



WHITE PAPER 2016-17



**GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT**



W H I T E P A P E R

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Government of Khyber Pakhtunkhwa
Finance Department

F O R E W O R D

White Paper presents an analytical commentary on the revenue and expenditure estimates laid down in budgetary publications. The objective of White Paper is to present financial information in an easy way to comprehend style for general public. Pictorial Graphs, Pie Charts, Tables, and Diagrams have been added for this purpose. The budget framework covers financial information pertaining to current financial year and the upcoming fiscal year. The White Paper also contains detail on expenditure outcomes of the previous years to present the readers the perspective for interpreting future revenue projections and expenditure plans. This publication, therefore, comprehensively portrays distinct dimensions of the Budget, thus complementing the information needs of wide range of users for academic, research, policy, and for general information purposes.

I take this opportunity to thank all departments across the Province for providing timely and comprehensive data. The compilation of White Paper and other budgetary publications is the result of untiring efforts of the officials and officers of the Finance Department, who worked with dedication to convert the intricate and voluminous information into compressed and meaningful form which will help readers, understand and appreciate the efforts put together by Government to serve them better.

(ALI RAZA BHUTTA)

Finance Secretary

Government of Khyber Pakhtunkhwa

14th June, 2016

ABBREVIATIONS

ADP	Annual Development Program	MTBF	Medium Term Budgetary Framework
BCC	Budget Call Circular	NEPRA	National Electric Power Regulatory Authority
BE	Budget Estimates	NFC	National Finance Commission
BOK	Bank of Khyber	NGO	Non-Governmental Organization
BTR	Budget Transparency Review	NHP	Net Hydel Profit
C&W	Communication and Works	NWA	North Waziristan Agency
CBO	Community Based Organization	O&M	Operation and Maintenance
CDL	Cash Development Loans	OGDCL	Oil & Gas Development Company Limited
CDLD	Community Driven Local Development	OGRA	Oil and Gas Regulatory Authority
CCI	Council of Common Interest	OPL	Ocean Pakistan Limited
CVT	Capital Value Tax	PACRA	Pakistan Credit Rating Agency
CPPA	Central Power Purchase Agency	PaRRSA	Provincial Reconstruction and Rehabilitation Authority
DDCF	District Delivery Challenge Fund	PASSCO	Pakistan Agricultural Storage & Services Corporation
DGCD	District Governance and Community Development	PCSW	Provincial Commission on Status of Women
DRM	Disaster Risk Management	PDMA	Provincial Disaster Management Authority
E&SE	Elementary and Secondary Education	PEDO	Pakhtunkhwa Energy Development Organization
FATA	Federally Administered Tribal Areas	PEFA	Public Expenditure and Financial Accountability
FBE	Forward Budget Estimates	PEPCO	Pakistan Electric Power Company
FM	Frequency Modulation	PFM	Public Financial Management
GST	General Sales Tax	POL	Petroleum Oil Lubricants
HMC	Hayatabad Medical Complex	PPL	Pakistan Petroleum Limited
IDS	Integrated Development Strategy	PSDC	Petroleum Social Development Committees
IPD	Inverse Population Density	ROA	Return on Assets
JCB	Japan Credit Bureau	ROE	Return on Equity
JCR-VIS	Japan Credit Rating Agency - Vital Information Services	SBP	State Bank of Pakistan
KCM	Kazi Committee Methodology	SNE	Schedule of New Expenditure
KPHA	Khyber Pakhtunkhwa Highway Authority	SNG	Sub-National Governance Programme
KPOGCL	Khyber Pakhtunkhwa Oil & Gas Company Limited	SNGPL	Sui Northern Gas Pipeline Limited
KWh	Kilowatt hour	SSGCL	Sui Southern Gas Company Limited
LRH	Lady Reading Hospital	TEC	Technical Evaluation Committee
M&E	Monitoring and Evaluation		
M&R	Maintenance and Repair		
MGCL	Mari Gas Company Limited		
MMBTU	Million Metric British Thermal Units		
MOL	Magyar OLaj		
MPCL	Mari Petroleum Company Limited		

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GENERAL ABSTRACT

GENERAL ABSTRACT OF REVENUES AND EXPENDITURE 2016-17

Rs. in Million

REVENUES	Budget Estimates 2016-17	EXPENDITURE	Budget Estimates 2016-17
A-General Revenue Receipts		A-Current Revenue Expenditure	
Federal Tax Assignment	293,694.328	General Public Service	222,057.755
1% of Divisible Pool for War on Terror	35,289.471	Civil Defence	15.091
Straight Transfers	17,199.980	Public Order and Safety Affairs	41,962.879
Net Profit from Hydel Power Generation	18,704.000	Economic Affairs	18,341.036
Arrears of Net Hydel Profit	15,000.000	Environmental Protection	89.802
Incentive on Surplus Cash Balance	300.000	Housing and Community Amenities	4,306.177
Provincial Own Receipts (Tax)	18,171.145	Health (Excluding Health Education)	19,755.476
		Recreation, Culture and Religion	1,006.244
Provincial Own Receipts (Non-Tax)	31,335.855	Education Affairs and Services (Including Health Education etc)	19,520.363
		Social Protection	5,945.177
Total-A	429,694.779	Total-A	333,000.000
B-General Capital Receipts		B-Current Capital Expenditure	
Recoveries of Loans & Advances	250.000	Repayment of Loans	10,910.000
Recoveries of Investment of Hydel Development Fund	15,000.000	Loans and Advances	90.000
Borrowing Domestic Loan	12,200.000		
Total-B	27,450.000	Total-B	11,000.000
C-Development Receipts		C-Development Expenditure	
Foreign Projects Assistance	36,000.000	ADP (Provincial)	91,100.000
Cash Balance/Savings	11,855.221	ADP (Districts)	33,900.000
		Foreign Projects Assistance	36,000.000
Total-C	47,855.221	Total-C	161,000.000
Total Revenues (Account-I)	505,000.000	Total Expenditure (Account-I)	505,000.000
Receipts and Recoveries (Account-II)	101,905.000	Capital Expenditure (Account-II)	101,905.000

BUDGET AT A GLANCE

Rs. in Million

Description	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
A - GENERAL REVENUE BUDGET			
General Revenue Receipts	425,750.000	368,144.922	429,694.779
Revenue Expenditure	298,000.000	280,903.768	333,000.000
Net Revenue Account (Deficit/Surplus)	127,750.000	87,241.154	96,694.779
B - CURRENT CAPITAL BUDGET			
General Capital Receipts	15,250.000	15,250.000	27,450.000
Current Capital Expenditure	15,000.000	15,000.000	11,000.000
Net Capital Account (Deficit/Surplus)	250.000	250.000	16,450.000
C-Surplus for Development (A+B)	128,000.000	87,491.154	113,144.779
D - ADP FINANCING ITEMS			
Special Federal Grant (PSDP)	-	3,123.703	-
Foreign Project Assistance	32,884.000	16,822.745	36,000.000
Foreign Grants (PDMA+Others)	-	333.777	-
Total ADP Financing Items	32,884.000	20,280.225	36,000.000
Financing from Past Savings	14,000.000	27,327.266	11,855.221
Resources for Development	160,884.000	107,771.379	149,144.779
Development Expenditure	174,884.000	135,098.645	161,000.000
Total Resources (A+B+C+D)	487,884.000	431,002.413	505,000.000
Total Expenditure (A+B+D)	487,884.000	431,002.413	505,000.000
Net (Deficit/Surplus) (Account-I)	-	-	-
General Capital Expenditure (Account-II)	101,858.000	32,821.086	101,905.000
Less Receipts and Recoveries	(101,858.000)	(32,821.086)	(101,905.000)
Net (Deficit/Surplus) (Account-II)	-	-	-

SUMMARY POSITION OF REVENUES FOR THE YEAR 2015-16 & 2016-17

Rs. in Million

Description	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
A-General Revenue Receipts			
Federal Tax Assignment	250,892.750	251,651.071	293,694.328
1% Divisible Pool for War on Terror	30,146.555	30,237.675	35,289.471
Straight Transfers	19,412.863	19,373.493	17,199.980
Net Profit from Hydel Power Generation	17,000.000	9,000.000	18,704.000
Arrears of Net Hydel Profit	51,873.042	25,000.000	15,000.000
Incentive on Surplus Cash	2,000.000	1,197.683	300.000
Provincial Own Receipts (Tax)	22,594.500	14,319.900	18,171.145
Provincial Own Receipts (Non-Tax)	31,830.290	11,161.100	31,335.855
Extra Budgetary Grant (Non-Dev)	-	6,204.000	-
Total General Revenue Receipts (A)	425,750.000	368,144.922	429,694.779
B-General Capital Receipts			
Recoveries of Loans & Advances	250.000	250.000	250.000
Recoveries of Investment of Hydel Development Fund	15,000.000	15,000.000	15,000.000
Borrowing Domestic Loan	-	-	12,200.000
Total General Capital Receipts (B)	15,250.000	15,250.000	27,450.000
C-Development Receipts			
Special Federal Grant PSDP	-	3,123.703	-
Foreign Grants (PDMA)	-	333.777	-
Foreign Project Assistance	32,884.000	16,822.745	36,000.000
Financing from Past Savings	14,000.000	27,327.266	11,855.221
Total Development Receipts (C)	46,884.000	47,607.491	47,855.221
Total Revenues (A+B+C)	487,884.000	431,002.413	505,000.000

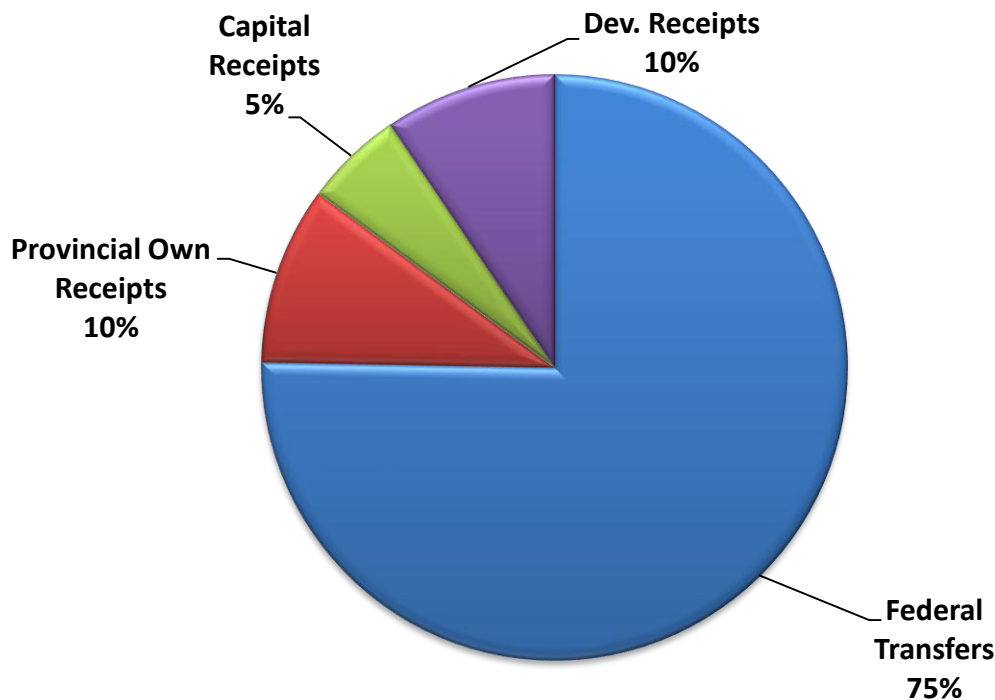
SUMMARY POSITION OF EXPENDITURE FOR THE YEAR 2015-16 & 2016-17

Rs. in Million

Description	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
A-Current Revenue Expenditure			
General Public Service	177,350.409	170,912.332	222,057.755
Civil Defence	14.236	14.552	15.091
Public order and Safety Affairs	41,374.473	42,471.793	41,962.879
Economic Affairs	18,094.726	15,314.266	18,341.036
Environmental Protection	46.903	44.704	89.802
Housing and Community Amenities	8,528.437	2,225.354	4,306.177
Health (Excluding Health Education)	16,701.079	16,835.261	19,755.476
Recreation, Culture & Religion	782.716	847.122	1,006.244
Education Affairs and Services (Including Health Education etc)	28,549.698	15,162.174	19,520.363
Social Protection	6,557.323	17,076.210	5,945.177
Total Current Revenue Expenditure (A)	298,000.000	280,903.768	333,000.000
B-Current Capital Expenditure			
(i) Financial & Fiscal Affairs	14,910.000	14,910.000	10,910.000
of which Foreign Debt Management	5,314.000	5,687.000	6,200.000
Domestic Debt Management	9,596.000	9,223.000	4,710.000
(ii) Financial & Fiscal Affairs	90.000	90.000	90.000
Total Current Capital Expenditure (B) (i+ii)	15,000.000	15,000.000	11,000.000
C-Development Expenditure			
ADP (Provincial)	111,726.000	97,508.505	91,100.000
ADP (Districts)	30,274.000	15,491.495	33,900.000
Special Federal Programme PSDP (i+ii)	0.000	5,275.900	0.000
of which: i Grants		5,275.900	
ii Loans			
Foreign Projects Assistance	32,884.000	16,822.745	36,000.000
Total Development Expenditure (C)	174,884.000	135,098.645	161,000.000
Total Expenditure (A+B+C)	487,884.000	431,002.413	505,000.000

CHAPTER 1 - ESTIMATE OF RECEIPTS

Total Receipts of the Province comprise of General Revenue Receipts, Capital Receipts and Development Receipts (Foreign Projects Assistance). For financial year 2016-17 the total receipts are estimated at Rs.505,000 million which is 3.5% higher than Rs.487,884 million in financial year 2015-16. The revised estimates for financial year 2015-16 have been fixed at Rs.431,002 million.



GENERAL REVENUE RECEIPTS

The General Revenue Receipts consist of Federal Transfers and Provincial Own Receipts. For financial year 2016-17 the General Revenue Receipts are estimated at Rs.429,695 million against Rs.425,750 million for the financial year 2015-16.

1. TRANSFERS FROM FEDERAL GOVERNMENT

Federal resource transfers comprise of Shared Taxes (NFC), Straight Transfers and Other Grants including NHP and arrears which constitutes bulk of Provincial Receipts of the Province. These transfers constitute 88% of the total General Revenue Receipts of the Province. The Shared Taxes (NFC) is 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.380,188 million is expected to be transferred from the Federal Government to the KP Province during financial year 2016-17.

Transfers from Federal Government		(Rs. in Million)	
Particulars	BE 2015-16	RE 2015-16	BE 2016-17
Federal Tax Assignment	250,892.750	251,651.071	293,694.328
<i>Taxes on Income</i>	108,216.481	106,651.510	125,500.729
<i>Custom Duties</i>	24,128.199	28,309.351	33,548.830
<i>Sales Tax</i>	102,735.706	101,193.326	118,195.761
<i>Capital Value Tax (CVT)</i>	109.417	160.829	189.255
<i>Federal Excise</i>	15,702.947	15,336.055	16,259.753
1% of Divisible Pool for war on Terror	30,146.555	30,237.675	35,289.471
Straight Transfers	19,412.863	19,373.493	17,199.980
<i>Royalty on Crude Oil</i>	9,294.134	8,133.576	6,270.138
<i>Royalty on Natural Gas</i>	4,143.940	4,641.877	5,811.155
<i>Gas Development Surcharge</i>	3,558.109	4,790.920	3,202.787
<i>Excise Duty on Natural Gas</i>	2,416.680	1,807.120	1,915.900
Other Federal Transfers/Grants	70,873.042	41,401.683	34,004.000
Total Federal Transfers	371,325.210	342,663.922	380,187.779

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 National Finance Commission awarded the 7th NFC Award on 18th March, 2010, in which the Federal Government reduced its collection charges from 5% to 1%, which largely benefited 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.

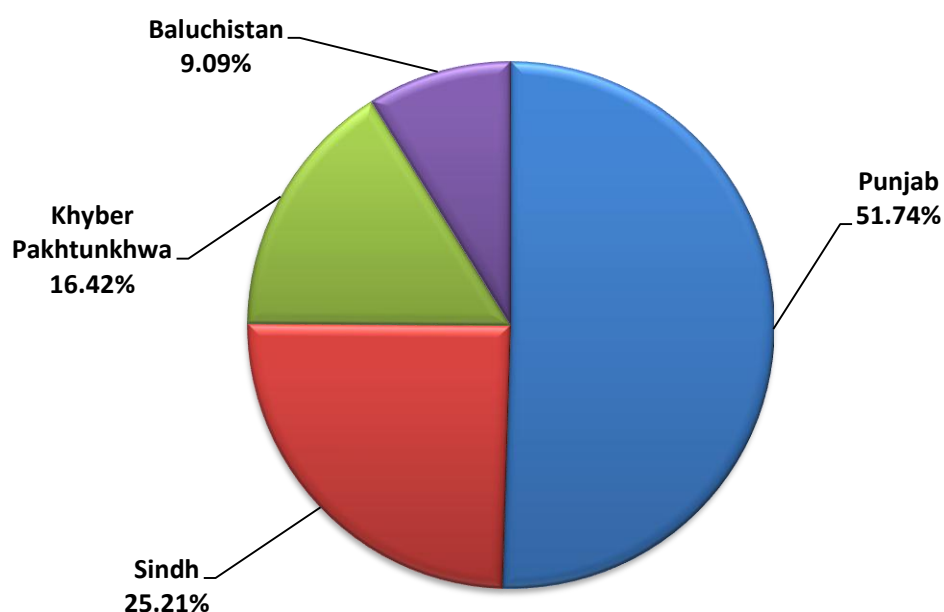
The traditional population based criteria for horizontal distribution of resources amongst the Provinces was changed to Multiple-Criteria Formula for the first time. According to these criteria 82% distribution was made on population, 10.3% on poverty and backwardness, 5% on revenue collection/generation, and 2.7% on inverse population density (IPD). Realizing the role of Khyber Pakhtunkhwa in the war on terror, 1% of the divisible pool was assigned to this Province.

The subvention/special grant and grant in lieu of Octroi and Zilla Tax (1/6th of sales tax) have been abolished in the 7th NFC Award. The net share of the Provinces in the divisible pool and 1% of divisible pool for war on terror for Khyber Pakhtunkhwa in 7th NFC Award as compared to the share allocated on the basis of population and 1/6th of Sales Tax and Special Grant in previous Award 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			
		Horizontal share	1% 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%	25.21 ¹
Khyber Pakhtunkhwa	14.78	14.62	1.80%	-	16.42²
Baluchistan	7.05	09.09	-	-	9.09
Total	100	100			

Share of Provinces in the Divisible Pool



The 8th NFC was constituted on 21st July, 2010, but it did not give any Award. The 9th NFC was constituted on April 24, 2015 and its 1st meeting was held on 28th April, 2015. 9th NFC, in its first meeting constituted 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 “Allocation Efficiency and Expenditure Analysis at the Federal and Provincial levels”. The draft report so prepared by the Khyber Pakhtunkhwa team was discussed in the working group-III meeting dated 25-01-2016 held in Islamabad. It was pointed out in the meeting that the effort of the Working Group should be to present this paper as a strategic initiative because it will lay down the future basis for the spending plans of the Federal Government and the Provinces.

¹Grant-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

²The 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

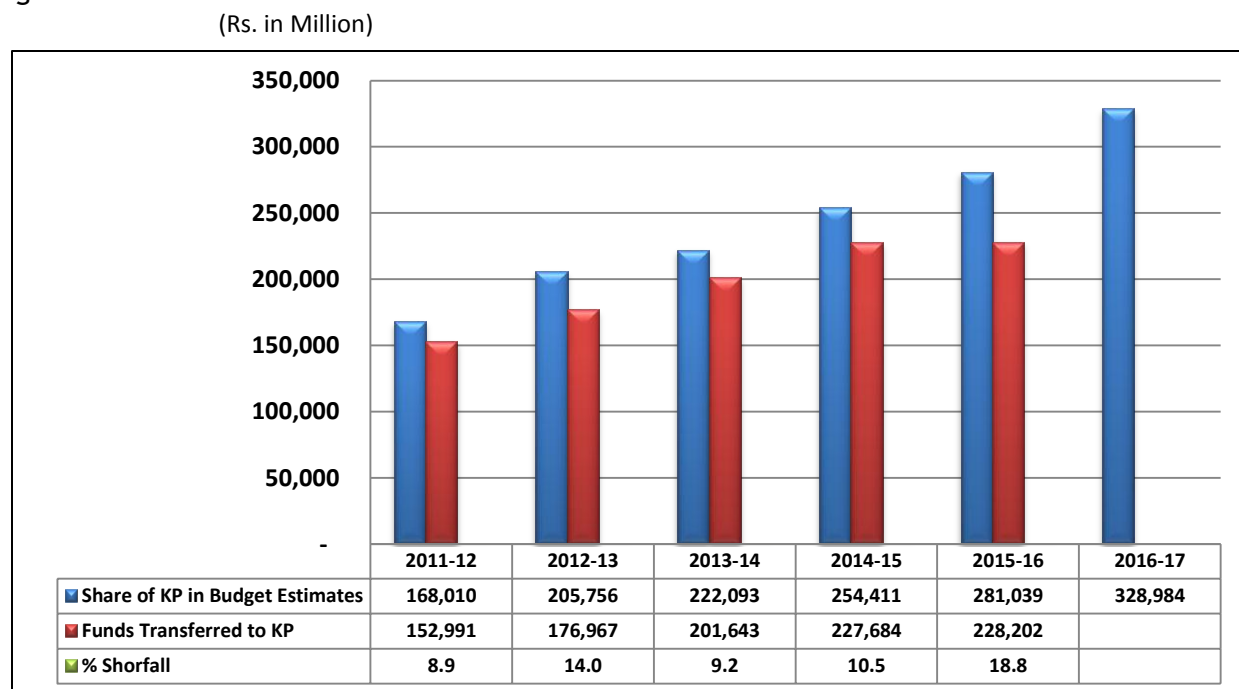
All members of the working group were requested to send any further useful suggestion on the subject in light of the TORs so as to make the report more useful before convening the next meeting of the working group-III to finalize the report. It is pertinent to mention that all the Provinces assigned with the studies have prepared their draft studies and shared with all members of the working group. As per intimation from Federal Government, the study regarding subsidies and grants assigned to the Federal Government is at drafting/compilation stage which would be shared with provinces as and when completed.

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 2016-17 is as follows:-

Funds to be transferred to the Provinces during Financial Year 2016-17 (Rs. in Million)

Province	%Share	Budget Estimate 2016-17	1% of total Divisible Pool for War on Terror Grant (1.8% of the provincial pool)	Total
Punjab	(51.74%)	1,039,380.611		1,039,380.611
Sindh	(24.55%)	493,173.444		493,173.444
Khyber Pakhtunkhwa	(14.62%)	293,694.328	35,289.471	328,983.799
Baluchistan	(9.09%)	182,604.750		182,604.750
Total		2,008,853.133	35,289.471	2,044,142.604

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



Trend of actual transfers compared to Khyber Pakhtunkhwa shares projected in Budget Estimates under NFC Awards.
FY 2015-16 reflects 11 months transfer i.e. upto May, 2016

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.

Historically there have been differences over the amount of NHP, between the Federal & Provincial Governments. These differences were partially resolved during the year 2009-10. Federal Government agreed to honor 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 took 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 recommendations. These recommendations were considered at the level of Finance Minister on 14th March, 2013. The recommendations were 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 Khyber Pakhtunkhwa, 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 Government agreed that the rate of NHP shall be Rs.1.10 per kwh to be approved with 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 in resolving the issue of NHP in the light of above recommendations and consequently on 25th February, 2016 a Memorandum of Understanding (MOU) was signed between Government of Pakistan & Government of Khyber Pakhtunkhwa. The MOU was also approved by CCI on 29th February, 2016. The relevant contents of the MOU are as under:-

- (a) *The uncapped NHP as determined & transmitted from NEPRA, would be notified immediately by Ministry of Water & Power.*
- (b) *A total amount of Rs.70 billion has been agreed upon on account of arrears of uncapped NHP after reconciliation of mutual claims in the power sector between the two Governments as full and final settlement.*
- (c) *Water & Power Development Authority (WAPDA) after seeking concurrence of CCI through the Ministry of Water & Power would file a tariff petition for recovery of the arrears in four instalments as follows (i). Rs.25 billion in fiscal year 2015-16 and (ii) Rs.15 billion each in the next 3 years.*

Accordingly, Federal Government issued a notification for the uncapping of Net Hydel Profit (NHP), on 7th March, 2016, according to which Net Hydel Profit (NHP) is now payable to the Provincial Government at the revised rates of Rs.1.10 per KWH. As such this Provincial Government is now entitled to receive approximately a sum of Rs.18.7 billion per annum. WAPDA has assured the release of uncapped amount of NHP after clearance from CPPA. For this purpose, the Provincial Government is actively engaged with WAPDA for full implementation of this decision.

