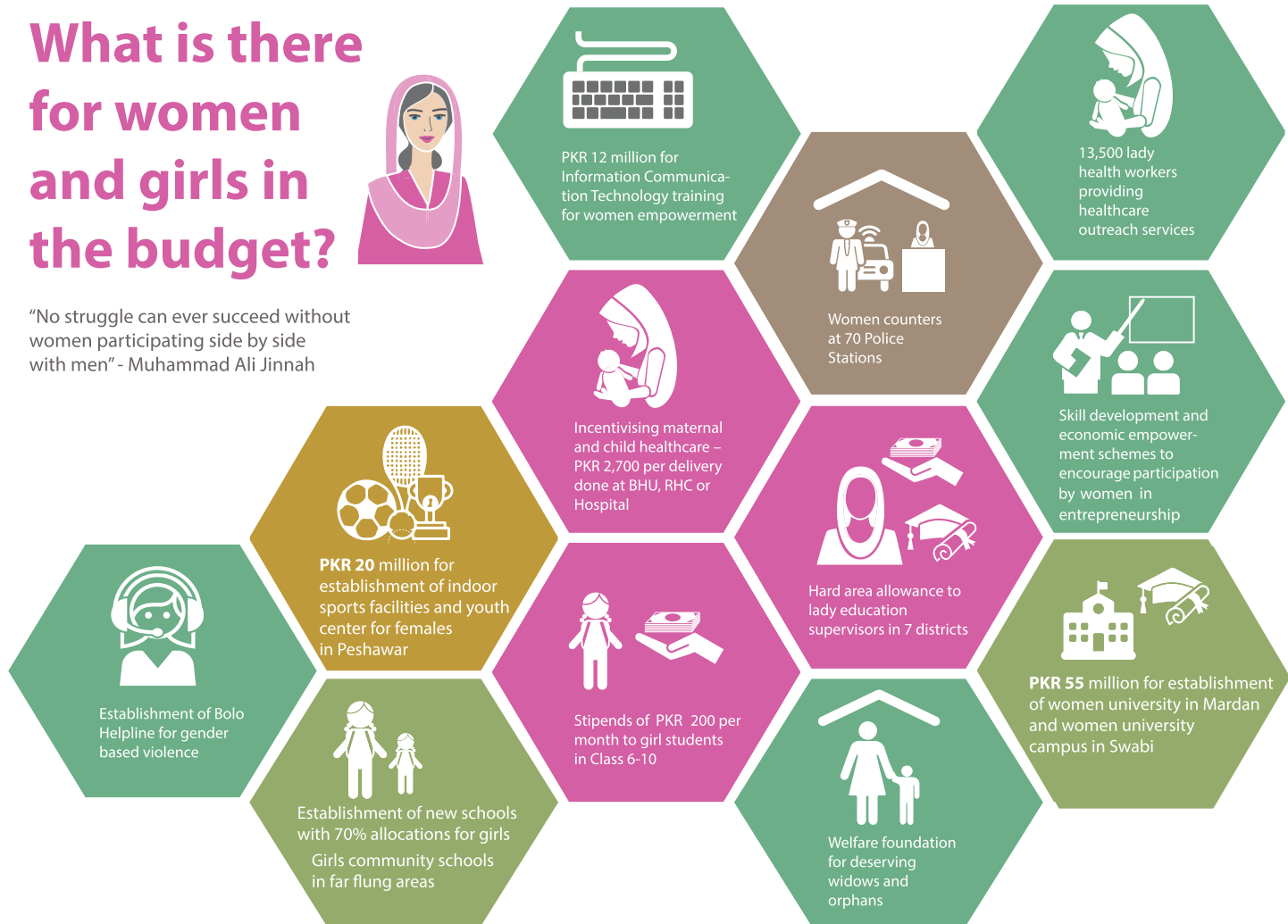
- Development of Heritage Trail in the walled city of Peshawar
- Holding KP under 23 games
- PKR 450 million for construction of playgrounds at Tehsil level
- PKR 600 million for establishment of Provincial Tourism Authority
- Area Development of Tourist Heavens at Kalam, Naran, Chitral & Sheikh Badin
- Shandur, Kalash and Broghul annual sporting and cultural events
- Financial grant of PKR 30,000 per person to over 500 artisans
- Opening of guesthouses for general public to increase revenue from tourism



# What is there for women and girls in the budget?



“No struggle can ever succeed without women participating side by side with men” - Muhammad Ali Jinnah



# What is there for youth in the budget?

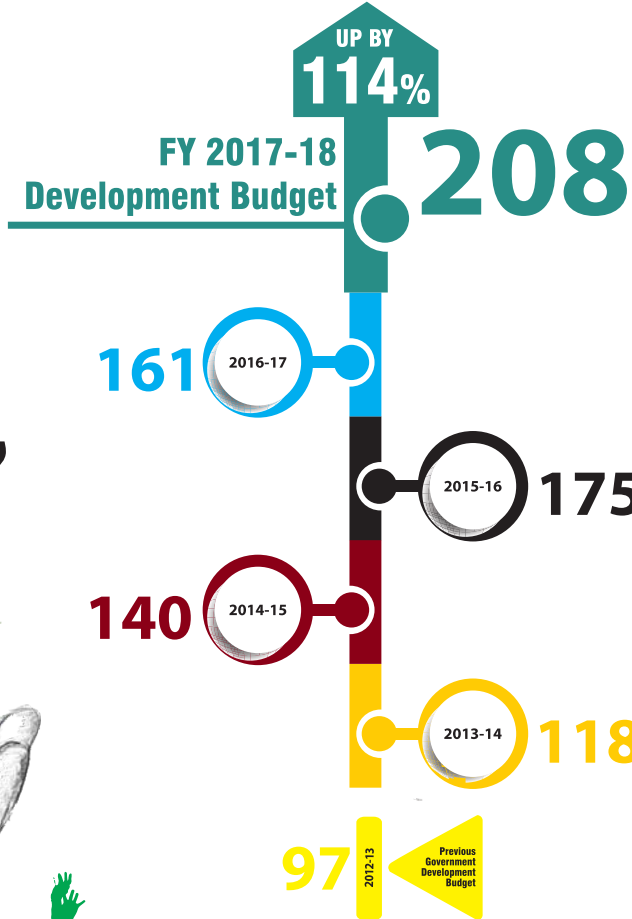


# What is there for the underprivileged people?





## PKR IN BILLION



**UNPRECEDENTED  
DEVELOPMENT  
BUDGET  
OUTLAY DURING  
FIVE YEARS**

**PKR  
802  
billion**

# Investing in People

Changing the development dynamics  
of Khyber Pakhtunkhwa  
2013-17



**111,200**  
YOUTH EMPLOYED  
IN GOVERNMENT SECTOR  
ON PERMANENT BASIS  
DURING FIVE YEARS

## Jobs Per Year

2013-14 **4,552**

2014-15 **16,331**

2015-16 **25,447**

2016-17 **25,447**

2017-18 **28,806**

**2013-2017**



For more information and feedback:

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