WAPDA has filed a revised supplementary tariff petition for payment of arrears of Rs.51.173 billion including Rs.25 billion as arrears of NHP for financial year 2015-16 with NEPRA as required by the MOU and approved by the CCI. While this document is being compiled the Federal Government/WAPDA are yet to honour the commitment of providing Rs.25 billion during the financial year 2015-16.

REVENUE FROM OIL AND 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 2016, an area of around 360,716 square kilometer is under exploration for oil and gas throughout the country, (32,018 km²) of which is in Khyber Pakhtunkhwa.

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 Country wide production of crude oil. 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*

Ten companies are presently working in Khyber Pakhtunkhwa which shows promising prospects of oil and gas exploration in the area. The Oil & Gas Development Company Limited (OGDCL) has licenses and leases for the most of the area, followed by MOL and MPCL. Other companies operating in Khyber Pakhtunkhwa are Hycarbex, Al-Haj, OPL, PPL, Tullow, Tallahssee.

The estimated production from various operationalized oil/gas fields in financial year 2015-16 and 2016-17 are given below:-

Production of Oil and Gas from Operationalized fields³

Company	Field	District Name	Actual 2014-15		July 2015– June 2016 (Revised Estimates)		July 2016 - June 2017 (Budget Estimates)	
			Oil (BBL)	Gas (MMCF)	Oil (BBL)	Gas (MMCF)	Oil (BBL)	Gas MMCF
Mol	Manzali	Karak	301,320	25,816	214,177	16,739	114,649	11,689
	Makori	Karak	25,410	735	11,692	264	4,355	
	Makori East	Karak	5,228,930	23,317	5,238,754	27,980	5,166,034	31,914
	MamiKhel	Kohat	422,413	12,286	226,398	10,446	80,352	6,105
	Maramzai	Hangu	1,326,533	34,525	1,688,870	44,611	1,246,955	42,398
	Tolanj West	Kohat					2,967	3,680
	Tolanj X-1	Kohat					3,279	
	MardanKhel	Hangu			102,000	2,440	1,223,624	18,792
OGDCL	Mela	Kohat	744,680	8,772	944,372	4,927	985,900	5,183
	Chanda	Kohat	662,565	1,361	564,325	1,103	438,340	1,095
	Nashpa	Karak	7,567,170	29,395	7,010,287	31,802	7,652,095	39,220
Total			16,279,020	131,207	16,000,875	140,312	16,918,550	160,076

These oil/gas fields have sufficient reserves, with an estimated 196.87 million US barrels balance recoverable oil reserves and 1,212.98 billion cubic feet of balance recoverable gas reserves as on 31-12-2015.

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:-

- *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*

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

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:-

S.No	Year	Royalty on Crude Oil	Royalty on Gas	Excise Duty on Gas	Gas Dev: Surcharge	Total
1	2004-05	263.793	109.370	44.280	69.828	487.271
2	2005-06	492.009	351.050	24.591	316.229	1,183.879
3	2006-07	1,090.718	462.418	123.290	632.717	2,309.143
4	2007-08	3,027.076	537.988	206.236	418.236	4,189.536
5	2008-09	3,111.402	733.212	149.130	246.028	4,239.772
6	2009-10	1,942.240	1,261.458	286.046	1,026.155	4,515.899
7	2010-11	8,341.297	3,814.063	1,098.413	3,315.039	16,568.812
8	2011-12	11,651.551	4,153.840	1,173.511	1,786.062	18,764.964
9	2012-13	12,871.058	3,740.504	1,371.329	1,647.816	19,630.707
10	2013-14	19,755.081	4,451.267	1,383.967	5,754.628	31,344.943
11	2014-15	14,243.774	3,580.253	1,317.968	3,915.369	23,057.364
12	2015-16 (Revised Estimates)	8,133.576	4,641.877	1,807.120	4,790.920	19,373.493
13	2016-17 (Budget Estimates)	6270.138	5,811.155	1,915.900	3,202.787	17,199.980

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.

The funds are spent through the Petroleum Social Development Committees (PSDC) consisting of relevant district stakeholders.

DETAILS OF PRODUCTION BONUS TRANSFERRED/ANTICIPATED TO BE TRANSFERRED DURING 2015-16

Sr. No.	Company Name	Fields & District	Production Bonus Paid (\$)	Districts where Amount Deposited
1	OGDCL	Mela & Nashpa	494,955	Kohat
			990,516	Kohat
Grand Total (US\$)			1,485,471	

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

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:-

- a. Minimum size of a scheme financed out of 10% share of Royalty on Oil & Gas will be Rs.1,000,000/- (one million).
- b. 10% share of royalty on oil & gas will be utilized on Electricity, supply of Gas, Education, Technical Education, Water Supply Schemes, Roads, 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. A task force to review the existing policy was constituted and its recommendations were discussed in the Cabinet meeting held on 28-03-2016. The Cabinet directed Planning & Development and Finance Department to come up with proposals for mega projects which is being implemented.

2. PROVINCIAL OWN RECEIPTS

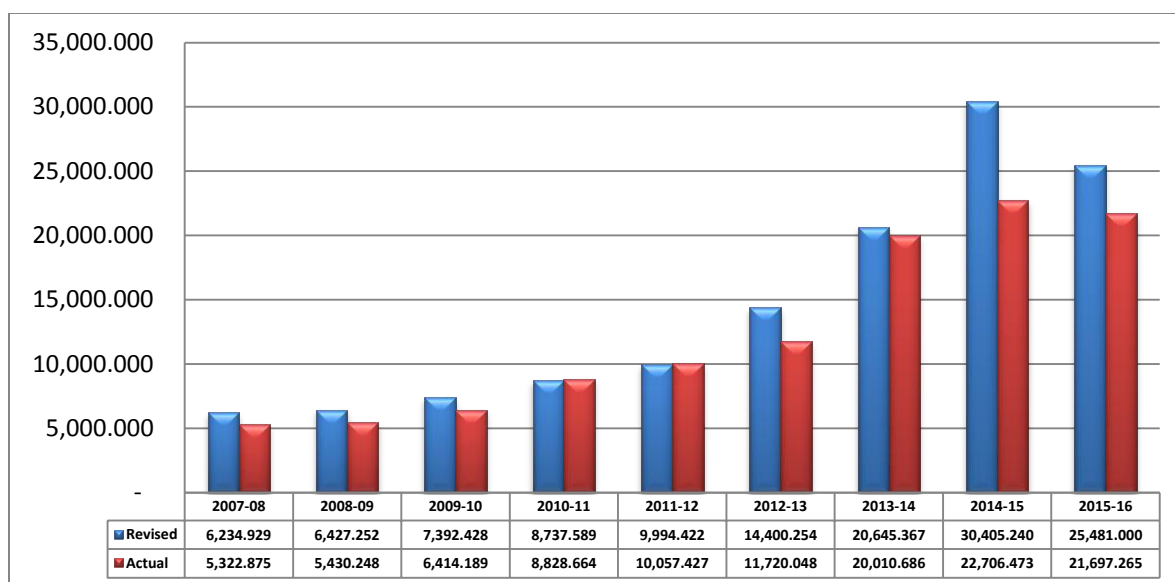
The Provincial Revenue Receipts for the financial year 2016-17 are estimated at **Rs.49,507.000** million, comprising of:

- i. Tax Receipts of **Rs.18,171.145** million (36.7 %) including General Sales on Services of Khyber Pakhtunkhwa which is Rs.10,000.000 million, and
- ii. Non-Tax receipts of **Rs.31,335.855** million, (63.3%).

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

(Rs. in Million)

S.No	Years	Revised Estimates	Actual Recovery
1	2007-08	6,234.929	5,322.875
2	2008-09	6,427.252	5,430.248
3	2009-10	7,392.428	6,414.189
4	2010-11	8,737.589	8,828.664
5	2011-12	9,994.422	1,0057.427
6	2012-13	14,400.254	11,720.048
7	2013-14	20,645.367	20,010.686
8	2014-15	30,405.240	22,706.473
9	2015-16	25,481.000	21,697.265 Upto May 2016 (11 months)



Total Provincial Revenue Receipts

Provincial Tax Receipt

Direct Taxes include taxes on Agriculture Income, Property, Land Revenue, Profession, Trade and Callings etc. The Revised Estimates of direct taxes during 2015-16 is Rs.2,812.200 million. The Budget Estimates 2016-17 is Rs.2,955.000 million, which is 5.1% higher.

Indirect Taxes a major component of tax receipts comprise of GST on Services, Provincial Excise, Motor Vehicle Tax, Stamp Duties, Cess of all types, and Electricity Duty etc. The Revised Estimates for financial year 2015-16 from indirect taxes is estimated at Rs.11,507.700 million and Budget Estimates 2016-17 is Rs.15,216.145 million which is 32.2% higher.

Electricity duty is collected by PEPCO on behalf of the Provincial Government. This duty is adjusted by PEPCO against the arrear of Electricity of Provincial Government Departments/Local Bodies. Rs. 500 million has been adjusted at source by PEPCO during 2015-16, while remaining amount of Rs. 408.804 million is still outstanding against PEPCO.

The Provincial Tax Receipts collected since 2011-12 to 2016-17 are given in the following tables. Most of the tax receipt heads show an upward trend, despite the fact that the economy was severely hit by war on terror and weak tax base.

Provincial Tax Receipts

(Rs. in Million)

TAX	Actual				Estimated		
	2011-12	2012-13	2013-14	2014-15	Budget 2015-16	Revised 2015-16	Budget 2016-17
Total DIRECT TAXES	1,830.043	1,808.506	2,142.378	2,628.449	3,801.200	2,812.200	2,955.000
Tax from Agriculture	20.081	21.958	31.192	66.493	1,000.000	80.000	88.000
Urban Immovable Property Tax (Net)	86.400	98.100	495.000 (-)387.090 107.910	563.342 (-)440.533 122.809	1,000.000 (-)782.000 218.000	750.000 (-)586.500 163.500	1000.000 (-)782.000 218.000
Tax on Transfer of Property (Reg.)	80.166	81.004	111.296	113.171	133.000	133.000	150.000
Land Revenue	1,271.666	1,185.829	1,492.591	1,834.232	1,800.700	1,800.700	1,850.000

TAX	Actual				Estimated		
	2011-12	2012-13	2013-14	2014-15	Budget 2015-16	Revised 2015-16	Budget 2016-17
Tax on Profession, Trades & Callings	131.420	129.961	135.872	203.629	264.500	250.000	264.000
Urban CVT Provincial	240.310	291.654	263.517	288.115	385.000	385.000	385.000
Total Indirect Taxes	1,800.290	5,599.683	7,982.467	8,601.533	18,793.300	11,507.700	15,216.145
Provincial Excise	26.415	19.944	25.124	23.354	38.000	38.000	41.800
Motor Vehicle Tax+ R. Permit + Fitness	865.237	934.479	1,038.259	1,018.065	1,638.500	1,488.500	1,802.350
Stamp Duty	588.596	614.916	712.948	817.182	814.000	814.000	890.000
Entertainment Tax	0.008	0.016	---	0.467	---	---	---
Others/ Hotel Tax/Real Estate Dealer/TDC/Electronic Media	278.299	250.959	240.498	411.201	688.800	353.200	756.890
Electricity Duty/fee on account of Electricity Rules.	41.735	349.182	297.413	51.626	614.000	614.000	625.105
GST on Services Khyber Pakhtunkhwa	----	3430.187	5,668.225	6,279.638	14,000.000	8,000.000	10,000.000
Infrastructure Dev: Cess	----	----	----	----	1,000.000	200.000	1,100.000
Total Provincial Taxes	3,630.333	7,408.189	10,124.845	11,229.982	22,594.500	14,319.900	18,171.145

Provincial Non-Tax Receipts

Non-Tax revenue consists of three major heads Income from Property and Enterprises, Receipts from Civil Administration & Other Functions and Miscellaneous Receipts. The total non-tax receipts for the financial year 2016-17 are estimated at Rs.31,335.855 million as per the table given below:-

(Rs. in Million)

Head	Budget 2015-16	Revised 2015-16	Budget 2016-17
Property and Enterprises	136.356	1,014.116	1,014.116
Civil Administration & Other Functions	17,345.428	9,463.400	17,240.813
Miscellaneous	14,348.506	683.584	13,080.926
Total Non-Tax Receipts	31,830.290	11,161.100	31,335.855

Detailed breakup information is at Annexure-V

Each Non-Tax receipts component is explained below:-

i. Property and Enterprises:

Property & Enterprise consists of Interests & Dividends and Own Hydel Projects.

Cash dividends of Rs. 1.25 billion have been paid to shareholders of the Bank of Khyber. Out of these dividends the Government of Khyber Pakhtunkhwa has received a sum of Rs.

877.760 million during financial year 2015-16. For the year 2016-17 it is expected that the bank will give the same handsome amount of cash dividend to its shareholders the Provincial Government being a major shareholder will be the major beneficiary as such a sum of Rs. 877.760 million has been estimated for the financial year 2016-17.

The Malakand-III, Pehur & Shishi Power Station Projects have been commissioned. Whereas the power stations i.e. Ranolia, Machai and Daral Khuwar will start functioning during the next financial year 2016-17. An amount of Rs. 3,300 million is expected to be realized for the year 2015-16 and Rs.3,630 million is projected for the year 2016-17.

ii. Civil Administration & Other Functions

The receipts under Civil Administration and Other Functions includes followings:-

- Organs of State
- Fiscal Administration
- Economic Regulation
- Law & Order
- Community Receipts
- Social Services
- Miscellaneous

Trend analysis of the previous years and projections for 2016-17 is given below:-

(Rs. in Million)

Head	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Budget 2015-16	Revised 2015-16	Budget 2016-17
A-General Administration*	146.262	155.774	228.247	198.228	226.700	231.700	237.900
B- Law and Order	1,006.131	900.641	1,408.044	1,377.294	1,542.000	1,764.100	1,866.300
Administration of Justice	128.825	135.903	189.741	230.537	242.000	264.100	266.800
Police, Arm License & Other Fees	872.970	751.876	1,198.937	1,133.332	1,283.500	1,483.500	1,582.500
Jails	4.336	12.862	19.366	13.425	16.500	16.500	17.000
Total (A+B)	1,152.393	1,056.415	1,636.291	1,575.522	1,768.700	1,995.800	2,104.200

*General Administration includes Organs of State, Fiscal Administration & Economic Regulation

iii. Community Services

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

(Rs. in Million)

Sector	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Budget 2015-16	Revised 2015-16	Budget 2016-17
Building & Communication	447.869	608.398	316.997	497.664	730.000	550.000	730.000
Public Health	168.736	184.239	200.753	219.861	300.000	300.000	320.000
KP.H.A*	*133.184	--	*135.533	--	*165.000	*180.000	*225.000
Total	616.605	792.637	674.000	717.525	1,030.000	850.000	1,050.000

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

iv. Social Services

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

(Rs. in Million)

Sector	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Budget 2015-16	Revised 2015-16	Budget 2016-17
Higher Education, Archives & Libraries	90.602	168.711	315.297	379.910	216.870	291.250	378.268
Elementary & Secondary Education	51.148	6.071	23.666	28.031	78.000	55.000	60.000
Technical Education.	21.179	20.894	21.237	24.168	26.500	14.400	15.200
Museums	1.255	1.381	1.643	2.703	1.900	2.200	3.000
Tourism	12.347	12.425	14.659	18.080	20.000	20.000	25.000
Health	124.671	188.111	351.324	380.126	500.000	504.400	541.005
Manpower Management	0.522	0.509	0.809	0.974	0.900	0.980	1.000
Total	301.724	398.102	728.635	833.992	844.170	888.230	1,023.473

v. Economic Services

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

(Rs. in Million)

Sector	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Budget 2015-16	Revised 2015-16	Budget 2016-17
Agriculture	121.656	149.036	170.488	191.600	217.200	202.000	211.950
Fisheries	16.906	23.679	43.390	45.912	53.500	53.500	55.000
Livestock & Dairy Development	68.199	77.013	69.457	83.833	151.800	106.800	132.850
Environment (Forests & Wildlife)	395.734	605.979	466.518	327.333	7,847.000	525.000	6,028.000
Irrigation	321.349	370.873	845.278	461.901	551.000	513.200	559.700
Mineral Development	734.238	758.410	896.181	812.401	1,451.808	900.000	2,203.500
Industries	3.659	3.342	4.500	7.810	36.250	26.150	36.700
Printing + Registration Renewal of Printing Press	71.396	68.797	90.813	133.562	94.000	102.720	205.440
Total	1,733.137	2,057.129	2,586.625	2,064.352	10,402.558	2,429.370	9,433.140

GENERAL CAPITAL RECEIPTS

General Capital Receipts consist of recoveries of investment of Hydel Development Fund, Loans and Advances from Government Servants, SNGPL, Financial Institutions/Non-Financial Institutions & Autonomous/Semi-Autonomous Bodies.

(Rs. In Million)

Heads of Accounts	BE 2015-16	RE 2015-16	BE 2016-17
Recoveries of Loans & Advances	250.000	250.000	250.000
Recoveries of Investments	15,000.000	15,000.000	15,000.000
Borrowing Domestic Loan	--	--	12,200.000
Total Capital Receipts	15,250.000	15,250.000	27,450.000

DEVELOPMENT RECEIPTS

Development Receipts consists of grants received from Federal Govt. and foreign debt/loans & grants for development projects.

(Rs. in Million)

Heads of Accounts	BE 2015-16	RE 2015-16	BE 2016-17
Special Federal Grant PSDP	-	3,123.703	-
Foreign Grants (PDMA)	-	333.777	-
Foreign Project Assistance	32,884.000	16,822.745	36,000.000
Foreign Debt	5223.01	3,058.73	9,120.460
Foreign Grants	27,660.99	13,764.02	26,879.540
Financing from Past Savings	14,000.000	27,327.266	11,855.221
Total Development Receipts	46,884.000	47,607.491	47,855.221

STATE TRADING IN FOOD (ACCOUNT-II)

The state trading of the Provincial Government covers wheat procurement 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 2015-16	RE 2015-16	BE 2016-17
State Trading (Account-II)	86,858.000	17,821.086	86,905.000
Cash Credit Accommodation (Floating Debt)	15,000.000	15,000.000	15,000.000
Total State Trading	101,858.000	32,821.086	101,905.000

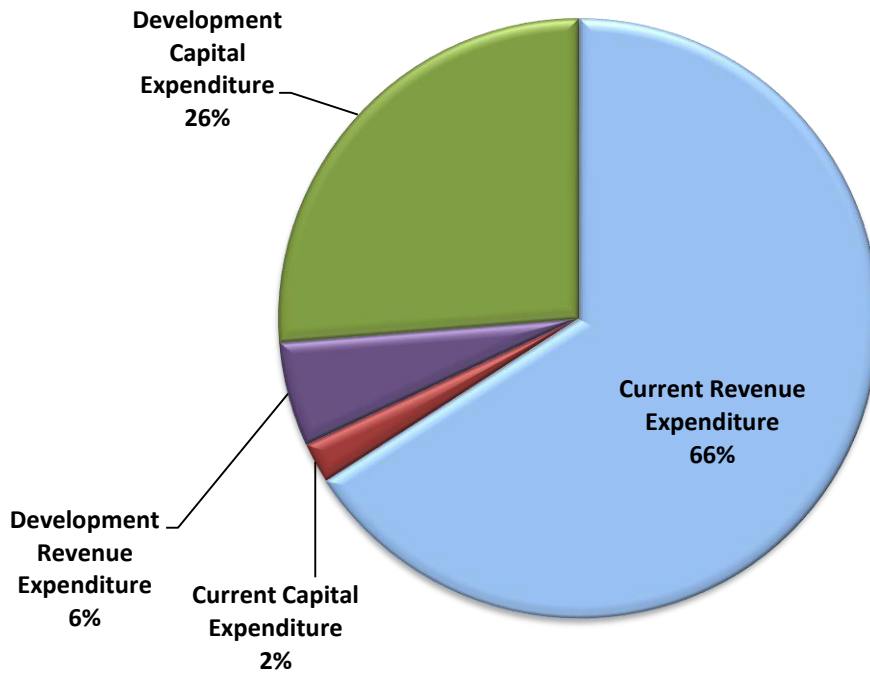
CHAPTER 2 - ESTIMATE OF EXPENDITURES

Government is accountable to the people and must be responsive to their needs and aspirations. However, it is important to realize that the most difficult aspect of budget making is the balancing act between sharply contending needs and priorities of the people, particularly when the available resources are scarce. Despite the limited resources the Provincial Government is progressively enhancing the share of Education, Health, Forestry, and Agriculture & Governance Reforms every year in order to improve human development indicators and service delivery.

The total provincial expenditure is broadly classified into:

- i. Current Revenue expenditure
- ii. Current Capital Expenditure
- iii. Development Revenue Expenditure
- iv. Development Capital Expenditure

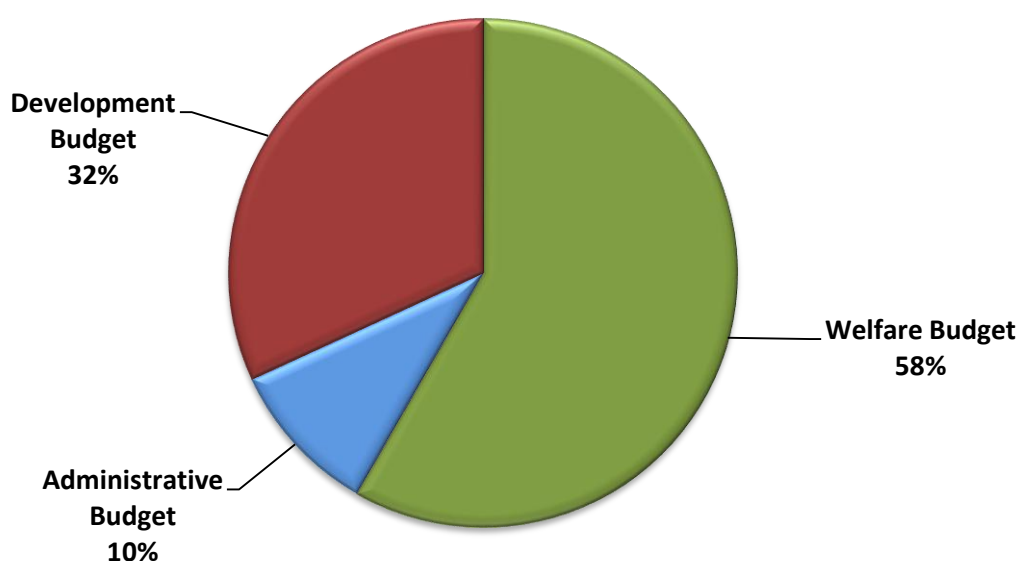
Provincial Consolidated Fund			(Rs. in Million)
Classification	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Current Revenue Expenditure	298,000	280,904	333,000
Current Capital Expenditure	15,000	15,000	11,000
Development Revenue Expenditure	32,028	28,036	28,378
Development Capital Expenditure	142,856	107,063	132,622
Total	487,884	431,003	505,000



WELFARE PERSPECTIVE - ANALYSIS

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

Provincial Consolidated Fund				(Rs. in Million)
S.No	Description	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
1	Welfare Budget	261,788.549	246,679.803	294,216.012
2	Administrative Budget	51,211.451	49,223.965	49,783.988
3	Development Budget	174,884.000	135,098.645	161,000.000
Total		487,884.000	431,002.413	505,000.000



WELFARE & ADMINISTRATIVE BUDGETS

A sum of Rs.294,216.012 million has been allocated for utilization under Welfare Budget 2016-17, which makes up 86% of the total current expenditure. A sum of Rs.49,783.988 million has been allocated for Administration Budget 2016-17, which is 14% of the total current expenditure budget.

Department-wise Summary of Welfare Budget				(Rs. in Million)
Department	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17	
Higher Education, Archives & Libraries	9,268.213	7,660.957	9,497.212	
Health	21,576.133	21,576.133	25,521.645	
Communication & Works	1,252.053	836.728	995.018	
Roads Highways & Bridges (Repair)	2,321.500	2,157.116	2,502.000	
Building & Structure (Repair)	981.235	556.500	966.000	
Public Health Engineering	1,571.031	196.435	267.886	

Department	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Local Government	8,297.648	3,441.309	5,329.360
Agriculture	2,348.546	1,625.621	2,432.447
Animal Husbandry	975.582	620.289	1,152.109
Co-operation	57.590	29.017	39.559
Environment & Forestry	1,837.833	1,733.347	1,996.922
Forestry (Wildlife)	382.443	384.478	395.280
Fisheries	122.026	86.898	98.173
Irrigation	3,609.195	3,463.626	3,421.671
Industries	418.665	333.329	469.011
Mineral Development & Inspectorate Of Mines	503.226	401.857	537.865
Stationery & Printing	128.203	123.400	134.885
Population Welfare	428.989	280.995	455.215
Technical Education & Manpower	1,754.880	1,394.270	1,971.434
Labour	297.498	261.030	343.546
Information, Culture & Public Relations	216.181	303.981	326.207
Social Welfare, Special Education	551.187	251.823	719.781
Zakat & Usher	193.841	178.282	218.844
Pension	36,993.025	36,993.025	40,905.310
Subsidies	2,900.000	2,900.000	2,900.000
Govt Investment & Committed Contribution	13,400.000	10,400.000	24,000.000
Auqaf, Religious, Minority & Hajj	92.031	73.574	93.312
Sports, Tourism & Museums	385.834	395.631	480.409
District Non Salary*	5,302.777	10,726.811	17,440.064
Grant to Local Councils	4,526.269	5,424.136	4,715.849
Housing	35.346	28.919	38.291
District Salary*	92,554.756	90,935.350	112,584.605
Inter Provincial Coordination	39.531	32.190	44.147
Energy & Power	70.364	59.727	68.226
Transport	221.868	129.561	238.317
Elementary & Secondary Education	12,535.827	1,249.585	2,162.352
Relief Rehabilitation & Settlement	5,637.223	16,433.873	4,753.060
Debt Servicing (Interest Payment)	7,021.090	7,067.090	8,075.000
Debt Servicing. (Appro. For Reduction)	5,978.910	932.910	4,925.000
Loans And Advances	90.000	90.000	90.000
Debt Servicing (Loan From Federal Govt.)	14,910.000	14,910.000	10,910.000
Total Welfare Budget	261,788.549	246,679.803	294,216.012

* The Grants District Salary and District Non-Salary contain provision for 14 devolved departments including Elementary & Secondary Education and Health Department.

Department-wise Summary of Administrative Budget (Rs. in Million)

Department	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Provincial Assembly	790.633	763.033	862.506
General Administration	2,835.207	2,992.141	3,551.698
Finance, Treasuries & Local Fund Audit	3,900.040	2,115.325	1,961.015
Planning & Development & Bureau of Statistics	259.671	244.787	300.314
Information Technology	74.778	63.562	79.826
Revenue & Estate	1,972.219	675.894	1,156.785
Excise And Taxation	592.811	547.756	619.310
Home	1,434.599	1,656.367	1,535.153
Jails & Convicts Settlement	1,728.155	1,690.862	1,796.333
Police	32,745.244	33,508.428	32,938.065
Administration of Justice	4,878.094	4,965.810	4,982.983
Total Administrative Budget	51,211.451	49,223.965	49,783.988

As evident from the above table, an increase of 12% is estimated in Welfare Budget and with a decrease of 3% is estimated in Administrative budget in financial year 2016-17 over the budget estimates for financial year 2015-16.

CURRENT REVENUE EXPENDITURE - FUNCTION WISE

The budgetary spread of current revenue expenditure is classified into 10 functional heads. Classification of budget helps to know what the money is being spent on. A comparison of allocations against various functional heads is given below:-

Current Revenue Expenditure (Rs. in Million)

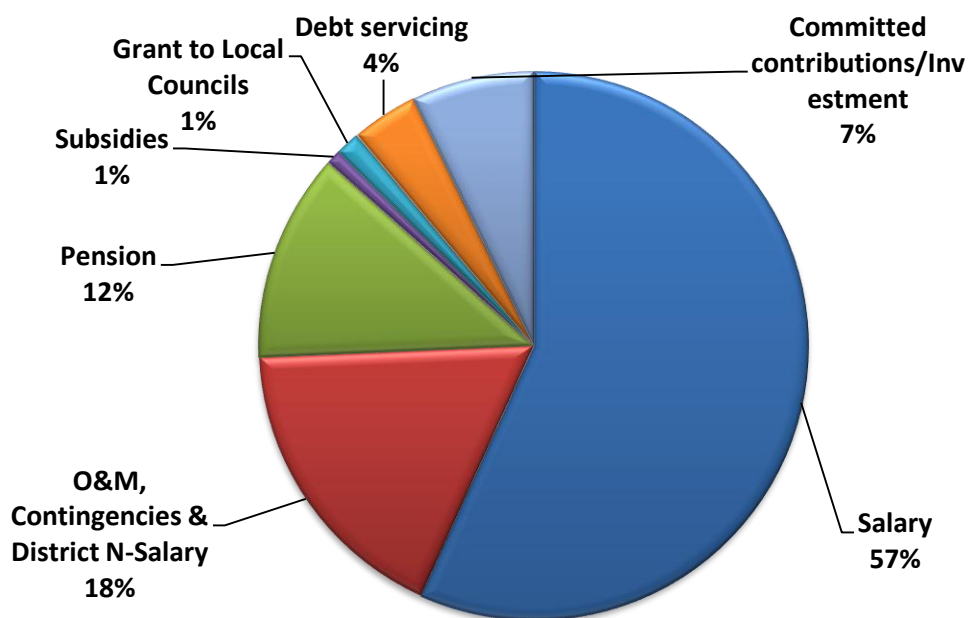
Functional Heads	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
General Public Service*	177,350.409	170,912.332	222,057.755
Defence Affairs & Services	14.236	14.552	15.091
Public Order and Safety Affairs	41,374.473	42,471.793	41,962.879
Economic Affairs	18,094.726	15,314.266	18,341.036
Environment Protection	46.903	44.704	89.802
Housing and community amenities	8,528.437	2,225.354	4,306.177
Health	16,701.079	16,835.261	19,755.476
Recreational, culture and religion	782.716	847.122	1,006.244
Education affairs and services	28,549.698	15,162.174	19,520.363
Social Protection	6,557.323	17,076.210	5,945.177
Total	298,000.000	280,903.768	333,000.000

* General Public Service includes the District Governments Budget for 14 Devolved Departments including Education & Health

CURRENT REVENUE EXPENDITURE - OBJECT WISE

Allocation of current revenue budget amongst the major object heads is elaborated in the following table:-

Allocations under Current Revenue Expenditure			(Rs. in Million)
Object Head	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Salary	175,000.000	158,935.046	189,000.000
O&M, Contingencies & District N-Salary	52,180.706	58,251.561	58,478.841
Pension	36,993.025	36,993.025	40,905.310
Subsidies	2,900.000	2,900.000	2,900.000
Grant to Local Councils	4,526.269	5,424.136	4,715.849
Debt servicing	13,000.000	8,000.000	13,000.000
Committed contributions/Investment	13,400.000	10,400.000	24,000.000
Total	298,000.000	280,903.768	333,000.000

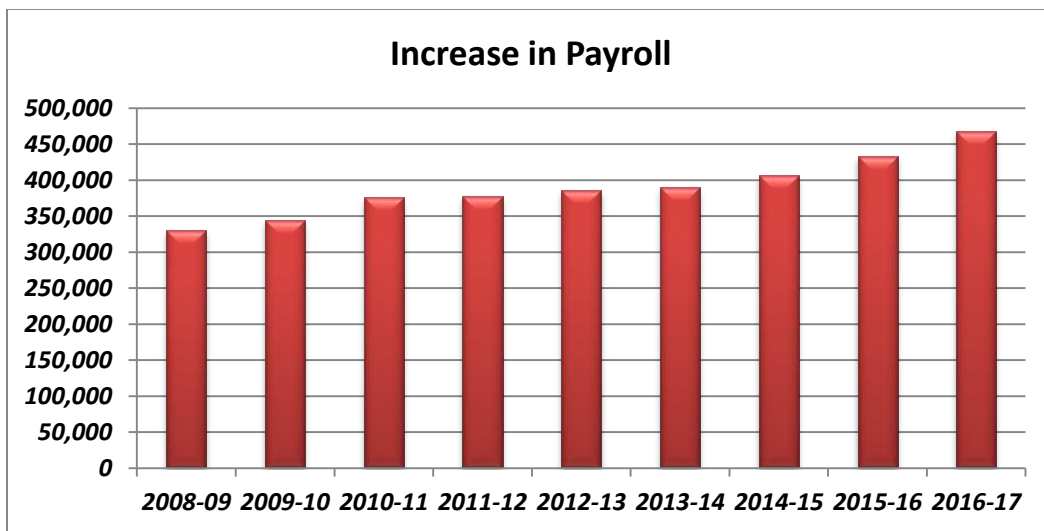


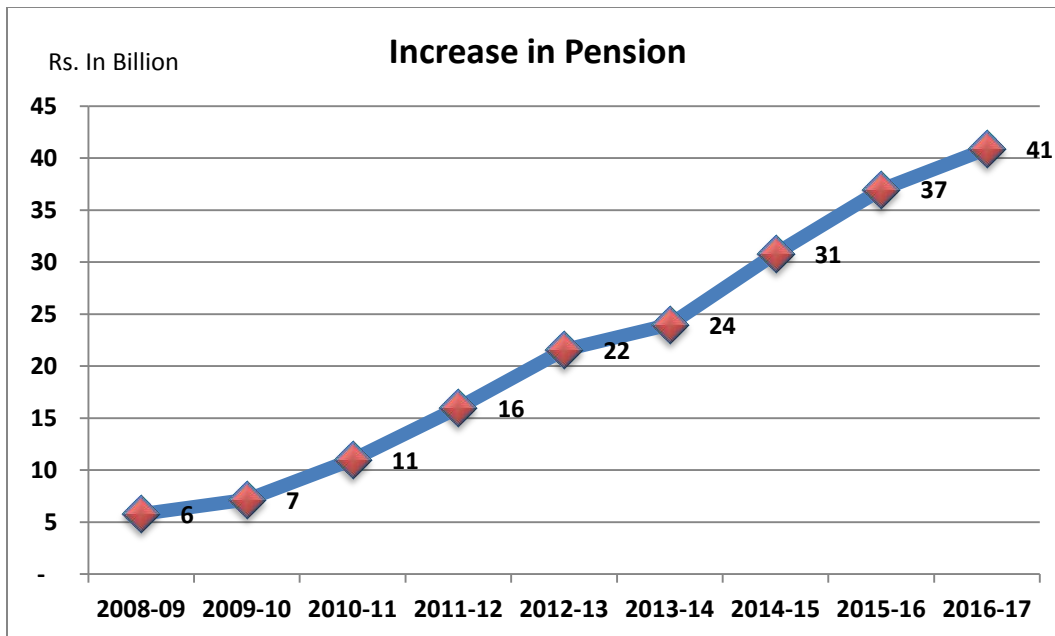
The operational budget for maintaining the existing service delivery network (like provision for medicines, classroom consumables, repairs, agriculture inputs, utilities etc.) is declining in real terms while the salary and pension liabilities are rising at an alarming rate. The total staff strength of the provincial government is now 468,027 and the number of pensioners is about 160,000. The estimated budget for pay and pension makes up about 69% of the total current revenue expenditure 2016-17. 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. The following table shows year wise payroll & budget estimates on account of salaries & pension.

Year Wise Growth in Payroll, Salary & Pension

(Rs. in Million)

Year	Posts	Pay & Allowances	Pension
2008-09	329,712	40,400.503	5,777.418
2009-10	344,139	48,159.577	7,172.089
2010-11	375,935	76,000.000	11,000.000
2011-12	377,132	86,000.000	16,000.000
2012-13	385,518	115,436.987	21,581.796
2013-14	390,070	125,237.967	24,000.000
2014-15	406,665	145,772.122	30,819.000
2015-16	432,399	175,000.000	36,993.025
2016-17	468,027	189,000.000	40,905.310





SECTORAL ANALYSIS

ELEMENTARY AND SECONDARY EDUCATION

Education is an investment in future generation and provides a foundation for human development. The Government of Khyber Pakhtunkhwa is deeply committed to transform the public education system across the province. Financial year 2015-16 has been a significant year in terms of Education Sector Reforms. Education Department along with the development partners has achieved multitude of milestones in this regard. Fundamental focus is on providing access to education, create a gender balance and fulfill the infrastructural requirements of existing institutions including staff, equipment, furniture, teachers training and repairs. The Education Sector Plan (ESP) 2015-20 is strategically developed to cater the needs in Sustainable Development Goals (SDGs) and Strategic Development Partnership Framework (SDPF).

Policy Priorities for Financial Year 2016-17:

- Striving to achieve SDGs by 2030
- Achieving inclusive and quality education for all
- To ensure that all girls and boys complete free primary and secondary schooling by 2030
- It aims to achieve universal access to a quality higher education
- Empower Parent Teacher Council (PTC) for better school management
- Establishment of vigorous M&E System
- Enhancing the quality of education infrastructure, facilities and services
- Introduce educational reforms at School level through blended learning and ICT

Achievements for Financial Year 2015-16:

- Merit Based/School based Teacher's Recruitment Policy
- Khyber Pakhtunkhwa Teachers' Incentive Programme
- Establishment of Monitoring and Evaluation Technical Wing

- Establishment of 6-Room Primary School and Secondary School
- Enrolment Drive
- Biometric Attendance Mechanism
- Grievance Redressal System
- Restructuring of Text Book Board
- Continuous Professional Development (CPD) Training
- Teacher Competency Survey
- Capacity development of PTCs
- Fast Track Standardization of 200 Higher Secondary Schools to ‘Model Schools’
- Provision of Furniture in Schools
- Establishment of 500 IT labs
- Provision of Free Text Books
- School Management Information System (SMIS)
- Development of Play area in 2,583 Primary schools
- Revitalization of 64 Non-functional schools

The Budget Estimates 2016-17 at Provincial level is given in the following table. The decrease in RE 2015-16 & BE 2016-17 (Current) is mainly due to shifting of block allocations from provincial level to district level entities.

(Rs. in Million)

Expenditure	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Current Revenue Expenditure	12,535.827	1,249.585	2,162.352
Salary	6,484.586	544.514	673.127
Non-Salary	6,051.241	705.071	1,489.225
Development Expenditure	15,978.450	11,548.977	16,915.468
Total	28,514.277	12,798.562	19,077.820

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 and therefore a major portion of the current budget (Rs.99,857.012 million) of Elementary & Secondary Education have been devolved to district level entities. This amount includes a sum of Rs. 8,000.204 million allocated for completing the missing facilities in the Govt. Schools.

Additional Rs. 6 billion have been allocated for creation of 16,960 posts to improve access to and quality of primary education.

HIGHER EDUCATION

Higher Education, Archives and Libraries Department provides affordable quality education and emphasis on transferring skills and ensuing conducive learning environment with a view to develop knowledge based economy. The Department constantly endeavors to promote higher education and to ensure increased intake by upgrading learning facilities and standards through introduction of market oriented courses, expansion of facilities/infrastructure, provision of better trained teaching staff/faculty and managers.

Against the Budget Estimates 2015-16 amounting to Rs.9,268.213 million, the Revised Estimates 2015-16 is amounting to Rs.7,660.957 million, a provision for Rs.9,497.212 million has been made in Budget Estimates 2016-17 resulting an increase of 2.4% in Higher Education Budget.

Detail of Budget proposed to be earmarked for Higher Education for next financial year 2016-17 is as under:

(Rs.in Million)

S.No	Function	Salary	Non Salary	Total
1	Higher Education	142.876	77.714	220.590
2	General colleges	7,224.508	1,193.312	8,417.820
3	Prof/Technical University/Colleges	7,11.696	49.913	761.609
4	Archives & Libraries	81.423	15.770	97.193
	Total	8,160.503	1,336.709	9,497.212

The following table depicts the position of posts created during 2015-16 and fresh posts proposed for creation during 2016-17.

A- POSTS CREATED DURING FINANCIAL YEAR2015-16			
S.No	Development Activity	Number of Colleges	Posts Created
i.	Establishment of Govt. Degree Colleges	2	80
ii	Establishment of Govt. Girls Commerce College Abbottabad	1	36
iii	Starting of 2 nd Shift classes at GDC Kabal Swat	-	17
Total			133
B- FRESH POSTS CREATED FOR FINANCIAL YEAR2016-17			
i.	Creation of additional staff in various Govt. colleges in Khyber Pakhtunkhwa	--	180
ii	Creation of additional staff in various Govt. Commerce colleges in Khyber Pakhtunkhwa	-	66
iii	Creation of additional staff in Archives and Libraries/Public Libraries in Khyber Pakhtunkhwa	-	21
Total			267

HEALTH

Provision of quality health services is the priority of the provincial government. Institutional reforms have been launched and an Independent Monitoring Unit is established to ensure the quality and sustainability of reforms initiatives. All major hospitals in the province have been given statutory autonomy, under independent Boards of Directors. The focus of these initiatives is to provide health service to the people of the province. Better pay packages have been introduced for Health Professionals.

A sum of Rs. 21,576.133 million was allocated in the budget 2015-16 for health sector, including provincial level tertiary care hospitals, Health Secretariat, Directorates, nursing and paramedic schools and training institutes under PHSA etc. A sum of Rs.25,521.645 million has been earmarked for Health in 2016-17 for provincial level offices, showing an increase of 18.29% over the Budget Estimates 2015-16.

(Rs. in Million)

Expenditure	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Current Revenue Expenditure	21,576.133	21,576.133	25,521.645
Salary	15,207.924	13,415.989	17,534.840
Non-Salary	6,368.209	8,160.144	7,986.805
Development Expenditure	12,432.594	8,218.617	17,479.114
Total	34,008.727	29,794.75	43,000.759

Besides, a sum of Rs. 12,900.448 million has been estimated for 2016-17 to be transferred to the district health offices. Detail of Grant-in-Aid allocated for various health Institutions in the budget estimates 2016-17 is tabulated as under:-

Grant in Aid provided Health Institutions

(Rs. in Million)

S.No	Institutions	Budget Estimates 2016-17
1	Lady Reading Hospital Peshawar	2,334.753
2	Khyber Teaching Hospital, Peshawar	1,414.926
3	Khyber Medical College, Peshawar	532.268
4	Khyber College of Dentistry, Peshawar	265.733
5	Hayatabad Medical Complex, Peshawar	1,165.182
6	Postgraduate Medical Institute Peshawar	2,117.993
7	Ayub Teaching Hospital, Abbottabad,	1,332.282
8	Ayub Medical College, Abbottabad	591.076
9	Institute of Kidney Disease, Peshawar	290.011
10	Pakistan Institute of Community Ophthalmology Hayatabad Medical complex, Peshawar	40.103
11	Khyber Girls Medical College, Peshawar	308.883
12	Bashir Bilour Memorial Children Hospital Peshawar	28.297
13	Red Crescent Society	2.500
14	Cardiology Unit LRH Peshawar	40.000
15	Frontier Foundation	20.000
16	Fatimid Foundation	5.000
17	Paraplegic Center Hayatabad Peshawar	140.000
18	Cardio Vascular Unit at LRH	20.000
19	GIA to Hamza Foundation Peshawar.	5.000
20	Khyber Medical University, Peshawar to KUST	10.000
21	Free Dialysis Services	60.000
22	Free Angiography/Angioplasty surgery	100.000
23	GIA Electrophysiology Department at HMC	20.000
24	Health Care Commission	20.000
	Total	10,864.007

- During current financial year 2015-16, 338 various categories of posts have been created in different health institutions with the financial implication of Rs. 36 million.
- For the financial year 2016-17, 14,942 various categories of posts (including 13,119 LHWs posts & 1,088 of PHC Technician/Vaccinators (Multi-Purpose) have been created with the financial implications of Rs. 3,109.546 million.

LAW AND ORDER

The people of Khyber Pakhtunkhwa have paid a heavy cost due to war on terror and its socio economic fabric as well as infrastructure has badly been affected by the menace of terrorism related violence. Resultantly, expenditure on Security and Law & Order has been on the rise consistently. The table below shows this extra ordinary burden:-

(Rs. in Million)

Financial Year	Budget Estimates
2008-09	6,558.418
2009-10	9,677.150
2010-11	21,041.940
2011-12	18,810.003
2012-13	23,355.613
2013-14	23,781.398
2014-15	28,534.630
2015-16	32,745.244
2016-17	32,938.065

As shown in the above table, the expenditure has grown up from 6.5 billion to 33 billion with a percentage increase of 402%.

ENERGY AND POWER

Khyber Pakhtunkhwa has been blessed with enormous hydel power potential. Provincial Government is putting strenuous efforts to tap this potential to meet ever increasing energy demand and redress the energy crisis. Government of Khyber Pakhtunkhwa approved its new Power Policy 2016 along with the Policy Guidelines. KP Government is the first and only among the Federal and Provincial Governments to issue these Policy Guidelines.

Pakhtunkhwa Energy Development Organization (PEDO) has undertaken the following initiatives:-

- *Operating 4 Electric Power projects*
- *Constructing new hydel power projects in public sector*
- *Promoting hydel power project for construction through private sector*
- *Executing Solar Power Projects*
- *Preparing feasibility studies for future projects*

Due to continuous efforts of the Provincial Government, Khyber Pakhtunkhwa has become the largest oil producing province in Pakistan. Today 53% of National crude oil is being produced by Khyber Pakhtunkhwa which is indeed a remarkable achievement of the present Government.

ENVIRONMENT, FORESTRY & WILDLIFE

Environment protection and conservation of natural resources is one of the priority areas of focus for sustainable development. 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.

Khyber Pakhtunkhwa Province supports rich biological diversity spreading throughout the province. The richness of fauna can be judged from the fact that 98 species of mammals, 456 species of birds and 56 species of reptiles are found in the province as compared to 188 species of mammals, 668 species of birds and 177 species of reptiles found in Pakistan. The Wildlife Department is mandated for conservation and management of these species. The Sectoral strategy for achieving of objectives of conservation includes the following:

- *Enforcement of Wildlife Laws*
- *Establishment and Maintenance of Protected Areas*
- *Propagation of Threatened and Endangered Species of Wildlife*
- *Conservation Awareness Programme*
- *Community Participation in Conservation of flora and fauna*
- *In-situ and Ex-situ Conservation Programs*

The following table shows the total expenditure portfolio of Environment, Forestry & Wildlife department is as follows:-

(Rs. in Million)

Expenditure	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Current Revenue Expenditure	2,220.276	2,117.825	2,392.202
Salary	1,878.508	1,730.130	1,992.492
Non-Salary	341.768	387.695	399.710
Development Expenditure	1,299.000	4,483.875	2,064.000
Total	3,519.276	6,601.700	4,456.202

AGRICULTURE

The Khyber Pakhtunkhwa has almost an agrarian economy. Agriculture and Livestock contributes around 24% of the provincial GDP. Agriculture engages more than 50% of the labour force of Khyber Pakhtunkhwa. Diversification into horticulture (with its potential to provide more income per acre at higher labor inputs) and rural based agriculture processing units offer promising avenues for increasing the income of rural households.

The vision of Agriculture Department is to see a prosperous and food secured rural population with exportable surpluses to generate employment and income opportunities in the province and to ensure food security, poverty alleviation.

The following table shows the expenditure portfolio of Agriculture Department.

(Rs. in Million)

Expenditure	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Current Revenue Expenditure	2,348.546	1,625.621	2,432.447
Salary	1,599.566	1,177.198	1,638.596
Non-Salary	748.980	448.423	793.851
Development Expenditure	2,467.830	1,829.558	6,201.926
Total	4,816.376	3,455.179	8,634.373

Besides, a sum of Rs.1,362.710 million have been estimated for 2016-17 to be transferred to the district level offices.

INDUSTRIES

Industries have an important role in Socio-Economic Development and provision of employment. Government is trying to promote industrialization through special policies and incentive packages. Efforts are being made to revive the sick industrial units as well as increase skill manpower through robust Technical Education Programme.

There are 2881 industrial units among which 2192 are operational and 362 industrial units are dis-functional. The Government is trying to provide employment opportunities through revival of industrial sector, in this regard 40 new industrial units are being commissioned in the province.

To protect the consumer rights Provincial Government has enacted Consumer Protection Law to ensure the protection of the consumer rights. Consumer Protection Courts have been established in 17 districts of the province. The courts not only provide relief to the consumers but also to ensure the standard of production.

Khyber Pakhtunkhwa Industrial Policy 2016 (KPIP 2016) is based on creating employment opportunities by creating a facilitating environment for industrialist to set up new industrial units in new special economic zones and to expand their existing industrial setup in existing industrial estates. This way forward aims to achieve the following objectives:-

- *Create highly conducive environment for entrepreneurs to operate and/or setup industrial units in Khyber Pakhtunkhwa*
- *Encourage to capitalize on the district strengths such as agriculture produce, minerals and other natural resources like coal, gas and hydel energy*
- *Promote trade and commerce with Afghanistan and Central Asian states in a manner to make KP as the food basket and processed consumer goods suppliers to Afghanistan and other Central Asian states*
- *Promote heavy industry to further develop the technological capabilities and related vendor industries*
- *Assist and facilitate small and medium enterprises (SME) to burgeon, and create more jobs through provision of support services including financial support*
- *Attract FDI and local investment through creation of Special Economic Zones to setup industries with added incentives*

- *Improve industrial infrastructure and other facilities through Public Private Partnership modalities*
- *Train the industrial human resource through both Government and Private sector training organizations to match the skill sets required by industry, agriculture and trade*
- *Harness opportunities arising from China Pakistan Economic Corridor (CPEC) by setting up industrial zones and logistics parks along the corridor*
- *To design and implement aggressive strategy to rehabilitate the sick industrial units within shortest span of time and by taking necessary supportive measures*
- *Facilitate in exploration and realization of hydel energy generation potential and to provide/arrange uninterrupted energy on a 24/7 basis with an on-site grid/power generation*
- *Enforce environmental protection using latest technology and parking jointly with industry to eliminate pollution/waste at source*
- *Promote research initiatives to create/support unique and newer business ideas and concepts*
- *Ensure regular feedback from industry to Government to continuously improved the industrial climate in the province and ensure that the Government policies are geared to support industry, commerce and agriculture*

The total expenditure portfolio of Industries is as follows:-

(Rs. in Million)

Expenditure	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Current Revenue Expenditure	418.665	333.329	469.011
Salary	302.579	223.573	350.346
Non-Salary	116.086	109.756	118.665
Development Expenditure	4,540.685	2,693.209	1,975.008
Total	4,959.350	3,026.538	2,444.019

COMMUNICATION AND WORKS

For financial year 2016-2017, a sum of Rs. 4,463.018 million have been earmarked which includes Rs. 2,502.000 million for Repairs & Maintenance of Roads, Highways & Bridges and Rs. 966.000 million for the M&R of Buildings. Detail is given below:-

(Rs. in Million)

Head	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Communication & Works Department (Operational Budget)	1,252.053	836.728	995.018
Roads Highways & Bridges (Repair)	2,321.500	2,157.116	2,502.000
Building & Structure (Repairs)	981.235	556.500	966.000
Total	4,554.788	3,550.344	4,463.018

Consequent upon the establishment of Pakhtunkhwa Highway Authority under an Act, the maintenance and repair of certain Roads were handed over to this authority in order to expeditiously serve the infrastructure needs of the Province.

Besides, a sum of Rs.2,205.314 million have been estimated for 2016-17 to be transferred to the district level offices.

RELIEF & REHABILITATION

Relief, Rehabilitation & Settlement Department has been created 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 04 organizations under its control:-

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

Major Relief Activities

- *Funds of Rs. 11.550 billion have been distributed for payment to people of Khyber Pakhtunkhwa affected from the earthquake of 26.10.2015*
- *An amount of Rs. 189.197 million have been spent for compensation and Relief Measures*
- *Funds to the tune of Rs. 140.00 million have been spent for restoration of Roads, Bridges, Irrigation channels and Water supply schemes in chiral due to glacial lake outbursts and flash floods*
- *A sum of Rs. 170.500 million has been spent for compensation of deaths, injured, house damages and livestock mortality*
- *A sum of Rs. 500.00 million has been spent for the rehabilitation of flash flood affected areas in the district*

The total expenditure portfolio of Relief & Rehabilitation is as follows:-

(Rs. in Million)

Expenditure	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Current Revenue Expenditure	5,637.223	16,433.873	4,753.060
Salary	399.956	421.777	513.526
Non-Salary	5,237.267	16,012.096	4,239.534
Development Expenditure	2,053.000	877.464	2,215.000
Total	7,690.223	17,311.337	6,968.060

Besides, a sum of Rs.79.167 million have been estimated for 2016-17 to be transferred to the district level offices.

PROCUREMENT OF WHEAT AND WHEAT SUBSIDY

Khyber Pakhtunkhwa is historically wheat deficit Province and depends on 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(tons)
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 M.Tons per annum. After adjustment of local production of 1,158,069 M.Tons, the net requirement comes 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 Godowns is given in the following table:-

Year	Opening balance (M.ton)	Receipt during Year (M.ton)	Total	Releases (M.ton)	Closing Balance (M.ton)
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
2015-16	127,353	247,694	375,047	309,196	65,851

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 tons 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 bidding. 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 400,000 tons. The Department plans to increase this capacity to 600,000 M.Tons.

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 provides wheat to the flour mills at lesser 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 KPK/FATA, 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 tons of wheat at subsidized rate to the flour mills for which the Finance Department has released an amount of Rs.2,900.000 million in the Budget 2015-16. For the financial year 2016-17 the department has demanded an amount of Rs.2,900.000 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)
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
2015-16	309,196.000	2,900.000

REVENUE/RESOURCE TRANSFERRED TO LOCAL GOVERNMENTS

Clause (i) of Article 37 of the Constitution of Islamic Republic of Pakistan 1973 requires decentralization of government administration so as to facilitate expeditious disposal of its business to meet convenience and requirements of the public. In order to fulfill the aforementioned purpose and to construct local government institutions in the Province of Khyber Pakhtunkhwa, Local Government Act (LGA), 2013 was promulgated. The Local governments established under this Act have to function within the Provincial framework and to faithfully observe the federal and provincial laws. The Government of Khyber Pakhtunkhwa enacted LGA, 2013 as a land mark step to deepen its commitment of good governance and bring state closer to the public.

Accordingly Local Government System (District Government) was established and notified as result of enforcement of Section 120 of LGA, 2013 on 5th June, 2015. In accordance with Section 12 (2) of LGA, 2013 the administrative and financial authority for the management of the offices of Government, specified in the First Schedule in a District, was devolved to the district government of that district.

At the time of establishment of Local Government (District Governments), the Provincial Finance Commission, as provided under Sections 51 and 52 of Local Government Act (LGA), 2013 could not be constituted due to non-existence of statutory members i.e. two Nazimeen, each from District and Tehsil Councils. Therefore, in the absence of Provincial Finance Commission (PFC), Finance Department allocated the resources to Local Government, as interim arrangement for 2015-16 on the basis of their historic shares under the latest PFC Award of the previous law.

Provincial Finance Commission under the Chairmanship of Minister for Finance has then been constituted w.e.f. 15.10.2015. The Commission in its 6th meeting held on 03.05.2016 discussed and determined allocable share of resources to be transferred to Local Governments out of Divisible Pool of Provincial Consolidated funds to meet the requirements of Local Governments on account of Salary, Non-salary, Grant to Local Councils and District Development Grant. Based on the recommendations of the Provincial Finance Commission, the proposed budget contains the following share/grants to Local Government for financial year 2016-17:-

(Rs. in Billion)

S.No	Particular	Amount
1	Salary	112.585
2	Non-Salary	17.440
3	Grant to Local Councils	4.716
4	District Development Grant	33.900
Total		168.641

The Provincial Finance Commission agreed to continue the inter-se distribution of District Development funds on the basis of existing mechanism/previous PFC Awards 2008-09 to 2010-11. It is expected that the distribution formula will be finalized in 2016-17 based on which the PFC Award will be finalized.

CURRENT CAPITAL EXPENDITURE

The Current Capital Expenditure of Government of Khyber Pakhtunkhwa consists mainly of repayment of different debts. It is estimated at Rs. 11,000 million for financial year 2016-17.

Current Expenditure on Capital Accounts				(Rs. in Million)
S.No	Nomenclature	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
i	Repayment of Federal Loans (CDL)	9,096.000	8,723.000	4,710.000
ii	Repayment of Foreign Loans	5,314.000	5,687.000	6,200.000
iii	Repayment of SBP Loan for Recapitalization of Bank of Khyber	500.000	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
Total		15,000.000	15,000.000	11,000.000

i. Repayment of Federal Loans (CDL)(Domestic Debt)

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 with long term maturity. 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, 2016 is Rs. 4,644.159 million which is 3.9 percent of total debt. These loans are now being repaid for the past several years, thus, stock of domestic debt is declining. 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 upto 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.4,243.000 million has been earmarked for the financial year 2016-17. The details of total prematurely retired loans and saving per annum is at Annexure-II.

ii. Repayment of Foreign Loans (Foreign Debt)

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. Most of the loans have embedded fixed interest rates; only 2 loans are on LIBOR⁴ terms (variable interest rate). Foreign Debt, in terms of currency composition, is heavily denominated in US Dollars which accounts for more than two-thirds of foreign debt stock.

The details of outstanding liability on account of these loans against the Government of Khyber Pakhtunkhwa is Rs. 87,022.260 million as on 1st July 2016 as given at Annex-III. Moreover, 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 made so far against these loans upto 30th June, 2016 is Rs.28,944.090 million against their allocated share. The total debt liability on account of Foreign Debt is Rs.115,996.350 million which is 96.1% of the total debt.

Debt Stock as on 1st July 2016 (Rs. in Million)

Type of Loan	Stock	% of Total
Domestic Debt	4,644.159	4%
Foreign Debt	115,966.350	96%
Total	120,610.509	100%

Rs/US \$ EoP exchange rate of 105.50 is used to estimate rupee value of foreign debt stock as of 1st July, 2016

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

For facilitating the Provincial Government employees, the provision made under these head for House Building Advance, Motor cycles and Bicycles. 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/-)

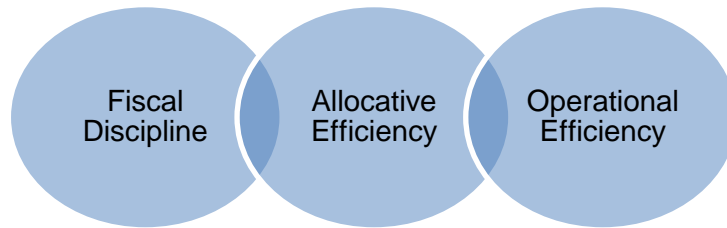
⁴ London Interbank Offered Rate

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.

		Payment/Repayment of Debt				(Rs. in Million)	
Nomenclature	Budget 2015-16		Revised 2015-16		Budget 2016-17		
	Mark up Payment	Principal Repayment	Mark up Payment	Principal Repayment	Mark up Payment	Principal Repayment	
A-Domestic DEBT							
i) C.D.Loans	481.000	9,096.000	481.000	8,723.000	474.000	4,710.000	
ii) Interest on (GP Fund)	5,000.000	---	5,000.000	---	6,000.000	---	
iii) Other Payments/ Debt	500.090	---	500.090	---	500.090	---	
iv) Loan from SBP Recapitalization of BOK	---	500.000	---	500.000	---	---	
Total (A)	5,981.090	9,596.000	5,981.090	9,223.000	6,974.090	4,710.000	
B –Foreign Debt	1040.000	5314.000	1,086.000	5,687.000	1,100.910	6,200.000	
C - Other Debt Servicing	5978.910	---	932.910	---	4,925.000	---	
Total (B&C)	7018.910	5314.000	2,018.910	5,687.000	6,025.910	6,200.000	
G.Total (A+B+C)	13,000.000	1,4910.000	8,000.000	14,910.000	13,000.000	10,910.000	

CHAPTER 3 - PUBLIC FINANCIAL MANAGEMENT

Public financial management (PFM) underlies all government activities. It encompasses the mobilisation of revenue; the allocation of funds and accounting. Various PFM processes are structured around the budget- both upstream (including strategic planning, medium term fiscal modelling, preparation of budget strategy, issuance of budget guidelines and indicative budgetary ceilings, 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). The Government of Khyber Pakhtunkhwa aims to achieve three important objectives in its PFM practices:



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, and citizen centric government.

1. Strategic Development Partnership Framework and Integrated Development Strategy

The Government of Khyber Pakhtunkhwa adopted Strategic Development Partnership Framework (SDPF) with the aim of creating synergies with its development partners on a joint agenda for socio-economic development of the province. SDPF establishes a peer-to-peer relationship between the Government and its development partners on key thematic areas for inclusive and accelerated socio-economic growth and good governance based on the premise of enhanced social services delivery. The following figure depicts the thematic areas under which the government and its development partners agreed to collaborate.



An Integrated Development Strategy (IDS) was formulated to operationalize the SDPF and to realign government policies/priorities. The IDS prioritises initiatives/tasks to be undertaken in various sectors of the Government and creates necessary linkages between them for a cohesive development strategy. It is the guiding strategy on which annual development plans are based. Analysis of ADP 2014-15 reveals that 76% of the annual programmes were aligned with medium term overarching policy priorities. This alignment of the annual developmental interventions with IDS policy priorities has improved to 83% in ADP 2015-16. The Government is making conscience effort for further enhancing the alignment between its overarching policy priorities, as envisaged in IDS and SDPF, and developmental programmes in formulation of ADP 2016-17.

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

The Medium Term Strategy for Inclusive Growth 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, it sets out 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 also recognises that without investing in health and education, growth and success in its true spirit cannot be achieved.

3. PFM Reform Strategy

Finance Department is redefining the provincial PFM Reforms Strategy within the overall reforms landscape and the priorities of the Government. The Strategy provides a medium term plan for bringing necessary reforms for strengthening PFM systems and processes as cornerstone of good governance. For effective institutionalization of these reforms, the Government of Khyber Pakhtunkhwa has constituted a PFM Reforms Oversight Committee under the chair of Finance Minister with Senior Minister Local Government, Ministers for Health and Education, Advisor to CM for P&D, Secretaries of Finance, P&D and Local Government Departments as its members. The PFM Reforms Oversight Committee will finalise the PFM Reforms Strategy after taking into consideration feedback received from various stakeholders through a consultative process.

4. Fiscal Decentralization to Local Governments

Establishment of a robust institutional framework through an elaborate set of rules and guidelines for the newly established local governments under the Local Government Act 2013 had been the top priority for the Government of Khyber Pakhtunkhwa in 2015-16. Adoption of good practices in planning, budgeting and financial controls was ensured in the preparation and promulgation of the following local government rules:

- *Rules of Business for District Governments, Tehsil Governments and VC/NCs (2015)*
- *Budget Rules for District Governments, Tehsil Governments and VC/NCs (2016)*
- *Local Government Planning & Development Guidelines*
- *Local Government Fiscal Transfer Rules 2015*
- *Local Government Taxation Rules 2015*
- *PFC Conduct of Business Rules 2015.*

The Provincial Finance Commission, having representation from provincial, district and tehsil governments, was notified in October 2015 to deliberate on and recommend equitable basis for distribution of resources to the local governments. Aligning the fiscal distribution with the provisions of Local Government Act 2013, the Commission has recommended the parameters and weightings of the new PFC Award, which are given in the table below:

Parameter	Weightages	
	6 th PFC Award (New)	5 th PFC Award
Population	50%	60%
Poverty	25%	20%
Lag in infrastructure	20%	20%
Revenue base	5%	-

5. Public Expenditure and Financial Accountability Assessment (PEFA)

PEFA assessment measures the extent to which PFM systems, processes and institutions contribute to the achievement of desirable budget outcomes: aggregate fiscal discipline, strategic allocation of resources, and efficient service delivery. Such objective reviews are essential for facilitating informed dialogue on PFM reform priorities and to track improvements/changes in the PFM system over time. The last Fiduciary Risk Assessment in Khyber Pakhtunkhwa was conducted in 2010. A fresh and extended PEFA Assessment covering the total portfolio of the Government is now being undertaken in collaboration with the World Bank. This assessment is based on new PEFA Framework 2016.

6. Budget Transparency Review

Finance Department with the support of SNG programme and Omar Asghar Khan Foundation conducted a Budget Transparency Review (BTR) in March 2014.⁵ The objective was to establish a baseline for effectively responding to the Khyber Pakhtunkhwa's 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 BTR used the Open Budget Survey methodology to assess the contents and timely release of eight key budget documents in Khyber Pakhtunkhwa. It is important to produce these documents at different points in the budget cycle.

During the budget preparation for financial year 2014-15, 2015-16 and 2016-17, the following efforts were made by Finance Department to address some of the gaps identified in the BTR report;

- *Development of Citizens' Budget. This document disseminates budgetary information in a simple and easy way for better understanding of public. The Citizens' Budget is available online to the public through the website of Finance Department and it is also disseminated through a mix of media tools, such as newspapers, social media and radio broadcasts etc.*
- *Actual expenditure outcomes for the year(s) preceding the budget year are included in the budget documents.*
- *For greater transparency and social accountability, the Output Based Budget (OBB) is*

⁵<http://financekpp.gov.pk/FD/budget/budget-transparency.html>

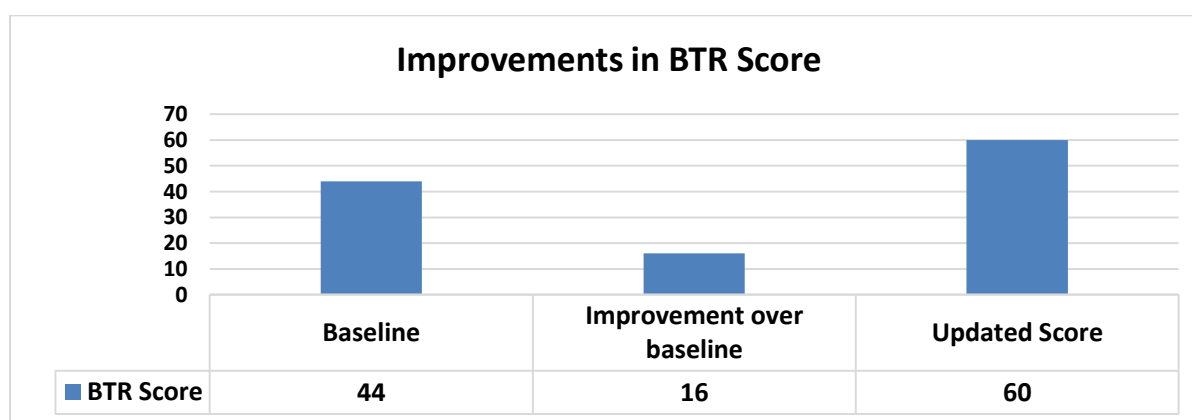
improved in substance and layout; and a robust set of key performance indicators and targets are developed.

- *The formulation, approval and timely release of Budget Strategy Papers 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.*

The Government is also engaged to improve the budget execution reports for both revenue and expenditure, and making it accessible to the public through its website. The online web portal of Finance Department also provides access to the citizens on expenditure against approved current and development budget, updated on a fortnightly basis.

As a result of these efforts, the BTR score is projected to show an improvement of 16% over the baseline.

BTR – Areas of Improvement	Max Score	Baseline Score	Current Score
Pre budget statement	3	0	2
Budget narrative and performance monitoring	3	0	3
Citizens' budget	4	0	3
In-year reports	8	0	6
Executive's formulation of the budget	3	0	2
TOTAL	21	0	16



The transparency measures already adopted at the Provincial level have been included in the regulatory framework for local governments in order to ensure that government budgets in Khyber Pakhtunkhwa are citizen-centric and fully disclosed to the people to foster accountability.

7. 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 at improved service delivery. The guiding principles driving the budget cycle for financial year 2016-17 continued to be participative, transparent, open and accountable business processes.

The Government in preparation of budget under MTBF took the following major steps:

- i. *Forward Budget Estimates (FBEs) and Medium Term Fiscal Framework for a period of 3 years i.e. 2016-19 were formulated by Finance Department.*
- ii. *As part of the annual budget process, the Budget Strategy Papers were presented and approved by the Cabinet.*
- iii. *Integrated Budget Call Circular (BCC) entailed specific provisions on needs based budgeting and performance benchmarking.*
- iv. *A model BCC was also shared with District Governments as a result of which the District Governments, for the first time, were able to issue their own BCCs with improved guidelines and timelines.*
- v. *Indicative Budgetary Ceilings for a period of 3 years i.e. 2016-19 were issued to all departments along with BCC and ADP Guidelines respectively.*
- vi. *Pre-budget consultations were held with all the line departments by Finance and P&D Departments to finalize their proposed budgets taking into consideration the indicative budgetary ceilings and ensured their alignment with the strategic objectives of the Government. Similarly, the political representatives were also sensitized and involved in the review of the budget proposals.*
- vii. *Pre-budget consultation was also held with the parliamentarians, academia and civil society representatives.*
- viii. *Budget Estimates for Service Delivery/Output Based Budget (OBB) 2016-19 continued as part of the annual budget process. OBB 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.*

8. Towards Gender Equality - From Policy to Practice

Amongst other challenges, Khyber Pakhtunkhwa is striving to secure enhanced participation and role of women and girls in socio-economic development of the Province. As highlighted in the Government of Khyber Pakhtunkhwa'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 lay emphasis on gender equity and equality and considers it essential for improved governance, including better budgeting and planning aimed at protecting and promoting the rights of women, girls and other marginalized groups.

This commitment of the Government of Khyber Pakhtunkhwa was further strengthened, when 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 to ensure empowerment of women in socio-economic, legal and political spheres of life and is seen as a milestone for empowering women in the Province. In order to implement the policy framework, the Chief Minister gave autonomy to the Commission and assurance that there was no constraint over allocation of funds for social welfare and women empowerment plans.

The PFM reform initiatives undertaken by the Government of Khyber Pakhtunkhwa are in line with the commitment of the government to bring gender equality in the province. The Government has undertaken the following key steps for gender sensitive planning and budgeting:

- *Strengthening the Gender Sectoral Coordination Committee under the Strategic Development Partnership Framework (SDPF).*
- *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 overarching 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 women and girls.*
- *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 women and girls. Representatives of the Social Welfare and Women Development Departments identified proposals related to gender mainstreaming and women's empowerment.*

CHAPTER 4 - REFORM INITIATIVES

All endeavors of Provincial Government are directed towards optimal use of limited resources for making the life of people better. This goal has been strategized through a robust agenda for reforms and change. The Government of Khyber Pakhtunkhwa has consolidated the following reforms and initiatives, introduced during the last three years:

- *Establishment of Internal Audit Cell in Health, Agriculture, Communication & Works, Public Health Engineering & Food Departments for bringing transparency in the expenditure/financial matters*
- *Establishment of Khyber Pakhtunkhwa Oil & Gas Company (KPOGC): for exploration and productive activities in the province*
- *Establishment of Independent Monitoring Units in Education and Health Departments: to enhance the monitoring potential of the departments. It has improved the attendance upto 100% of the working force*
- *Sihat-ka-Insaf Programme: A complete health package to eradicate polio and other deceases*
- *Khyber Pakhtunkhwa Right to Information Act: RTI law is one of the pillars of charter of good governance aiming at improved governance; ensuring accountability and transparency in public sector organizations to facilitate citizens to have access to information in all sectors and matters*
- *Right to Services: RTS law aims to provide for delivery of public services to the people within the stipulated time limit, including liabilities of Government servants in case of default, administrative efficiency and for the matters connected therewith and incidental thereto*
- *Establishment of Ehtesab Commission to promote the integrity, accountability of public sector administration and to eliminate corruption*
- *Khyber Pakhtunkhwa Revenue Authority: The first ever collection authority has been established in Khyber Pakhtunkhwa to collect the Provincial taxes in an effective manner. The establishment of KPRA have enhanced revenue of Provincial Government*
- *Khyber Pakhtunkhwa Public Procurement Regulatory Authority: to provide legal and regulatory framework to provincial departments and other public entities for procurement*
- *Billion trees' Tsunami Programme: To conserve and develop forests and other renewable natural resources so as to meet the needs of local communities for timber, firewood and fodder production*
- *Devolution of Power: Local Government System promulgated with the introduction of village and neighbourhood councils to make available all public services at the local level*

- *Susta Atta and Ghee Programme: The Programme has been initiated with the objective to provide subsidized wheat flour and ghee to the people in the province living below the poverty line*
- *Establishment of Chief Minister's Complaint Cell: To help in redressal of Public complaints and grievances*
- *The Khyber Pakhtunkhwa Child Protection and Welfare (Amendment) Act: to provide care, protection, maintenance, welfare training, education, rehabilitation and reintegration of children at risk in Khyber Pakhtunkhwa.*
- *The Khyber Pakhtunkhwa Civil Servants Retirement Benefits and Death Compensation (Amendment) Act, 2016: To provide compensation to the families in case of death of a government servant during service and to provide retirement benefits to the retiring civil servants of the province*
- *The Khyber Pakhtunkhwa Partnership (Amendment) Act,2015: To create conducive environment and legal framework for the participation of private sector*
- *The Khyber Pakhtunkhwa Board of Trade Investment and Trade Act, 2015*
- *Medium Term Budgetary Framework/Medium Term Fiscal Framework/Budget Strategy Paper/Budget Estimates for Service Delivery - Output Based Budget*
- *Publication of Citizens' Budget: To help the general public to understand the public finance and government priorities*
- *Online access to complete financial information: To ensure transparency in financial matters*
- *Formulation of Strategic Development Partnership Framework: To recasts the donor-Khyber Pakhtunkhwa relationship to address regional and provincial development challenges.*
- *Formulation of Integrated Development Strategy: To realign government policies for development programmes*
- *Zamung Kor- A home for street children*
- *Computerization of Land Records*
- *District Performance Management Framework*
- *Citizen Feedback Model (CFM)*
- *Establishment of Technical Education and Vocational Training Authority (TEVTA)*
- *Operationalization of Community Driven Local Development Program*
- *Establishment of Economic Zones Development & Management Company (EZDMC)*
- *The Khyber Pakhtunkhwa Medical Teaching Institutions Reforms (Amendment) Act, 2016*
- *Industrial Policy, 2016*

CHAPTER 5 - BANK OF KHYBER

Government of Khyber Pakhtunkhwa values this important commercial bank as one of its major assets created to help in the growth of provincial economy. The bank is operating as a partially owned company of the Government. The Provincial Government has a firm policy of running the bank purely on professional grounds. This policy has resulted in markedly improved performance of the bank over the last two years.

Custodian of Rich Values

The Bank of Khyber started its commercial operations in November, 1991 and became a scheduled Bank with the State Bank of Pakistan in 1994. Being MCR complied financial institution, the Bank is currently operating with 130 branches throughout the country. The bank was able to establish 41 branches in the first 18 years i.e. till 2009, however in a brief span of last six years the bank has taken this tally to total of 130 branches.

As a mainstream commercial bank, it has the unique distinction of offering all the best of Islamic as well as Conventional banking services through its expanded branch network in the country. The Bank is listed on the Pakistan Stock Exchange Limited.

The Bank has established a network of 317 correspondent international banks in 77 countries. The Board of Directors of the Bank of Khyber has the participation of senior officials from the Government as well as from the private sector of the country. The management of the Bank comprises of professional bankers having experience of leading and well renowned local as well as foreign financial institutions.

Throughout its journey, the Bank of Khyber continued its momentum of growth and achievements. The Bank has shown significant results during the last couple of years. The Bank has a track record of incentives for its shareholders either in the shape of Bonus Shares or Cash Dividend. Since the Bank's listing on the Stock Exchange, four Bonus Issues have been materialized whereas two Cash Dividends have been issued to the shareholders.

The Bank of Khyber is currently serving its customers by offering the following major products:

- *Commercial Lending*
- *Islamic Finance*
- *Consumer Finance*
- *Car Finance*
- *Housing Loans*
- *Salary Loan Schemes*
- *Micro Finance Business Development Programmes*
- *Agricultural Finance*

PERFORMANCE REVIEW FOR THE YEAR 2015

The Government of Khyber Pakhtunkhwa is committed towards non-interference and managing the affairs of the bank of Khyber on purely professional lines in accordance with the principles of corporate governance.

Profitability

Alhamdulillah, the Bank's operational performance demonstrated record improvement in all areas for the year 2015. This year has been exceptional for the Bank as it has created history by posting an operating profit of Rs.3,559 million as against Rs.2,135 million in the corresponding period last year.

Profit before tax was recorded at Rs.2,959 million as against Rs.1,901 million in the corresponding period giving increase of 56%. Profit after tax for the same year grew by 37% to reach at Rs. 1,789 million over Rs.1,309 million in the corresponding year that translates into earnings per share of Rs.1.79 against Rs.1.31 in 2014.

Cash dividend of Rs.1 billion and Rs.1.25 billion has been paid to the shareholders of the Bank for the year 2014 and 2015 respectively. Out of these dividends, the Government of Khyber Pakhtunkhwa has received Rs.702 million and Rs.878 million for the year 2014 and 2015 respectively. For the year 2016, the Bank will hopefully give handsome amount of Cash Dividend to its shareholders whereas the provincial government will be the major beneficiary.

Growth Indicators

The achievements for the year 2015 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.155,159 million from Rs.126,106 million registering healthy growth of 23% whereas the shareholders' equity showed an increase of 6% over 2014 and stood at Rs.13,973 million.

On the liability side of the Bank's financial position, the deposit base of the Bank witnessed consistent growth throughout the financial year 2015 and was reported at Rs.117,292 million showing healthy increase of 27% over the year 2014.

Net advances (advances & lending to financial institutions) of the Bank also showed increase of 18% and stood at Rs.49,659 million from Rs.42,157 million of the year 2014. A commendable increase of 22% has been witnessed in the size of investments which showed an amount of Rs.88,296 million as compared to Rs.72,431 million of the last year.

An increase of 25% was recorded in net markup based income which stood at Rs.4,428 million in 2015 as compared to Rs.3,541 million for the year 2014. Total Non-mark-up / interest income registered increase of 69% and stood at Rs.1,799 million as compared to Rs.1,066 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 1.27% and 12.8% respectively.

Both the credit rating agencies in Pakistan i.e. PACRA & JCR-VIS has assigned short term entity ratings at A1 (A one) and long term entity ratings at A. The growth in all operational areas of the Bank showed resilience in a persistently challenging environment and the confidence of general public in the Bank for its vital role being played for socio-economic uplift of the province of Khyber Pakhtunkhwa and the Country as a whole.

Future Outlook in 2016

- *Improvement of Credit Rating - Long Term AA and Short Term A+1*
- *Increase in branch network from 130 to 150 by year end*
- *Increase in Deposit base to 145 billion plus*
- *Construction of Training Centre*
- *To increase brand recognition*
- *Improvement in Systems and Controls*
- *Enhancement and diversification of asset base through new products*
- *Bringing Financial Ratios in line with Industry Standards for similar sized banks*

CHAPTER 6 - FUNDS MANAGEMENT

The Fund management is often used to refer to the investment management of collective investments, while the more generic fund management may refer to all forms of institutional investment as well as investment management for private investors. The provision of investment management services includes elements of financial statement analysis, asset selection, stock selection, plan implementation and ongoing monitoring of investments.

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 review.

Asset Allocation

The common divisions of assets classification are stocks, bonds and commodities. The exercise of allocating funds among these assets according to market dynamics has a significant effect on the performance of the fund. Research suggests that allocation among asset classes has more predictive power than the choice of individual holdings in determining portfolio return.

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. Also equities are riskier (more volatile) than bonds which are themselves riskier 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.

Investment Styles

There is a range of different styles of fund management that the institution can implement. Assets management companies are increasingly profiling their equity portfolio to trade their orders more effectively. While this strategy is less effective with small-cap trades, it has been effective for portfolios with large-cap companies.

Performance measurement

Fund performance is often thought to be the acid test of fund management. 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 of the

contributions made by the subscribers in shape of Provident Fund and retirement 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 has 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 was the prime concern behind the establishment of this Fund. Therefore, in the year 1991-92, a fund was established called **General Provident Investment Fund** 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 sector 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 the Investment Committee, which was constituted to carry out day to day functions of the Fund. It has a total size of Rs.46,897.02 million (Government contribution of Rs.21,188.83 million + un-appropriate Profit Rs.25,708.19 million) upto 30th June, 2016. Overall position of the fund is given as under:-

General Provident Investment Fund					
Year	Opening Balance	Fund Received during the year	Total	Profit	Cumulative Total
(Rs. in Million)					
Till 30.06.11	--	--	4,705.00	9,886.35	14,591.35
2011-12	14,591.35	2,000.00	16,591.35	1,999.72	18,591.07
2012-13	18,591.07	6,944.11	25,535.18	2,203.57	27,738.75
2013-14	27,738.75	5,539.72	33,278.48	2,938.32	36,216.80
2014-15	36,216.80	-	36,216.80	4,321.10	40,537.90
2015-16	40,537.90	2,000.00	42,537.90	4,359.12	46,897.02

Pension Fund

The objective of establishing Pension Fund was to manage the ever increasing pension liabilities. The Government of Khyber Pakhtunkhwa established a Fund namely Pension Fund in 1997-98 with initial allocation of Rs.150 million as seed money. Upto 30th June 2016, it will have a total size of Rs.31,122.85 million (Government contribution of Rs.16,310 million + Profit Rs.14,812.85 million). Overall position of the fund is given as under:-

Pension Fund					
Year	Opening Balance	Fund Received during the year	Total	Profit	Cumulative Total
(Rs. in Million)					
Till 30.06.11	--	--	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	1,516.33	16,520.61
2013-14	16,520.61	3,000.00	19,520.61	1,840.95	21,361.56
2014-15	21,361.56	2,460.00	23,821.56	2,649.41	26,470.97
2015-16	26,470.97	2,000.00	28,470.97	2,651.88	31,122.85

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 legal cover through enactment of Khyber Pakhtunkhwa, Hydel Development Fund Ordinance 2001. The objective of the Fund is to develop Hydel capacity of the Province. The Provincial Government has contributed a sum of Rs.25,609.71 million (as equity) in the Fund upto 30th June, 2016, whereas, un-appropriated profit so far is Rs. 13,883.73 million.

The Fund is controlled by a Management Board, which is headed by Chief Minister, Khyber Pakhtunkhwa. To perform day-to-day business, an Investment Committee has been constituted under the chairmanship of Chief Secretary, Khyber Pakhtunkhwa.

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 projects, Rs.1,200 million for construction of Koto HPP. Overall position of the fund is given as under:-

(Rs. In million)

Hydel Development Fund						
Year	Opening Balance	Fund Released during the year	Total	Profit	Fund Utilized	Cumulative Total
1	2	3	4 = 2+3	5	6	7 = 4+5-6
(Rs. in Million)						
Till 30.06.11	-	14,609.71	14,609.71	2,323.81	2,976.99	13,956.53
2011-12	13,956.53	2,000.00	15,956.53	2,337.03	1,020.80	17,272.76
2012-13	17,272.76	3,000.00	20,272.76	2,022.58	1,969.14	20,326.20
2013-14	20,326.20	3,000.00	23,326.20	2,579.69	5,322.22	20,583.67
2014-15	20,583.67	3,000.00	23,583.67	2,356.69	2,756.00	23,184.36
2015-16	23,184.36	-	23,184.36	2,263.93	15,000.00	10,448.29

Retirement Benefit & Death Compensation Fund

In order to provide benefit to the employees of Provincial Government, the Retirement Benefit & Death Compensation (RB&DC) Fund is established under RB&DC (Amended) Act, 2016. The RB&DC scheme is introduced as a replacement of Group Insurance Scheme. This scheme aims to provide benefit to employees at the time of retirement or in case of death & permanent disability. The Chief Secretary heads the Management Board, constituted to look after this fund. A separate cell is established in Finance Department for management of the fund.

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 reputed Chartered Accountants firms.

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 risk factor with best-recognized financial practices.

The management has invested funds in various fixed income securities. These investments avenues are:

Treasury Securities / Bonds

Treasury Securities are issued by the Government of Pakistan 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).

CHAPTER 7 - ANNUAL DEVELOPMENT PROGRAMME

The province of Khyber Pakhtunkhwa, located in the north west of Pakistan is gifted with immense natural and human resources. Khyber Pakhtunkhwa occupies an area of 74,521 S.km and a region of mountainous terrain including the Hindu Kush and the Himalayas. The historical city of Peshawar's strategic location on the crossroads of Central Asia and South Asia has made it one of the most culturally vibrant cities in the region and has afforded it the position of being at the center of trade between Afghanistan, South Asia, Central Asia and the Middle East.

The spillover of conflict in Afghanistan, the earthquake of 2005, the 2010 flood and the IDP crisis in addition to the inherent development gaps, in the province has compelled the Government of Khyber Pakhtunkhwa to conceive strategies that can effectively and swiftly deal with these challenges.

The Pakistan Tehreek-i-Insaf led Provincial Government has adopted a holistic approach to address these problems. As a first step, the Government has selected Education, Health, Local Government, Community participation and Governance as key area of focus.

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 service delivery, economic prosperity and universal message of peace for all. The Government initially chose four sectors as priority intervention that were later on extended to twenty seven departments. Apart from various reforms initiatives already undertaken, the provincial government promulgated the following laws during 2015-16:

- *The Khyber Pakhtunkhwa Antiquities Act, 2016*
- *Private Health Care Supervision Act, 2015*
- *Khyber Pakhtunkhwa Protection of Breast Feeding and Child Nutrition Act, 2015.*
- *Medical and Health Institution Reforms Act, 2015.*
- *The Khyber Pakhtunkhwa Board of Investment and Trade Act, 2015*
- *The Khyber Pakhtunkhwa Medical Teaching Institutions Reforms Act, 2015*
- *The Establishment of Civil Mobile Courts Act, 2015*
- *The Khyber Pakhtunkhwa Lissaaile-e-Walmahroom Foundation Act, 2015*
- *The Khyber Pakhtunkhwa Finance Act, 2015*
- *The Khyber Pakhtunkhwa Prohibition of Employment of Children Act, 2015*
- *The Khyber Pakhtunkhwa Technical Education and Vocational Training Authority Act, 2015*
- *The Khyber Pakhtunkhwa Wildlife and Biodiversity (Protection, Preservation, Conservation and Management) Act, 2015*

In addition to these, several landmark initiatives have been launched by the provincial Government to improve governance. A dedicated Performance Management & Reforms Unit (PMRU) has been established in the office of the Chief Secretary to promote e-Governance and quantified performance management system at all tiers of provincial government. A very comprehensive district government performance monitoring framework has been made functional which is first of its kind in Pakistan and even in the region beyond. In order to

ensure effective participatory public service delivery a state of the art complaint redressal system (KP Citizen’s Portal) has been developed. File tracking system for the whole of provincial secretariat has also been activated. Moreover, to ensure good governance and effective planning latest ICT tools like GIS and real time monitoring using smartphones has also been launched. For more details please visit pmru.gkp.pk.

Industrial Policy 2016 & Special Economic Zones (SEZs)

The Government of Khyber Pakhtunkhwa announced its Industrial Policy 2016 with the clear objectives to develop the provincial economy by taking important steps to rehabilitate the sick industrial units, to facilitate SMEs to grow and flourish by providing business support services, to create more Special Economic Zones (SEZs) and to improve infrastructure facilities with the availability of cheaper energy through integrated development strategies and approach.

The provision of basic infrastructure facilities to the private sector investors is imperative for the development of industrial base of the provincial economy through the public private partnership (PPP) mode. The public sector is encouraging/facilitating promoting private sector investors to invest in those industries that are labour based and create more employment opportunities at large.

Besides, government of Khyber Pakhtunkhwa through its reforms process will enhance technical and vocational skills of the local labour force by strengthening and setting up new vocational and training institutes and universities throughout the province, so that skilled labour force generates more productivity and enhance their subsistence level too. The government will set up “One-Window” operation to attract investment and will hold trade and exhibitions fairs and trade tours with the collaboration of TDAP. For promotion of export up Trade Facilitation Centers will be set up at selected countries to facilitate and guide the investors. For investor’s facilitation, E-governance system will be implemented for effective delivery of services by various regulatory agencies involved in foreign trade.

SUSTAINABLE DEVELOPMENT GOALS

The inter-governmental negotiations process has finalized the post 2015 development agenda for the next 15 years. The Millennium Development Goals have been transformed into Sustainable Development Goals (SDGs). The following 17 goals are part of SDGs.

- Goal 1: End poverty in all its forms everywhere.*
- Goal 2: End hunger, achieve food security and improved nutrition, and promote Sustainable agriculture*
- Goal 3: Ensure healthy lives and promote well-being for all ages*
- Goal 4: Ensure inclusive and equitable quality education and promote life-long learning Opportunities for all*
- Goal 5: Achieve gender equality and empower all women and girls*
- Goal 6: Ensure availability and sustainable management of water and sanitation for all*
- Goal 7: Ensure access to affordable, reliable, sustainable, and modern energy for all*
- Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*

- Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation*
- Goal 10: Reduce inequality within and among countries*
- Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable*
- Goal 12: Ensure sustainable consumption and production patterns*
- Goal 13: Take urgent action to combat climate change and its impacts*
- Goal 14: Conserve and sustainably use the oceans, seas and marine resources for Sustainable Development*
- Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss*
- Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels*
- Goal 17: Strengthen the means of implementation and revitalize the global partnership for Sustainable Development.*

Unless SDGs become part and parcel of our national and sub-national agenda, their achievements will remain a distant reality. Integration and mainstreaming of SDGs in the national plans and strategies is key to success.

In order to promote the SDGs throughout the country and to provide a platform, Government of Pakistan in collaboration of UNDP has operationalized the SDG unit in P&D Division which will be replicated in each province of the country.

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 to 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. 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 benefits of 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 labor force. But it is plagued with several problems like low productivity, absence of markets, no value addition, 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, absence of dispute resolution mechanisms, discretionary power 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 be achieved 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.

Integrated Development Strategy (IDS)

Integrated Development Strategy (IDS) is the development roadmap for KP up to 2018. 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 foundation of our society for decades. IDS proposes multiple solutions integrating social and economic perspectives to tackle the issues with planning and proper resource allocation, strategic vision.

The pivotal sole of 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 the cycle is further augmented only when people are educated, better skilled, healthy, informed and are at the center of development priorities.

District Needs Assessments

Improved service delivery at the district level, 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 the local level are geared to maximize citizen trust and confidence in government's ability to deliver at the local level.

Peculiar governance realities of KP necessitated efforts for devising some kind of evidence based performance system, covering citizen needs in major social sectors at the district level. 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.

In light of ADP Guidelines, District Needs Assessment was carried out in six districts of the Province (Haripur, Nowshera, Buner, Karak, Lakki Marwat and D.I.Khan) involving authorities and communities. Extensive consultations sessions were organized with participation of the government officials and civil society as well as NGOs along with other actors working on the demand side. All six focused districts prepared budget proposals for the fiscal year 2015-16 covering six sectors, i.e. education, health, Communication and Works (C&W), agriculture, social welfare and municipals services. These district budget proposals were discussed threadbare at the forum of District Reform Group (DRGs) meetings and approved by the P&D department. Subsequently, the proposals were shared with the relevant departments for incorporation in ADP that ultimately culminated in to district development plans.

Special Initiatives

The Coalition Government of Khyber Pakhtunkhwa is committed to produce a people friendly budget. In the current budget 2016-17, apart from other objectives, the government is focusing on improvement of poor and marginalized segments of the society. For this purpose the Chief Minister has directed to raise the amount of relief to poor masses and has therefore transferred funds from “Sasta Atta Ghee Khossosi Package” to Health Insurance Programme, which will bring a revolution in provision of health services.

Similarly several initiatives in Elementary Education was implemented by the Provincial Government in the year 2015-16. These include Stipends for Girls Students, Development of Play Areas in Primary Schools, Hard Area Allowance for Lady Education Supervisor, Incentive programmes for best performing teachers, head masters and principals.

Special initiatives for health sector included Improvement of Emergency services in all the Teaching & other Hospitals of Peshawar and DHQ Hospitals of the province. These initiatives are aimed to improve the health status of the people of Khyber Pakhtunkhwa specifically free treatment of certain life threatening critical and chronic diseases.

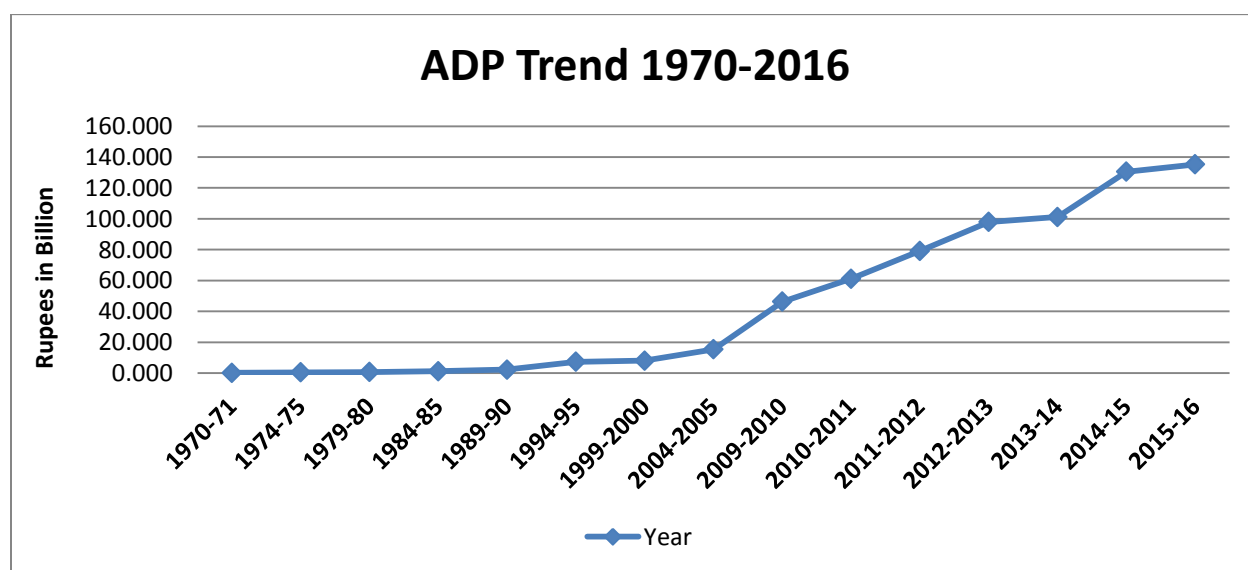
Approval Status of Development Projects in 2015-16

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, 17 PDWP meetings were held in which 566 Projects pertaining to different sectors were approved.

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
1970-71	150.570	124.872
1974-75	400.000	500.000
1979-80	767.000	702.850
1984-85	1244.700	1245.424
1989-90	2197.625	2198.649
1994-95	6963.974	7349.212
1999-2000	5745.220	8057.541
2004-2005	16195.025	15365.249
2009-2010	51156.956	46330.547
2010-2011	69283.682	61103.166
2011-2012	85141.000	79217.559
2012-2013	97458.000	98000.971
2013-2014	118000.000	101197.041
2014-2015	139805.000	130511.998
2015-2016	174884.000	135098.645



Review of ADP 2015-16

The original size of the ADP 2015-16 was Rs 174884.00 million, which included foreign aid component of Rs 32884.00 million. The provincial government's contribution in the ADP was Rs 142000.00 million, whereas the revised allocation is Rs. 113000.00 million. The provincial program comprised of 1553 projects including 915 ongoing and 638 new projects out of which, 229 projects were completed.

Sources of Funding of ADP 2015-16

(Rs. in Millions)

S. No	Source of funding	Allocation	%age
A	Provincial Budget	142000.00	81%
B	Total Foreign Assistance*	32884.000	19%
Total A+B		174884.00	

*Total Foreign Assistance includes Rs.27661 (84%) as grant and Rs. 5223 (16%) as loan.

Original & Revised Allocations for ADP 2015-16

The original sectoral allocations of local resources in ADP 2015-16 and revised allocation after re-appropriation with utilization upto 10th June 2016 are given as under:

S#	Sector	Alloc.	Rev. Alloc	Rel.	Exp. Upto (10 June 2016)	Utilization (%)
1	Agriculture	1587	1823	1823	1532	84.0
2	Auqaf, Hajj	222	102	128	94	73.4
3	BOR	1129	460	493	238	47.6
4	Building	1275	1275	1270	884	69.3
5	DWSS	7362	5551	5359	4092	76.3
6	E&SE	10200	8200	8246	7871	96.0
7	Energy& Power	3400	1497	1504	1441	95.8
8	Environment(EPA)	57	17	23	8	29.6
9	Excise and Taxation	406	153	161	46	30.1
10	Finance	3126	2322	2334	1634	70.4
11	Food	501	54	136	20	19.8
12	Forestry	1089	4155	5100	3077	81.0
13	Health	8280	6040	6044	4553	75.4
14	Higher Education	6180	5787	4177	3203	64.2
15	Home& Tribal Affair	3500	1594	1614	974	61.1
16	Housing	956	161	175	126	34.6
17	Industries	3471	1957	1163	837	40.3
18	Information	224	208	141	120	81.1
19	Labour	74	8	18	5	62.5
20	Law & Justice	1050	1050	841	599	57.0
21	LG & RD	17766	16721	15162	8715	58.1

S#	Sector	Alloc.	Rev. Alloc	Rel.	Exp. Upto (10 June 2016)	Utilization (%)
22	Mines & Minerals	626	240	191	84	35.0
23	Multi -Sectoral Dev.	5145	2103	2262	1253	30.7
24	Population Welfare	349	177	191	45	18.1
25	Relief & Rehabilitation	2053	878	572	396	42.2
26	Roads	13500	15762	15095	12876	85.3
27	Social Welfare	523	396	322	157	41.2
28	Special Initiatives	8166	5433	4260	3043	56.1
29	Sports, Tourism	1325	1825	1628	1096	60.1
30	ST&IT	1080	795	502	259	32.0
31	Transport	234	91	67	29	31.9
32	Water	6870	8674	8000	6884	86.1
33	District ADP	30274	15492	15224	15224	78.5
33	Regional Dev.	-	1999	1999	1134	0.0
GRAND TOTAL		142000	113000	106225	82549	73.1

Salient Features of Annual Development Programme 2016-17

The outlay of ADP 2016-17 is Rs 125000.00 Million, with a decrease of 12% over the local share of last year's development program and an increase of 11% on the revised allocation of the last year. The ADP comprises of 1516 projects, with 1237 ongoing and 279 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 details of source of funding are tabulated below:

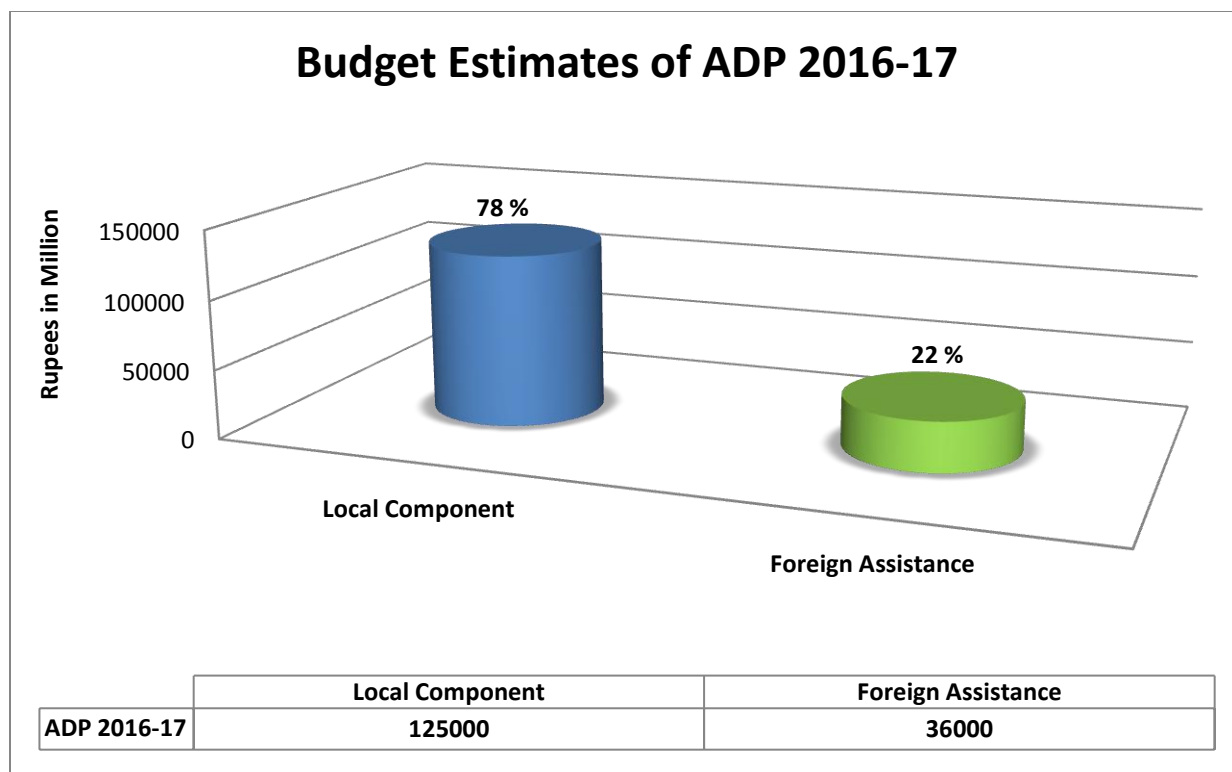
Sources of Funding of ADP 2016-17

(Rs. in Million)

S.No	Source of funding	Allocation	% age
A	Provincial Budget	125,000**	77.6%
B	Total Foreign Assistance	36,000 *	22.4%
	Total (A+B)	161,000	100%

* Total Foreign Assistance includes an amount of Rs. 26879.540(75%) as Grant and Rs. 9120.460(25%) as Loan.

** 12 Billion loan



Formulation of ADP 2016-17

The ADP-2016-17 has been formulated after an intensive consultative process. The process included a series of sessions with all the development departments, Finance Department and the Chief Minister, in order to seek their guidance.

Highlights of ADP 2016-17

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

- 12% decrease in Local Component of ADP 2016-17 and increase of 11% on revised allocation of the previous year.
- 54 % allocations for 1237 on-going Projects & 46 % allocation for 279 new Projects.
- Throw-forward is 4 years.
- 151% increase in Agriculture Sector, 22% increase in E&SE Sector, 84% increase in Forestry Sector, 27% increase in Health Sector, 30% Increase in Law and Justice Sector, 8% increase in Relief and Rehabilitation Sector and 20% Decrease in Roads Sector, 137% Increase in Sports & Culture Sectors, 12% increase in District ADP and 7% Increase in Water Sector over the previous year allocation.
- Total Foreign Assistance includes Rs. 26879.540 (75%) as Grant and Rs. 9120.460 (25%) as loan.
- Priority to Health, Agriculture, Education, Sports Tourism & Youth Affairs

Sector-Wise Allocation:

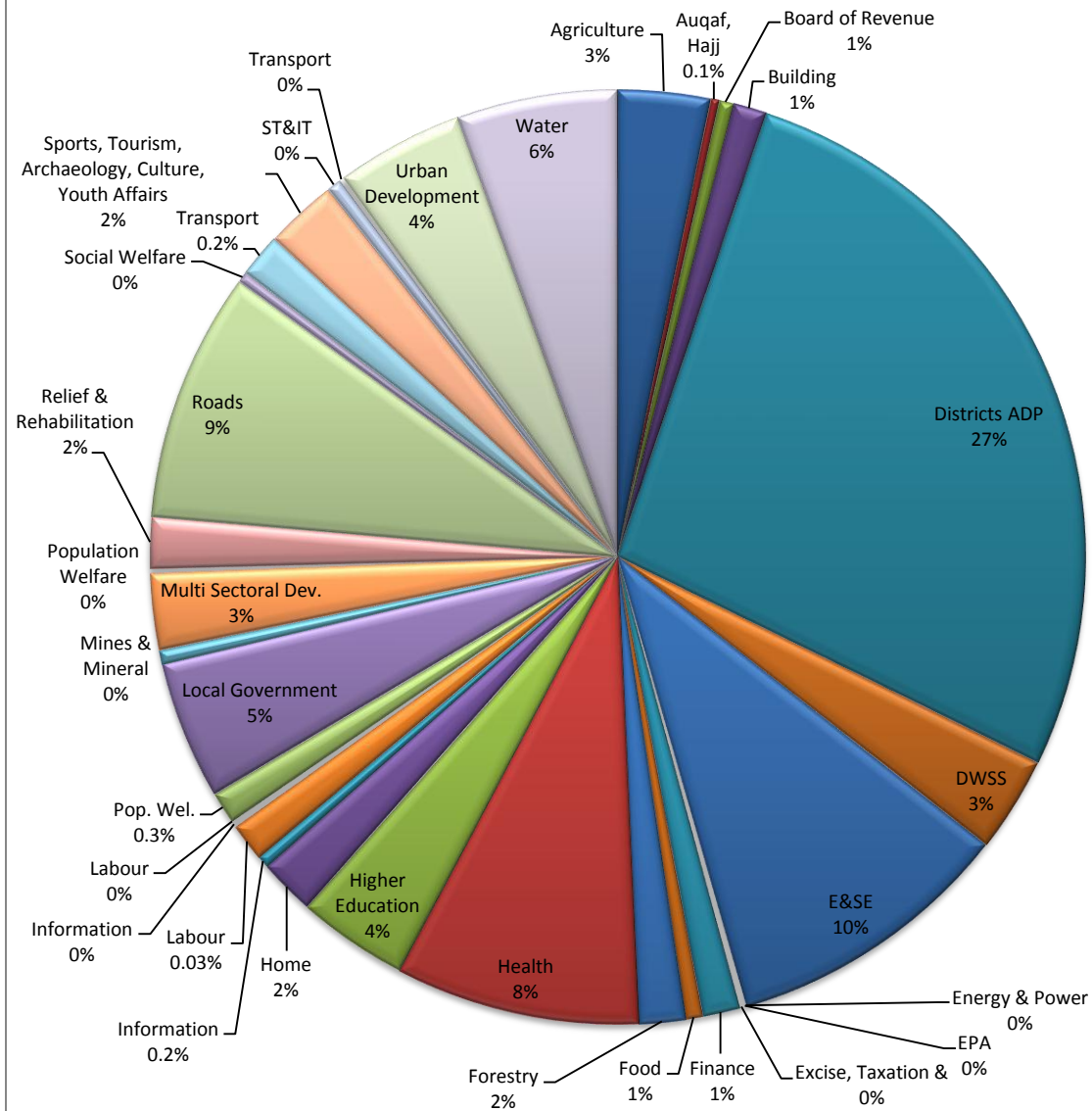
The size of ADP, 2016-17 is **Rs. 161,000.000** Million which includes Foreign Assistance of **Rs. 36,000.000** million. There are **1516** projects in the ADP, of which **1237** are on-going and **279** are new. The sector-wise allocations for ongoing and new schemes are as under:

(Rs. in Millions)

S.NO	Sector	Schemes		Schemes		Total	
		(On Going)		(New)		No	Allocation
		No	Allocation	No	Allocation		
1	Agriculture	32	2821.741	13	1154.259	45	3976
2	Auqaf, Hajj	10	115.15	8	250.85	18	366
3	Board of Revenue	8	637	0	0	8	637
4	Building	36	1301.831	13	137.169	49	1439
5	Districts ADP	0	0	3	33900	3	33900
6	DWSS	81	3279.999	8	870.001	89	4150
7	E&SE	64	10030.007	8	2422.993	72	12453
8	Energy & Power	25	36.992	8	0.008	33	37
9	Environment	6	55	1	2	7	57
10	Excise, Taxation & Narcotics Control	2	209	1	25	3	234
11	Finance	6	253.999	4	1354.001	10	1608
12	Food	4	154.391	7	577.609	11	732
13	Forestry	47	1997.9	4	9.1	51	2007
14	Health	77	6162.998	16	4378.002	93	10541
15	Higher Education	45	3638.583	15	1145.417	60	4784
16	Home	47	2179.996	12	240.004	59	2420
17	Housing	6	434.997	5	105.003	11	540
18	Industries	19	1602.998	7	40.002	26	1643
19	Information	3	140	2	40	5	180
20	Labour	3	27.392	4	57.608	7	85
21	Law & Justice	27	1060	8	305	35	1365
22	Local Government	24	2669.998	12	3330.002	36	6000
23	Mines & Mineral	12	559.8	9	62.2	21	622
24	Multi Sectoral Dev.	27	2618.997	12	621.003	39	3240
25	Population Welfare	6	212.355	1	17.645	7	230
26	Relief & Rehabilitation	17	1909	6	306	23	2215
27	Roads	312	9721.081	18	1076.919	330	10798
28	Social Welfare	18	266	9	194	27	460
29	Special Initiatives	1	200	3	1700	4	1900
30	Sports, Tourism, Archaeology, Culture, Youth Affairs	47	957.999	12	2155.001	59	3113
31	ST&IT	26	567	6	43	32	610

S.NO	Sector	Schemes (On Going)		Schemes (New)		Total	
		No	Allocation	No	Allocation	No	Allocation
		32	Transport	6	141.599	2	34.401
33	Urban Development	24	5522	3	30	27	5552
34	Water	169	5626	39	1304	208	6930
Total ADP		1237	67111.803	279	57888.197	1516	125000
Foreign Assistance		36000					
Grand Total		161000					

Sector Wise Allocation - ADP 2016-17

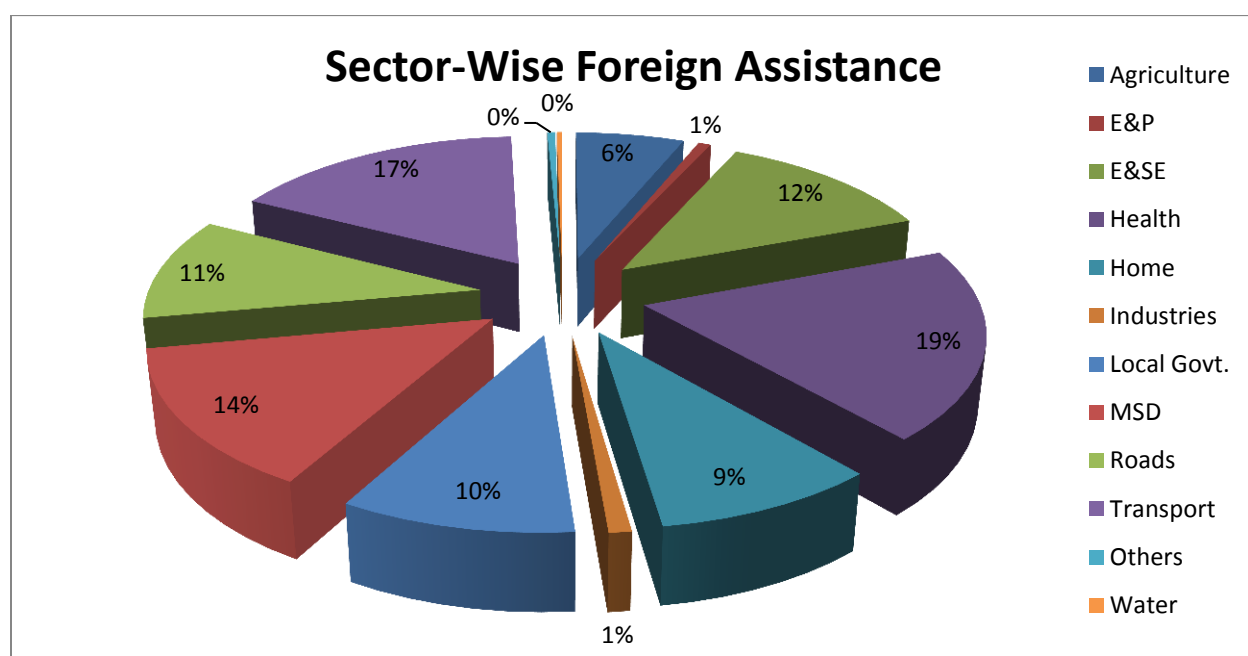


Foreign Assistance

For the year 2016-17, the size of foreign assistance is **Rs.36000.000 million**, comprising of Grant amounting to **Rs. 26879.540 million** is grant while **Rs. 9120.460 Million** as loan. The sector wise allocation of foreign assistance is tabulated as under:

(Rs. in Millions)

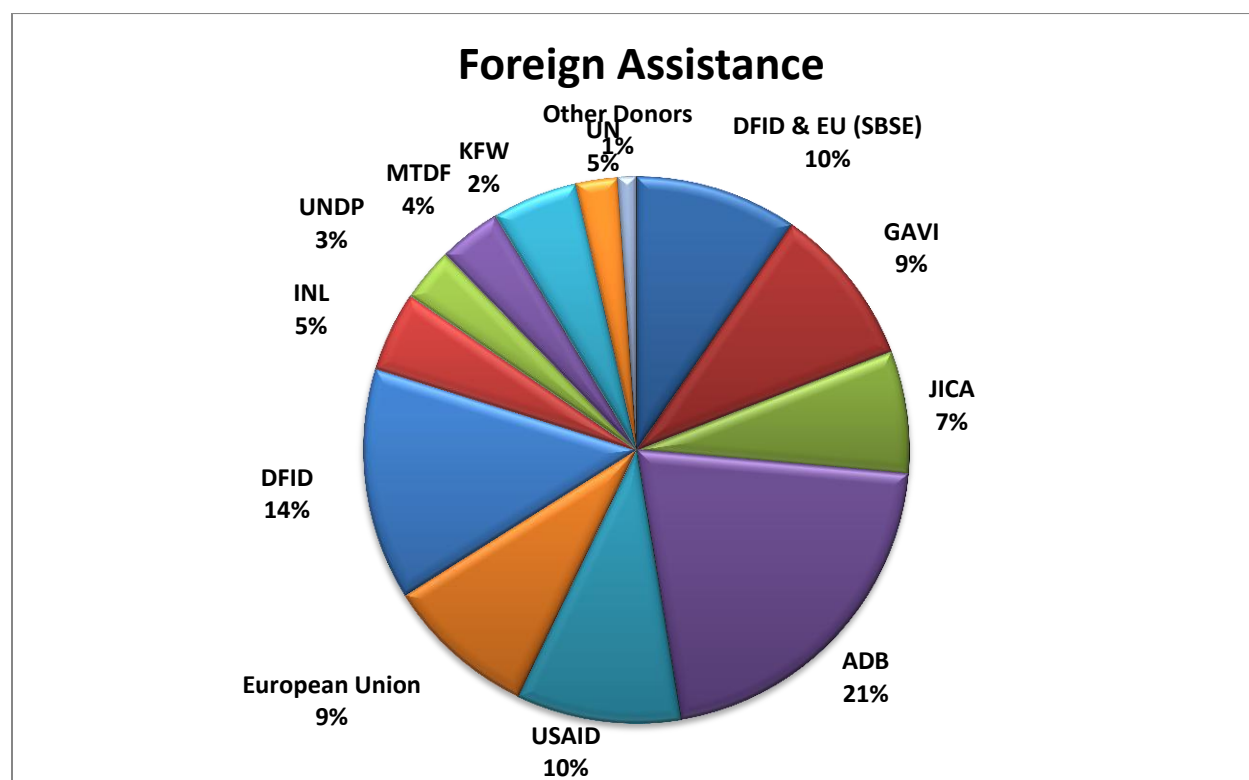
S#	Sector	Grant	Loan	Grant Total	%Share	No. of Projects
1	Agriculture	2225.93		2225.93	6.18	2
2	DWSS	0.01		0.01	0.00	1
3	E&P		261.62	261.62	0.73	4
4	E&SE	4462.47		4462.47	12.40	5
5	Finance		5	5	0.01	1
6	Health	6938.11		6938.11	19.27	6
7	Home	3293.77		3293.77	9.15	10
8	Industries	332.008		332.008	0.92	1
9	Labour	40		40	0.11	1
10	Law & Justice	84.24		84.24	0.23	1
11	Local Govt.	3414.92		3414.92	9.49	3
12	M&M	0.001		0.001	0.00	1
13	MSD	5041.08		5041.08	14.00	14
14	Roads	1012	2753.8	3765.84	10.46	4
15	Sports	0.01		0.01	0.00	1
16	Transport		6000	6000	16.67	2
17	Urban Dev.	35		35	0.10	1
18	Water		100	100	0.28	1
GRAND TOTAL		26879.5	9120.5	36000	100.00	59



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

(Rs. in Million)

S.No	Donors	Grant	Loan	Total
1	ADB	1000.000	6561.620	7561.620
2	CVF Japan	0.010		0.010
3	DFID	4927.568		4427.568
4	DFID &EU (SBSE)	3462.458		3462.458
5	European Union	3232.458		3232.104
6	GAVI	3427.800		3427.800
7	GiZ	87.954		87.954
8	INL	1702.440		1702.440
9	Italian Debt Swap	0.010		0.010
10	JICA	59.320	2553.840	2613.160
11	KfW	895.690		895.690
12	MDTF	1327.367		1327.367
13	SDC	252.426		252.426
14	UN	1829.165		1829.165
15	UNDP	1138.290		1138.290
16	UNICEF	40.000		40.000
17	USAID	3496.937		3496.937
18	World Bank		5.000	5.000
Total		26879.540	9120.460	36000.000



Sector-Wise Investment Programs in ADP 2015-16

AGRICULTURE

Vision

To ensure food security, poverty alleviation and to generate employment opportunities through achieving higher growth rate in this vital sector of the economy. The vision of Agriculture Department is to see a prosperous and food secured rural population with exportable surpluses to generate employment and income opportunities in the province.

Policy

- To ensure food security and improve the living standards of small farmers through increased production and employment generation.
- To pursue agricultural development on sustainable basis, enhance crop production through variety improvement and facilitate value addition for exportable products.
- To convert natural resources into viable business enterprises through scientific, technical public private partnership and marketing support.

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.
- 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 at least by 20% in 3 years.

Policy

- Provision of support 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 almost an agrarian economy. Agriculture and Livestock contributes around 24% of the provincial GDP. Agriculture engaged more than 50% of the labour force of Khyber Pakhtunkhwa. Diversification into horticulture (with its potential to provide more income per acre at higher labor inputs) and rural based agriculture processing units offer promising avenues for increasing the income of rural households.

This Department proposed new initiatives in the upcoming ADP 2016-17 for accelerating agriculture development in Khyber Pakhtunkhwa Province. A Project Establishment of Khyber Pakhtunkhwa Seed Corporation costing Rs. 600.000 Million is proposed to make the province self-sufficient and independent in seed requirement and Enhancement of Crop Production through integrated Research Approach in Khyber Pakhtunkhwa costing Rs. 40.00 Million are proposed in the ADP 2016-17.

To enhance water use efficiency, minimize water losses, control soil erosion and surface run-off, develop cultivable waste land to bring more area under crops and enhance productivity, new schemes including Reclamation of Degraded Soil through Soil Conservation Practices, Small Farmers Land Development, Productivity Enhancement through OFWM Interventions and Lining/Improvement of Water Courses have also been proposed.

Similarly under livestock sector new schemes like Construction and Rehabilitation of Veterinary Institutions and scheme titled Enhancement of Livestock Productivity through integrated Research Approach in KP have been proposed for promotion of Research and Development in Livestock Sector. Furthermore, for improvement of Fisheries Sector and promotion of fish farming in Khyber Pakhtunkhwa a scheme titled Strengthening and Establishment of Fish Hatchery in Khyber Pakhtunkhwa, Establishment of Fish of Aquariums in schools and public places in KP are also proposed in the ADP 2016-17.

An amount **Rs 3976.00** Million for **45** projects out of which **32** are ongoing with allocation of **Rs 2821.741** Million and **13** are new with allocation of **Rs 1154.259** Million. The following major targets will be achieved in this sector:

- Provision of Agriculture Implements/Machinery to Small Land Holders in Khyber Pakhtunkhwa
- Introduction of Agriculture Implements and Machinery for small landholders.
- Up-gradation of Kaghan Agriculture Research Station to Research Institute for Development of Winter and High Value Crops.
- Agricultural Produce Marketing and Certification.
- Establishment of Agriculture University of Nowshera for Promotion of High Value Agriculture.
- Development of Carp Fish in Khyber Pakhtunkhwa
- Development of Trout and Cold Aqua Culture in Khyber Pakhtunkhwa
- Establishment of Insaf Veterinary Clinics
- Improvement and Lining of Water Courses 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 and raising standard of living of masses belonging to minority.

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. 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 366.00** Million has been made for total of **18** projects out of which **10** are ongoing with allocation of **Rs 115.150** Million and 8 are new with allocation of **Rs 250.850** Million. The following major targets will be achieved in this sector:

- Improvement and Rehabilitation of Masajids and Darul-Uloom in Khyber Pakhtunkhwa.
- Purchase of Land for Muslim Graveyards in Khyber Pakhtunkhwa
- Construction and rehabilitation of Darul Uloom Haqania, Akora Khattak

BOARD OF REVENUE

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 cesses

The Board of Revenue 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 637.00** Million has been made for **8** Projects. Following are the Mega Projects of this Sector:

- Computerization of Land Record in Remaining of District Khyber Pakhtunkhwa
- Establishment of Service Delivery Centers in Khyber Pakhtunkhwa
- 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 1439.00** Million has been made for total of 49 projects out of which **36** are ongoing with allocation of **Rs. 1301.831** Million and **13** are new with allocation of **Rs. 137.169** Million. The following major targets will be achieved in this sector:

- F/S Design and Construction of Building for Khyber Pakhtunkhwa Public Procurement regulatory Authority (KPPRA)
- Uplift of existing Khyber Pakhtunkhwa house Islamabad
- F/S, Design, Supervision of Buildings and Management Properties owned by C&W Department in Khyber Pakhtunkhwa
- Construction of Office Accommodation/Building for Service Tribunal
- Provision for Rehabilitation of Disaster Affected Government Building
- Provision for Design of Structural/Plumbing/Elect/Air Conditioning various Buildings in KPK

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. 30,000.00** 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/Neighborhood Councils, Tehsils and Districts as per the following breakup: The Provincial Government has allocated an amount of **Rs. 33900.000** Million has allocated with the following breakups.

- Provision of VCs/UCs Rs. 13100 Million
- Provision for Tehsils Rs. 10400 Million
- Provision for Districts Rs. 10400 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

- Construction of Jabba Dam under Peshawar Greater Water Supply Scheme
- 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

Clean drinking water is the constitutional right of the citizens of Pakistan. Though supply of water is finite but demand is rising rapidly with increase in population and increase in per capita water consumption. Similarly, sanitation is the main ingredient of health and hygiene promotion services and is regarded as the basis of development but sanitation and Public Hygiene is still a far-fetched dream with less than 8% of population having sewerage/drainage facilities in rural facilities. This situation leads more investment in the sector to control Water, Sanitation and Hygiene related diseases in the province which otherwise results in infant and child mortality, diarrhea, hepatitis, dysentery and malaria etc.

In the next financial year, 2016-17, the PHE department will make efforts to overcome the problem and further expand the existing coverage of clean drinking water and sanitation facilities in the province to reduce water borne diseases. The present elected government has keen interest to improve water and sanitation related situation and allocate sufficient funds for the sector. An allocation of **Rs 4150.00** Million has been made for total of **89** projects out of which **81** are ongoing with allocation of **Rs.3279.999** million and **8** are new with allocation of **Rs 870.001** Million. The following major targets will be achieved in this sector:

- Construction of Gravity Based Water Supply Schemes in Khyber Pakhtunkhwa
- Solarization of 200 existing water supply schemes and Construction of gravity based water supply schemes in Khyber Pakhtunkhwa
- Provision for rehabilitation of disaster affected water supply scheme in Khyber Pakhtunkhwa
- Construction/Rehabilitation of Water Supply and Sanitation Schemes in Khyber Pakhtunkhwa (Phase-II).
- Restoration of Non Functional Damaged Water Supply 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. 12453.00** Million has been made for total of **72** projects out of which **64** are ongoing with allocation of **Rs. 10030.007** Million and **8** are new with allocation of **Rs. 2422.993** Million. The following major targets will be achieved in this sector:

- Provision for Special Initiative
- Establishment of 200 Smart Schools in Khyber Pakhtunkhwa
- Establishment of Girls Cadet College at Mardan.
- Establishment of Cadet College Swat (Phase-III).
- Upgradation of 50 Primary schools to Middle level (B&G) on need basis in Khyber Pakhtunkhwa
- Upgradation of 50 Middle level to High Schools (B&G) on need basis in Khyber Pakhtunkhwa
- Upgradation of 50 High Schools to Higher Secondary level (B&G) on need basis in Khyber Pakhtunkhwa
- Standardization of 200 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 Govt. 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 enormous hydel power potential. KPK Provincial Government is putting strenuous efforts to tap this potential to meet ever increasing energy demand and redress the energy crisis. KPK Government approved its new Power Policy 2016 along with the Policy Guidelines. KP Government is the first and only among the Federal and Provincial “Governments to issue these Policy Guidelines.

KPK Department of Energy & Power through Pakhtunkhwa Energy Development Organization (PEDO) is doing following to provide electricity to the national grid and to some areas through off-grid solutions. PEDO is involved in;

- Operating 4 Electric Power Projects
- Constructing new hydel power projects in public sector
- Promoting hydel power project for construction through private sector
- Executing Solar Power Projects
- Preparing feasibility studies for future projects.

An allocation of **Rs 37.00** Million has been made for total of **33** projects out of which **25** are ongoing with allocation of **Rs. 36.992** Million and **8** are new with allocation of **Rs 0.008** Million. Hydel Development Funds will be taped to finance Energy Project. The following major targets will be achieved in this sector:

- Establishment of Technical Lab (HDF Funded)
- Access to Energy Construction of MHP on Rivers and Tributaries(ADB) HDF Funded)
- Access to Energy Construction of MHP on Canals (ADB/HDF Funded)

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.57.00** Million has been made for total of **7** Projects out of which **6** are ongoing with allocation of **Rs.55.00** Million and **01** is new with allocation of **Rs. 2.00** Million. The following major targets will be achieved in this sector:

- Strengthening of EPA Monitoring Through Geographic Information System (GIS).

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.234.00** Million has been made for total of **3** projects out of which **2** are ongoing with allocation of **Rs. 209.00** Million and **01** is new with allocation of **Rs. 25.00** Million. The following major targets will be achieved in this sector:

- Reforms in ET&NC Department including IT Based Company

FINANCE

Vision

To achieve prosperity of Khyber Pakhtunkhwa through excellent Financial Management and sound Fiscal Policy.

Policy

Finance Department provides effective financial management framework and financing of government initiatives through sound planning. Integrity, transparency and social responsibility being its core value.

During Financial Year 2015-16, Finance Department supervised 13 Developmental schemes with total allocation of Rs. 3216.00 Million

- Notable achievements were the introduction of new MrS rates, wherein schedule rates of majority items have been reduced due to downwards trend in petroleum products which will save 10% to 15% on works executed during financial year 2016-17.
- Energy Monitoring Unit has saved Rs. 397.370 Million during reconciliation of electricity bill with PESCO.
- The Group Insurance scheme has been substituted with another employees friendly scheme (Retirement Benefit and Death Compensation Cell (RBDC)).
- Pension Automation Cell has been established to facilitate pensioners of the province.

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.1608.00** million has been made for total of **10** projects out of which **6** are ongoing with allocation of **Rs. 253.299** Million and **4** are new with allocation of **Rs.1354.001** Million. The following major targets will be achieved in this sector:

- Own Source Revenue Generation (World Bank Assisted)
- Projects to be funded from Tobacco Development Cess
- Block Provision for projects to be funded from 10% Net Hydel Profit
- Block Provision for projects to be funded from 10% of Oil and Gas Royalty

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

It is of immense importance that the Food Department should have sufficient ware-house to overcome any kind of Food emergency and to cater for the wheat upto 0.821 million tons. An allocation of **Rs.732.00** Million has been made for total of **11** projects out of which **4** are ongoing with allocation of **Rs.154.391** Million and **7** are new with allocation of **Rs.577.609** Million. The following major targets will be achieved in this sector:

To enhance the storage capacity, a proposal of Food Department Khyber Pakhtunkhwa for the year 2016-17 already provided to the Planning and Development Department, Khyber Pakhtunkhwa vide Food Department letter of even dated 30-03-2016 (copy enclosed), which includes the schemes as mentioned below:

- Purchase of land for Food Grain Godowns in District Lakki Marwat
- Construction of Offices for Rationing Controller Peshawar (Land available).
- Purchase of Land for Food Grain Godowns in District Shangla, Torghar and Kohistan
- Construction of Steel Silos in District Tank, Hangu, Dir Upper, Chitral and Malakand.
- Construction of Additional Rooms for DFCs Offices in Selected Districts of Khyber Pakhtunkhwa (Land available).

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.2007.00** Million has been made for total of **51** projects out of which **47** are ongoing with allocation of **Rs.1997.900** Million and **4** are new with allocation of **Rs. 9.10** Million. The following major targets will be achieved in this sector:

- Potential Impacts of Climate Change in Anatomy of Hardwood Species Grown in Different Climatic Zones of Khyber Pakhtunkhwa
- Renovation and Improvement of Dhodial Pheasantry in District Mansehra

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.

Present Government is following comprehensive policy for Health Sector. Completion of ongoing schemes is priority of the Government, so that the benefits of completed schemes reach the masses as soon as possible. Adequate funds will be provided in ADP 2016-17 for prevention and control of Malaria and dengue, TB, Cancer, AIDs and Hepatitis etc. The Social Health Protection scheme will be extended to all Districts of the Province. Under the Project, 50% population will be provided free medical treatment. Regional Blood Transfusion Centres will be established in D.I.Khan, Abbottabad and Swat. With Financial Support of Gavi and other Donor Agencies, Khyber Pakhtunkhwa Immunization Program will be initiated with a cost of Rs. 24 Billion.

An allocation of **Rs. 10541.00** Million has been made for total of **93** projects out of which **77** are ongoing with allocation of **Rs.6162.998** Million and **16** are new with allocation of **Rs. 4378.002** Million. The following major targets will be achieved in this sector:

- Standardization of all DHQs/THQs in Khyber Pakhtunkhwa (SDG)
- Strengthening of Information and Communication System in Health Secretariat of Khyber Pakhtunkhwa.
- Establishment of Financial Management Cell in Health Department
- Strengthening Health Management Information System/District Health Information System in Khyber Pakhtunkhwa
- Social Health Protection Initiative (Phase-II) Khyber Pakhtunkhwa
- Upgradation of Civil Hospital Shakardara to Cat-D Hospital, Kohat
- Reconstruction of Women and Children Liaqat Memorial Teaching Hospital Kohat through RAHA (KfW Assisted)
- Purchase of Equipment/Furnitures for Peshawar Institute of Cardiology.
- Provision of 11 KV Feeder to Category-C Hospital Shabqadar
- Improvement of Emergency Services in all the Teaching and other Hospitals of Peshawar and DHQ Hospitals of the Province.
- Upgradation of the existing Toxicology Laboratory of Khyber Medical College Peshawar.
- Construction of Purpose Built Building for Gajju Khan Medical College Swabi.

- Establishment of Safe Blood Transfusion Project (Phase-II) (KfW Assisted)

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. 4784.00** Million has been made for total of **60** projects out of which **45** are ongoing with allocation of **Rs. 3638.583** Million and **15** are new with allocation of **Rs. 1145.417** Million. The following major targets will be achieved in this sector:

- Establishment of Building for HETTA
- Establishment of 10 Government Colleges in Khyber Pakhtunkhwa
- Special Initiatives Stoori DA Pakhtunkhwa
- Institute of Criminology and Forensic Sciences, University of Peshawar
- Establishment of Sub-Campus of UET at Dir Upper)
- Upgradation of existing University Campuses to a full fledge University at Chitral

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 new 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.2420.00** Million has been made for total of **59** projects out of which **47** are ongoing with allocation of **Rs.2179.996** Million and **12** are new with allocation of **Rs.240.004** Million. The following major targets will be achieved in this sector:

- De-Radicalization Emancipation Program in Swat (Phase-II)
- Strengthening Rule of Law for Citizens Justice and Peace in Khyber Pakhtunkhwa through UNDP (EU Assisted)
- Pakistan Action to Counter Terrorism (PACT) with special reference to Khyber Pakhtunkhwa through UNODC (EU Assisted)
- Youth and Social Cohesion Project (UNDP Assisted)
- Strengthening Rule of Law Project (SRLP) (UNDP Assisted)
- F/S and Strengthening of Police Infrastructure in Khyber Pakhtunkhwa
- Joint Police Training Center (Phase-II) at Hakeem Abad Nowshera (INL Assisted)
- F/S and Construction of Regional Headquarters for Counter Terrorism
- Re-construction of damaged Prisons due to 26 October 2015 earthquake in Khyber Pakhtunkhwa
- Rehabilitation of Existing Jails for maintaining security and Enhancing their capacity.

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 and to create an Authority for proper achievement of the objects aforesaid.

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 construct housing units for low income group in Khyber Pakhtunkhwa and construct official residences in PHA housing Scheme beside that land will acquired for Expressway to Model Town, Model Town, Motorway City and Hangu Town ship.

An allocation of **Rs. 540.00** Million has been made for total of **11** projects out of which **6** are ongoing with allocation of **Rs. 434.997** Million and **5** are new with allocation of **Rs.105.003** Million. The following major targets will be achieved in this sector:

- Purchase of Private Land for Hangu Townships, Hangu (1755 Kanals).
- Purchase of Land for Expressway from G.T Rod (Taru Jabba) to Model Town Peshawar (8000 Kanals)
- Purchase of Land for Model Town Peshawar (17000 Kanals)

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. 1643.00** Million has been made for total of **26** projects out of which **19** are ongoing with allocation of **Rs.1602.998** Million and **7** are new with allocation of **Rs.40.002** Million. The following major targets will be achieved in this sector:

- START Youth Economic Empowerment (System to Assess and Reward Talent)
- F/S and Establishment of Campuses of Khyber Pakhtunkhwa University of Technology at Swabi and Charsadda
- Support to Khyber Pakhtunkhwa Board of Investment and Trade (KP-BOIT)
- One Liner Provision for Economic Zone Development and Management Company (EZDMC).
- Purchase of Land for 2nd Industrial Estate at Peshawar
- KP Women Skill and Entrepreneurship Development Programme (KP WSEDPP) and Readymade Garments Industry.
- Establishment of SMEs Unit in SIDB.

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. Information and Public Relation Department has a vital role to perform when it comes to attainment of a secure, just and prosperous society. In information domain it aims to bridge the gap between the government and the public. Information and Public Relation Department strives towards expeditious service delivery and emphasizes to expand the service delivery horizon across the Khyber Pakhtunkhwa to reach out the targeted audience; covering civil society urban and rural elites, middle and working class with special focus on people living in the tribal belt.

Policy

- Expanding the existing net of media coverage by establishing new FM Radios.
- Promoting positive values amongst the educated youth of KP in order to channelize their energies
- Publicity of the provincial Government's initiatives, public messages, programmes etc.
- To act as a bridge between the government and public in general Issuance of advertisements to the newspapers/magazines.
- Journalistic affairs.
- Management of newspapers, books, magazines, printing presses etc under the law.
- Production and distribution of films and documentaries of general interests with the consultation of departments concerned.
- Broadcasting of programs in its FM Radio Stations for education of masses.
- To act as a point of interface vis-a-vis the Right of information as provided in Article 19(a) of the Constitution.

Due to the advent of fast medium of communication, the world has become a global village where no one can live in isolation. Information Department has achieved a lot in the last few years despite meager resources allocated for it in the developmental and current budget. The department has been able to establish Press Clubs and Regional Information Offices in different districts of Khyber Pakhtunkhwa in the last few years. The department has also established two FM Radio stations at Peshawar and Mardan and has passed different Acts including Right to Information Act 2013 and The Khyber Pakhtunkhwa Press, Newspapers, News Agencies and Books Registration Act 2013. With that the department has established an endowment fund for journalists in lieu of their claims for medical treatment Khyber Pakhtunkhwa has been the first province to pass RTI Act after the 18th Amendment which is a commendable achievement of this Department. An allocation of **Rs. 180.00** Million has been made for total of 5 projects out of which 3 are ongoing with allocation of **Rs. 140.00** Million and 2 are new with allocation of **Rs. 40.00** Million. The following major targets will be achieved in this sector:

- Independent Reporting System in the Directorate of Information Khyber Pakhtunkhwa.
- Construction of Newspaper Market for Hawkers in 10 Districts.

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 occupational safety and ensuring industrial peace.

Policy

- Recognizing the importance of adequate and fair wages, 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 skills 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 adequate 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. 85.00** Million has been made for **7** projects out of which **3** are ongoing with allocation of **Rs. 27.392** Million and **4** are new with allocation of **Rs.57.608** Million. The following major targets will be achieved in this sector:

- Land Acquisition and Construction of Office Building for Directorate of Labour.
- Establishment of Centre for Occupational Safety and Health (OSH) in Khyber Pakhtunkhwa
- Strengthening Govt. Efforts to Combat Child Labour Through Child Labour Survey in Khyber Pakhtunkhwa

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. 1365.00** Million has been made for total of **35** projects out of which **27** are ongoing with allocation of **Rs.1060.00** Million and **8** are new with allocation of **Rs. 305.00** Million. The following major targets will be achieved in this sector:

- Reconstruction and renovation of Judicial Complex Kohat
- Reconstruction and renovation of Judicial Complex Nowshera
- Feasibility for installation of Lift Facility at Dar-ul-Qaza District Swat.

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.6000.00** Million has been made for total of **36** projects out of which **24** are ongoing with allocation of **Rs. 2669.998** Million and **12** are new with allocation of **Rs. 3330.002** Million. The following major targets will be achieved in this sector:

- New General Bus Stand for Peshawar
- Special Initiative Programme for PK-30 District Mardan
- Special Package for Development Initiatives in Khyber Pakhtunkhwa
- Priority Projects in Khyber Pakhtunkhwa
- District Development Initiatives
- Uplift and Development of hill stations in Malakand Division.

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 Nepheline Syenite, 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.622.00** Million has been made for total of **21** projects out of which **12** are ongoing with allocation of **Rs.559.800** Million and **9** are new with allocation of **Rs. 62.200** Million. The following major targets will be achieved in this sector:

- Land Acquisition and Construction of District Office of Mines and Minerals at Chitral
- Establishment of Mining Cadastral System
- Establishment of Minerals Park in Khyber Pakhtunkhwa

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.3240.00** Million has been made for total of **39** projects out of which **27** are ongoing with allocation of **Rs.2618.997** Million and **12** are new with allocation of **Rs.621.003** Million. The following major targets will be achieved in this sector:

- SDG Unit in Khyber Pakhtunkhwa (UNDP Assisted)
- Special Development Package for Militancy and Flood hit area in District Swat.
- Infrastructure Development Support to Khyber Pakhtunkhwa (KfW)

- Uplift Schemes for Energy Producing District
- Khyber Pakhtunkhwa Governance Project (USAID Assisted)
- Reform Initiatives in Khyber Pakhtunkhwa
- Governance and Policy Reforms Programme (MDTF Assisted)
- Provision for Contractors Decretal accrued Liabilities and Uncashed Cheques.
- Community Resilience in Malakand (UNDP Assisted)

POPULATION WELFARE

Vision

To promote a healthy and industrious population through smart family planning

Policy

- Mass awareness regarding merits of small family
- To develop population welfare programme for KP
- Initiate pilot projects for population welfare
- Capacity building for population welfare department

Population Welfare is a vital programme of national importance. While recognizing the need to reduce unwanted fertility, the programme is providing Family Planning and Reproductive Health services to the people throughout the Province. The programme is mainly focused on birth spacing, mother and child health care. The Department aims to achieve replacement level fertility by 2032 through decline in fertility and mortality rates. The programme is also active in the area of providing mass awareness about birth spacing and small family norms. Various strategies will be adopted for achieving the following goals and objectives of the Department as per the approved Population Policy 2015. Address 26% unmet needs of Family Planning/ Reproductive Health Services in the Province,

- Attain replacement level fertility through enhanced voluntary family planning.
- Promote family planning as a Reproductive Health Right, based on informed and voluntary choice.
- Reduce unmet need of contraception and unwanted pregnancies through universal access and improved quality of family planning services.
- Adhere to the requisites for demographic dividend for economic growth by making investment in child survival, reproductive health and prioritizing education especially female education.

OBJECTIVES

Medium Term

- Achieve universal access to safe and quality reproductive health/family planning services by 2020.
- Increase Contraceptive Prevalence Rate (CPR) from the existing level of 28% to 42% by 2020.
- Raise modern CPR from existing level of 20% (PDHS 2012-13) to 28% by 2020.
- Reduce unmet need for family planning from existing level of 26% (PDHS 2012-133) to 15% by 2020.

Long Term:

- Raise contraceptive prevalence rate from 28% in 2012-13 to 55% by 2032.

- Decrease total fertility a rate from 3.9 in 2012-13 to 3.3. births per woman by 2020 and attain replacement level fertility (2.1 births per woman) by 2032.
- Reduce Annual Population Growth Rate from 2.2% in 2013 to 1.3% by 2032.
- Encourage increased investment for acceleration of female education and empowerment to facilitate attainment of population sector related objectives.

An allocation of **Rs. 230.00** Million has been made for total of **7** projects out of which **6** are ongoing with allocation of **Rs. 212.355** Million and **1** are new with allocation of **Rs. 17.645** Million. The following major targets will be achieved in this sector:

- Involvement of Imam/Khateeb/Religious Scholars for promotion/Advocacy of Population Welfare Program.

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.2215.00** Million has been made for total of **23** projects out of which **17** are ongoing with allocation of **Rs.1909.00** Million and **6** are new with allocation of **Rs.306.00** Million. The following major targets will be achieved in this sector:

- Establishment of Khyber Pakhtunkhwa Emergency Rescue Service (Rescue-1122) in District Charsadda
- Academy and arrangements of Accessible Mini Fire Brigades alongwith Accessories.
- Establishment of Planning, monitoring and Evaluation Wing in ERS (Rescue 1122) Headquarter
- Establishment of Camp Management Support Unit for Displaced Persons (DPS) in PDMS

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. 10798.00** Million has been made for total of **330** projects out of which **312** are ongoing with allocation of **Rs.9721.081** Million and **18** are new with allocation of **Rs.1076.919** Million. The following major targets will be achieved in this sector:

- Mankial Road from Changla Gali to Islamabad
- Construction of New RCC Bridge at Khazana Bypass over River Panjkora District Lower Dir
- Provincial Roads Rehabilitation Project “Under PKHAS Portfolio “ADB Assisted
- Construction of Swat Expressway
- Feasibility Study for Project Preparation and Technical Assistance for Provincial Road Rehabilitation Project (ADB Assisted).
- Provision of Publicity campaign of C&W Projects during 2016-17.
- Provision for Rehabilitation of Flood/torrential Affected Roads and Bridges

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.460.00** Million has been made for total of **27** projects out of which **18** are ongoing with allocation of **Rs. 266.00** Million and **9** are new with allocation of **Rs.194.00** Million. The following major targets will be achieved in this sector:

- Upgradation of National Special Education Center Mardan upto Middle level
- Establishment of Model Addiction Treatment and Rehabilitation Center in Peshawar
- Upgradation of Blind School Charsadda from Primary to Middle
- Construction of Social Welfare Complex at Nowshera
- Construction of Special Education Complex Chakdara Dir Lower
- Purchase of Land for Upgradation of School for Deaf and Dumb Children at Timergara Dir Lower

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.3113.00** Million has been made for total of **59** projects out of which **47** are ongoing with allocation of **Rs.957.999** Million and **12** are new with allocation of **Rs. 2155.001** Million. The following major targets will be achieved in this sector:

- Construction of Hazara Museum at Abbottabad
- Endowment fund for promotion of Culture.
- Establishment of Art Academy at Peshawar and Culture Complexes at Divisional level
- Establishment Sports Complex in Swat
- Promotion and Sponsoring of Teams/Players and educational support to deserving/talented players of Khyber Pakhtunkhwa
- Provision of Sports Equipment, Promotion and Holding of Sports Competitions in Khyber Pakhtunkhwa

SCIENCE AND INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

Vision

Organize Knowledge Community a step towards Knowledge Society to Support the Government of Khyber Pakhtunkhwa in making the Shift from resource based economy to Knowledge based economy.

Policy

- Human Resource Development
- Launching of R&D Program and up-gradation of its infrastructure.
- Restructuring of R&D Organization.
- Industrial Development.
- Strengthening of Policy, coordination and management structure.
- Funding and project implementation mechanism.
- To promote usage of Science & Technology by awarding Scholarship, awards, certificates, holding of seminars, workshops in service training and acquiring higher education.
- To promote the education of Science and Information Technology Projects in the Province in Agriculture, Housing, Industry, Health, Education, Forestry, Energy, Pharmaceuticals and small Cottage Industry including pilot plant studies.
- To monitor the outcome and results of Science and Technology Projects initiated in the province and provide policy guidelines to R&D institutions for their restructuring and enhancement of Science and Technology activities.

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 endeavours various initiatives for the information Technology in Khyber Pakhtunkhwa. These initiatives consist of IT Education, HRD, and Software Development activities, E-Governance & IT infrastructure. During the current financial years ST&IT Department has initiated (6) different Projects for Govt. Departments of Khyber Pakhtunkhwa to make their efficiency better and more transparent. These IT Projects include IT Professional Training Centre for IT Graduates and Govt. Employees, Prisons and Special Branch. During the Current Financial Year this Department has worked on project of ICT Policy/Master Planning so that information Technology can be improved efficiently up to Grass Root Level for use of the term with public awareness and solid planning in future. Other than this Traffic Control System for Peshawar, Establishment of Data Bank for Government of Khyber Pakhtunkhwa, Advertisement of local products and Precious stones on internet, Advertisement of Culture and Archaeology of Khyber Pakhtunkhwa on Internet, Interconnectivity of Ch. Secretary Office, CM House and Commissioners Offices via video conferencing has been established. An allocation of **Rs.610.00** Million has been made for total of **32** projects out of which **26** are ongoing with allocation of **Rs.567.00** Million and **6** are new with allocation of **Rs.43.00** Million. The following major targets will be achieved in this sector:

- KP Open Wi-Fi
- Promotion and Support of Scientific Innovation/Product Schools/Colleges/Universities
- Promoting Enterprises of Reverse Engineering
- Promotion of Academic Initiatives for Research Development and Innovation in Khyber Pakhtunkhwa

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

For the provision of a better transport system and to facilitate the general public conditional to utilize available scarce resources, the Transport and Mass Transit Department has transport sectors intervention like (a) Introduction of Transport Infrastructure Policy that aims at connecting central industrial regions with less developed areas (b) Encouragement of Public private partnership for new investment in road and infrastructure (c) Mitigating the deterioration of road and transport infrastructure, the existing road and highway networks need to be improved with special emphasis on transport infrastructure up-grdation and maintenance (d) Constructing trucking terminals to meet the needs of the trucking sector for the next 30 year s9e) implementation of Mass Transit System in Peshawar and Introduction of Mass Transit System in Mardan and Abbottabad. An allocation of **Rs. 176.00** Million has been made for total of **8** projects out of which **6** are ongoing with allocation of **Rs.141.599** Million

and 2 are new with allocation of **Rs.34.401** Million. The following major targets will be achieved in this sector:

- Purchase of Land for Establishment of Trucking Terminal at Peshawar
- Establishment of Transport Inspection Stations in Khyber Pakhtunkhwa (Pilot basis)

URBAN DEVELOPMENT

Vision

To make cities the engines of economic growth

Policy

- To improve the overall governance structures/systems of major cities
- To promote participatory approaches to urban planning, management and development
- To enable urban infrastructure and service providers to deliver high quality infrastructure, facilities and services to inhabitants
- To induct the private sector in service delivery in order to reduce the financial burden on public sector agencies
- To improve the regime for land tenure, delivery of municipal services and access to urban markets
- To standardize the formulation and implementation of planning practices in urban areas
- To improve the credit worthiness of cities and to enable public private partnerships in the planning, management and development of urban infrastructure, facilities and services
- To provide optimally designed Mass Transit Systems in the major cities of the Province.

In this sector various developmental activities will be undertaken to improve infrastructure in the urban area 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, extension & widening of roads, will be constructed for an effective load management of traffic in the city. An allocation of **Rs.5552.00** Million has been made for total of **27** projects out of which 24 are ongoing with allocation of **Rs. 5522.00** Million and **3** are new with allocation of **Rs. 30.00** Million. The following major targets will be achieved in this sector:

- Up-gradation of Radial Roads leading to Ring Road, Peshawar.
- Rehabilitation of urban roads.
- Improvement of Branch Road in Peshawar
- Construction of Northern Section of Ring Road (Missing link) from Pajjagi Road to Warsak Road
- Widening and Improvement of existing Jamrud Road from Tambwano Mor to 1st Entry Hayatabad.
- Construction of Service Road for Ring road from Hayatabad to Charsadda Road.
- Safe City Hayatabad Project
- Uplift and Beautification of Divisional Headquarters in Khyber Pakhtunkhwa
- Internal Roads Rehabilitation Project in Peshawar City.
- LED lights on various Urban road in Peshawar

- Grant to Regi Model town.

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.6930.00** Million has been made for total of **208** projects out of which **169** are ongoing with allocation of **Rs.5626.00** Million and **39** are new with allocation of **Rs.1304.00** Million. The following major targets will be achieved in this sector:

- Construction of Jaroba Dam District Nowshera
- Construction of Chapra and Barwasa Dams in District Haripur
- Feasibility Study /preparation of Comprehensive Flood Management Plan for Khyber Pakhtunkhwa
- Providing Flood Projtection structures in Rivers. Nullah and Hill torrents in Khyber Pakhtunkhwa
- Construction/Installation of Augmentation/Irrigation Tube Wells in District Charsadda
- Improvement and Upgradation of Roads along Canal and Drainage Systems in Khyber Pakhtunkhwa
- Construction/Improvement of Irrigation Channels, Bridges, Culverts, Small Storage Ponds and Drainage systems in Khyber Pakhtunkhwa
- Rehabilitation of Irrigation tubewells/lift irrigation schemes and solarization in Tube well irrigation division Peshawar
- Improvement and upgradation of roads and construction of bridges along canals/dains in District Charsadda
- Construction and improvement of Irrigation infrastructure including FPW, channels roads and tube wells in Adenzai and adjoining areas of District Dir Lower.
- Gomal Zam Dam Multipurpose Project (Provincial Share)
- Chashma Right Bank Canal (Lift Cum Gravity) Project D.I.Khan

ANNEXURES

CDL LIABILITIES AS ON 01-07-2016

(Rs. in Million)

Description	Rate of mark up	Outstanding Balance
(a) Cash Development Loans		
1997-98	8.50%	1,202.942
SUB-TOTAL (a)		1,202.942
(b) SAP Tied Loans		
Discription	Rate of mark up	Outstanding Balance
1999-2000	11.21%	417.196
SUB-TOTAL (b)		417.196
(C) Cash Development Loans For SCARP Tube well Projects handed over by WAPDA to the Government of Khyber Pakhtunkhwa		
Discription	Rate of mark up	Outstanding Balance
1999-2000	11.21%	810.197
2000-01	11.70%	647.078
2001-02	10.72%	374.666
2002-03	7.42%	182.584
2003-04	7.20%	10.548
2005-06	9.79%	294.830
2007-08	10.14%	607.980
2008-09	13.80%	96.138
SUB-TOTAL (c)		3,024.021
GRAND TOTAL (a+b+c)		4,644.159

DETAIL OF PREMATURE DEBT RETIREMENT

(Rs. In Million)

Financial Year	S.No	Name of Loans	Rate of Markup	Amount Retired Prematurely	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 01-07-2016

(Figures in Million)

S.No	Description	Rate of Interest	No. of Installments	First Installment Due from	Balance as on 1.7.2016
1	IDA-678-Pak (3rd Education Project)	0.75%	80 half yearly	15-2-1987	*0.213
2	IDA-683-Pak (Flood Damages Restoration Project)	0.75%	80 half yearly	15-5-1987	*0.809
3	IDA-755-Pak (Hazara Forestry Project)	0.75%	80 half yearly	1-4-1998	*0.135
4	IDA-877-Pak (Salinity Control & Reclamation Project Mardan)	0.75%	80 half yearly	1-4-1989	*8.319
5	IDA-892-Pak (4th Primary Education Project)	0.75%	80 half yearly	1-9-1989	*0.471
6	IDA-1113-Pak (Bannu Leather Goods Services Control Project)	0.75%	80 half yearly	1-8-1991	*0.392
7	IDA-1163-Pak (On-Farm Water Management Project)	0.75%	80 half yearly	1-12-1991	*0.921
8	IDA-1239-Pak (Irrigation System Rehab: Project)	0.75%	80 half yearly	1-10-1992	*1.299
9	IDA-1487-Pak Command Water Mangt Project	0.75%	80 half yearly	15-6-1994	*1.767
10	IDA-1499-Pak (Small Industries Dev. Board Project)	0.75%	80 half yearly	15-1-1995	*0.083
11	IDA-1602-Pak (2nd Primary Education Project)	0.75%	80 half yearly	1-11-1995	*7.125
12	IDA-1603-Pak (On-Farm Water Mangt. Project)	0.75%	80 half yearly	1-11-1995	*1.704
13	IDA-1888-Pak (2nd Irrigation System and Rehabilitation Project)	0.75%	50 half yearly	1-8-1998	*1.688
14	IDA-2003-Pak (1988 Flood Damages Restoration Project)	0.75%	50 half yearly	15-9-1999	*1.192
15	IDA-2154-Pak (2nd Agriculture Research Project)	0.75%	50 half yearly	1-11-2000	*1.857
16	IDA-2240-Pak (Family Health Project)	0.75%	50 half yearly	1-11-2001	*7.111
17	IDA-2593-Pak (Social Action Program)	0.75%	50 half yearly	1-8-2004	*3.315
18	IDA-2999-Pak (National Drainage Programme)	0.75%	50 half yearly	15-11-2007	*1.335
19	IDA-3050-Pak (Social Action Programme-II)	0.75%	50 half yearly	15-9-2008	*5.745
20	KP Structural Adjustment Credit (SAC I)	0.75%	50 half yearly	15-12-2012	**5140.048
21	IDA-3776-Pak (Provincial HIV AIDS Control)	0.75%	50 half yearly	15-6-2013	*3.157
22	IDA-3906-Pak (Second KP Community Infrastructure Project)	0.75%	50 half yearly	15-9-2014	*36.562
23	IDA-3932-Pak KP Structural Adjustment Credit (SAC II)	0.75%	50 half yearly	15-9-2014	*85.5
24	IDA-3932-I Pak KP Structural Adjustment Credit (SAC II)	0.75%	50 half yearly	15-9-2014	*47.5
25	IDA-4177-Pak (Developmental Policy Credit-I)	0.75%	50 half yearly	15-9-2006	*93.04
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	*0.052
28	ADB-495-Pak (On Farm Water Mangt. Project)	1%	60 half yearly	15-5-1991	*0.578
29	ADB-723-Pak (Chashma Command Area Development Project)	1%	60 half yearly	15-12-1994	*12.423
30	ADB-758-Pak (Farm to Market Roads Project)	1%	50 half yearly	1-4-1996	*0.933
31	ADB-759 Pak (Science Education for Secondary School Project)	1%	60 half yearly	15-5-1996	*0.652
32	ADB-838-Pak (Chitral Area Dev. Project)	1%	60 half yearly	15-12-1997	*9.489
33	ADB-850-Pak (3rd Health Project)	1%	50 half yearly	1-3-1998	*3.492
34	ADB-851-Pak (Fruit and Vegetable Marketing Project)	1%	50 half yearly	15-4-1998	*0.385
35	ADB-874-Pak (Chashma Right Bank Irrigation Project Stage-II)	1%	50 half yearly	15-4-1998	*2.546

FOREIGN EXCHANGE LOAN LIABILITIES AS ON 01-07-2016

(Figures in Million)

S.No	Description	Rate of Interest	No. of Installments	First Installment Due from	Balance as on 1.7.2016
36	ADB-916-Pak (2nd Aquaculture Dev: Project)	1%	50 half yearly	15-1-1999	*1.14
37	ADB-917-Pak (2nd Farm to Market Road Project)	1%	50 half yearly	1-2-1999	*6.619
38	ADB-957-Pak (1988-Flood Damages Restoration Project)	1%	50 half yearly	1-10-1999	*1.339
39	ADB-973-Pak (Livestock Development Project)	1%	50 half yearly	15-2-2000	*1.011
40	ADB-976-Pak (Swabi Salinity Control and Reclamation Project)	1%	50 half yearly	15-12-1999	*9.618
41	ADB-977-Pak (Primary Education Girls Project)	1%	50 half yearly	15-6-2000	*2.389
42	ADB-1004-Pak (2nd Urban Dev: Project)	1%	50 half yearly	15-6-2000	*28.050
43	ADB-1146-Pak (Chashma Right Bank Irr: Project Stage-III)	1%	50 half yearly	15-3-2002	*37.357
44	ADB-1179-Pak (Barani Area Dev. Project)	1%	50 half yearly	15-3-2003	*13.392
45	ADB-1185-Pak (Provincial Highway Project)	1%	50 half yearly	15-3-2003	*5.598
46	ADB-1200-Pak (Health Care Dev. Project)	1%	50 half yearly	15-3-2003	*1.767
47	ADB-1209-Pak (Flood Damages Restoration Sectors Project)	1%	50 half yearly	15-3-2003	*8.705
48	ADB-1210-Pak (Teacher Training Project)	1%	50 half yearly	15-2-2003	*3.447
49	ADB-1278-Pak (Middle School Project)	1%	50 half yearly	15-01-2004	*9.750
50	ADB-1294-Pak (Pehur High Level Canal Project)	1%	50 half yearly	15-05-2004	*79.750
51	ADB-1301-Pak Social Action Program-I	1%	50 half yearly	15-9-2004	*8.895
52	ADB-1373-Pak (Technical Edu: Project)	1%	50 half yearly	15-11-2005	*2.814
53	ADB-1401-Pak (Rural Access Road Project)	1%	50 half yearly	1-2-2006	*18.949
54	ADB-1403-Pak (Forestry Sector Project)	1%	50 half yearly	15-5-2006	*30.885
55	ADB-1454-Pak (Primary Education Girls Project-II)	1%	50 half yearly	1-1-2007	*2.764
56	ADB-1493-Pak Social Action Program-II	1%	50 half yearly	15-03-2007	*19.128
57	IFAD-18-Pak (4th Agriculture Dev. Project)	1%	80 half yearly	1-9-1989	*0.308
58	IFAD-558-PAK				*7.767
59	IFAD-83-Pak (On-Farm Water Mangt. Project)	1%	80 half yearly	1-6-1992	*0.216
60	West German No.8267528 (Hospital Equipment in Khyber Pakhtunkhwa)	0.75%	80 half yearly	30-6-1994	***2.363
61	West German No. 8267585 (Drinking Water Supply in Refugees Camps in Khyber Pakhtunkhwa).	0.75%	80 half yearly	30-6-1994	***3.384

(Figures in million)

Name of Currency	Foreign Currency	Conversion rate for 2016-17	Pak Currency
U.S. Dollar	772.807	1US\$ = Rs. 105.500	81,531.139
Pak-Rupees			5,140.048
DM (German Marks)	5.747	1DM = Rs. 61.088	351.073
Total			87,022.260

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

**DISBURSEMENT POSITION OF FOREIGN PROJECTS AS ON 30-06-2016
WHICH IS UNDER VERIFICATION WITH FEDERAL GOVERNMENT**

(Figures in Million)

S.No	Name of Loans	Rate of Interest	No. of Installments	First Installments due from	Allocated Share	Outstanding Amount disbursed upto 30-6-2016
1	IDA-2245-Pak (On-Farm Water Management Project)	0.75%	50 half yearly	15-9-2001	*4.590	*2.294
2	IDA-2383-Pak (Environmental Protection and Resource Conservation Project)	0.75%	50 half yearly	15-11-2002	SDR 2.196 *3.107	*1.709
3	IDA-2468-Pak (1992 Flood Damages Restoration Project)	0.75%	50 half yearly	15-3-2003	*2.500	*1.439
4	IDA-2687-Pak (Primary Education Project)	0.75%	50 half yearly	15-8-2005	*88.890	*62.222
5	IDA-2829-Pak (KP Community Infrastructure Project)	0.75%	50 half yearly	1/7/2006	*16.662 SDR 10.617	*12.496
6	IDA 3516-Pak NWFP Emergency Rehabilitation Project	0.75%	50 half yearly	15-6-2011	SDR 16.600	*17.948
7	IDA-3516-1 Pak (Investment Programme-I)	1%	50 half yearly	15-12-2015	-	*10.345
8	ADB - 1534 Pak Secondary Education Project	1%	50 half yearly	1/2/2008	SDR 6.175 *8.197	*6.455
9	ADB - 1671 Pak Women Health Project	1.50%	50 half yearly	15-10-2005	*7.117	*4.292
10	ADB-1672 -Pak- Malakand Rural Dev:Project	1%	50 half yearly	1.9.2008	SDR 30.852 *41.808	*33.447
11	ADB-1787 -Pak- Barani Area Development Project Phase-II	1.50%	50 half yearly	15-05-2009	SDR 40.065 *52.000	*35.750
12	ADB-1854 -Pak KP Urban Dev. Project	1.50%	50 half yearly	15-10-2008	SDR 3.038	*3.401
13	ADB-1877 -Pak- Agriculture Sector Programme(ASPL-II)	1.50%	32 half yearly	1/3/2010	*9.477	*5.627
14	ADB-1878-Pak Agriculture Sector Programme	Libor + 0.60%	48 half yearly	1/3/2005	*15.588	*1.074
15	ADB-1900 -Pak- Reproductive Health Project	1.5%	48 half yearly	15-05-2010	SDR 3.812	*0.244
16	ADB-2103 -Pak- WFP Road Dev. Project	Libor + 0.60%	40 half yearly	1/2/2010	**17750.229	**7470.448
17	ADB-2104-Pak Road Dev: Sector	1.50%	48 half yearly	1/2/2013	SDR 3.404	*1.977
18	ADB-2135 -Pak Restructuring and Vocational Training System Project	1.50%	48 half yearly	15-05-2013	SDR 7.339	*1.655
19	ADP-2286-Pak Renewable Energy Development Sector	Libor + 0.60%	40 half yearly	15-12-2011	**12508.650	**231.770
20	ADP-2287-Pak Renewable Energy Development Sector	1.50%	48 half yearly	15-12-2014	SDR 6.793	*0.375
21	IBRD-3327-Pak (On-Farm Water Mangt. Project Phase-III)	0.75%	50 half yearly	15-9-2001	*2.300	*1.150

(Figures in million)

Name of Currency	Foreign Currency	Conversion rate for 2016-17	Pak Currency
U.S. Dollar	203.900	1 US \$=Rs. 105.500	21,511.450
Japanese Yen	7,702.218	1 ¥ =Rs. 0.965	7,432.640
Total			28,944.090

* US Dollar

** Japanese Yen

GENERAL REVENUE RECEIPTS

(Rupees in Million)

Description	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
I-PROVINCAL TAX RECEIPTS	22,594.500	14,319.900	18,171.145
GST on Services	14,000.000	8,000.000	10,000.000
Agriculture Income Tax	1,000.000	80.000	88.000
Urban Immoveable Property Tax (net)	218.000	163.500	218.000
Registration (Transfer of Property)	133.000	133.000	150.000
Land Revenue	1,800.700	1,800.700	1,850.000
Tax on Professions	264.500	250.000	264.000
Provincial Excise	38.000	38.000	41.800
Stamp Duties	814.000	814.000	890.000
Receipts under Motor Vehicles Acts, Route Permit & Fitnesses	1,638.500	1,488.500	1,802.350
Tobacco Development Cess	633.700	300.000	697.070
Infrastructure Development Cess	1,000.000	200.000	1,100.000
Electricity Duty	614.000	614.000	625.105
Fee for Real Estate Deals	12.700	12.700	13.970
Electronic Media	7.900	6.000	7.900
Hotel Tax	34.500	34.500	37.950
Urban Capital Value Tax	385.000	385.000	385.000
II- NON-TAX RECEIPTS	31,830.290	11,161.100	31,335.855
Civil Administration Receipts			
Income from Property & Enterprise	136.356	1,014.116	1,014.116
Interest	116.356	116.356	116.356
Dividends	16.569	894.329	894.329
Return on Assets Transferred to WAPDA	3.431	3.431	3.431
RECEIPTS FROM GENERAL ADMINISTRATION	226.700	231.700	237.900
Fees from Public Service Commission	50.000	55.000	60.000
Receipt in aid of Superannuation	50.000	50.000	50.000
Weights and Measures	36.700	36.700	37.900

GENERAL REVENUE RECEIPTS

(Rupees in Million)

Description	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Local Fund Audit	90.000	90.000	90.000
Receipts from Law and Order	1,542.000	1,764.100	1,866.300
Administration of Justice	242.000	264.100	266.800
Jails and Convict Settlement	16.500	16.500	17.000
Police, Arm Licence and others fees	1,283.500	1,483.500	1,582.500
Receipts from Social Services	844.170	888.230	1,023.473
Higher Education Archives & Libraries	216.870	291.250	378.268
Elementary & Secondary Education	78.000	55.000	60.000
Technical Education	26.500	14.400	15.200
Health	500.000	504.400	541.005
Manpower Management	0.900	0.980	1.000
Museums and Tourist Deptt.	21.900	22.200	28.000
Receipts from Community Services	1,030.000	850.000	1,050.000
Buildings and Communications	730.000	550.000	730.000
Public Health Engineering	300.000	300.000	320.000
Receipts from Economic Services	10,402.558	2,429.370	9,433.140
Agriculture	217.200	202.000	211.950
Fisheries	53.500	53.500	55.000
Wildlife	22.000	25.000	28.000
Animal Husbandry	151.800	106.800	132.850
Forestry	7,825.000	500.000	6,000.000
Irrigation	551.000	513.200	559.700
Industries	36.250	26.150	36.700
Stationery and Printing	94.000	102.720	205.440
Industrial Safety Explosives (Min: Dev)	1,451.808	900.000	2,203.500

GENERAL REVENUE RECEIPTS

(Rupees in Million)

Description	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Miscellaneous Receipts (Including Housing)	14,348.506	683.584	13,080.926
Hydel Power Own Generation	3,300.000	3,300.000	3,630.000
Provincial Receipts (I + II)	54,424.790	25,481.000	49,507.000
III-FEDERAL TAX ASSIGNMENT	250,892.750	251,651.071	293,694.328
Taxes on Income	108,216.481	106,651.510	125,500.729
Custom Duties	24,128.199	28,309.351	33,548.830
Sales Tax	102,735.706	101,193.326	118,195.761
Capital Value Tax (CVT)	109.417	160.829	189.255
Central Excise	15,702.947	15,336.055	16,259.753
IV-Straight Transfers	19,412.863	19,373.493	17,199.980
Royalty on Crude Oil	9,294.134	8,133.576	6,270.138
Royalty on Natural Gas	4,143.940	4,641.877	5,811.155
Gas Dev: Surcharge	3,558.109	4,790.920	3,202.787
Excise Duty on Natural Gas	2,416.680	1,807.120	1,915.900
V-Net Profit from Hydel Power Generation	17,000.000	9,000.000	18,704.000
VI-Arrears of Net Hydel Profit	51,873.042	25,000.000	15,000.000
VII-1% of Divisible Pool for War on Terror	30,146.555	30,237.675	35,289.471
VIII-Incentive on Surplus Cash	2,000.000	1,197.683	300.000
IX-Extra Budgetary Grant (Non-Dev)		6,204.000	
Total General Revenue Receipts (I to IX)	425,750.000	368,144.922	429,694.779

CURRENT REVENUE EXPENDITURE

(Rupees in Million)

Classification	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
General Public Service	177,350.409	170,912.332	222,057.755
Executive and Legislative Organs, Financial and Fiscal Affairs (Voted)	45,094.744	42,119.069	45,747.408
Executive and Legislative Organs, Financial and Fiscal Affairs (Charged)	13,786.329	8,800.590	13,891.471
Transfers	116,176.026	117,878.521	159,671.968
General Services	2,272.275	2,090.482	2,717.126
General Public Services not elsewhere defined	21.035	23.670	29.782
Civil Defence	14.236	14.552	15.091
Public Order and Safety Affairs	41,374.473	42,471.793	41,962.879
Law Courts (Voted)	3,254.627	3,494.961	3,387.809
Law Courts (Charged)	1,339.992	1,304.474	1,339.385
Police	33,383.217	34,222.949	33,743.411
Prison Administration and Operation	1,728.155	1,690.862	1,796.333
Administration of Public Order	1,668.482	1,758.547	1,695.941
Economic Affairs	18,094.726	15,314.266	18,341.036
General Economic, Commercial and Labour Affairs	400.754	351.762	426.549
Agriculture, Food, Irrigation, Forestry and Fishing	11,951.930	10,505.614	12,154.529
Fuel and Energy	170.364	159.727	168.226
Mining and Manufacturing	742.884	573.428	826.796
Construction and Transport (Voted)	4,772.641	3,660.890	4,697.320
Construction and Transport (Charged)	4.015	19.015	4.015
Other Industries	52.138	43.830	63.601
Environment Protection	46.903	44.704	89.802
Housing and Community Amenities	8,528.437	2,225.354	4,306.177
Housing Development	35.346	28.919	38.291
Community Development	6,922.060	2,000.000	4,000.000
Water Supply	1,571.031	196.435	267.886
Health	16,701.079	16,835.261	19,755.476
Medical Product, Appliances & Equipment	4.998	4.834	5.430

CURRENT REVENUE EXPENDITURE

(Rupees in Million)

Classification	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Hospital Services	15,080.755	15,979.047	18,912.088
Public Health Services	26.309	23.158	34.698
Health Administration	1,589.017	828.222	803.260
Recreation, Culture and Religion	782.716	847.122	1,006.244
Recreation and Sporting Services	77.044	96.697	88.759
Cultural services	203.619	194.588	279.122
Broad Casting and Publishing	155.176	246.224	265.163
Religious Affairs	285.872	251.856	312.156
Administration of Information, Recreation and Culture	61.005	57.757	61.044
Education Affairs and Services	28,549.698	15,162.174	19,520.363
Pre-primary and Primary Education Affairs and Services	3,371.843	320.164	439.940
Secondary Education Affairs and Services	866.505	165.523	166.210
Tertiary Education Affairs and Services	15,775.955	13,229.850	16,706.183
Subsidiary Services to Education	181.824	187.382	200.014
Administration	8,353.571	1,259.255	2,008.016
Social Protection	6,557.323	17,076.210	5,945.177
Administration	5,885.614	16,697.160	5,040.831
Other	671.709	379.050	904.346
Total Current Revenue Expenditure	298,000.000	280,903.768	333,000.000

DEVELOPMENT BUDGET BY SECTOR FOR THE YEAR 2015-16 & 2016-17

(Rs. in Million)

DEVELOPMENT PROGRAMME	2015-16		Budget Estimates 2016-17		
	Budget Estimates	Revised Estimates	Annual Dev: Program	Foreign Project Assistance	Total
ANNUAL DEVELOPMENT PROGRAMME					
Agriculture	2,467.830	1,829.558	3,976.000	2,225.926	6,201.926
Auqaf, Hajj & Minority Affairs	222.000	101.950	366.000		366.000
Board of Revenue	1,129.000	460.160	637.000		637.000
Building	1,275.000	1,275.000	1,439.000		1,439.000
Drinking Water & Sanitatioin	7,362.010	5,551.000	4,150.000	0.010	4,150.010
Elementary & Secondary Education	15,978.450	11,548.977	12,453.000	4,462.468	16,915.468
Energy and Power	3,749.380	1,785.399	37.000	261.620	298.620
Environment	57.000	17.213	57.000		57.000
Excise, Taxation & Norcotics	406.000	152.974	234.000		234.000
Finance	6,067.330	2,321.436	1,608.000	5.000	1,613.000
Food	501.000	54.091	732.000		732.000
Forestry	1,242.000	4,466.662	2,007.000		2,007.000
Health	12,432.594	8,218.617	10,541.000	6,938.114	17,479.114
Higher Education	6,200.000	5,787.064	4,784.000		4,784.000
Home	6,378.781	3,322.509	2,420.000	3,293.765	5,713.765
Housing	956.000	160.962	540.000		540.000
Industries	4,540.685	2,693.209	1,643.000	332.008	1,975.008
Information	224.000	208.000	180.000		180.000
Labour	74.000	8.490	85.000	40.000	125.000
Law & Justice	1,199.950	1,259.651	1,365.000	84.240	1,449.240
Local Government	18,266.000	17,470.499	6,000.000	3,414.920	9,414.920
Mines and Mineral	626.000	239.646	622.000	0.001	622.001
Multi Sectoral Development	13,593.272	5,649.414	3,240.000	5,041.078	8,281.078
Population Welfare	349.000	177.456	230.000		230.000
Pro-Poor Initiatives	8,166.000	5,433.289	1,900.000		1,900.000
Regional Development	-	1,998.718			-
Relief & Rehabilitation	2,053.000	877.464	2,215.000		2,215.000
Roads	19,005.940	19,434.807	10,798.000	3,765.840	14,563.840
Social Welfare	526.246	396.469	460.000		460.000
Sports, Tourism, Archaeology & Youth Affairs	1,377.532	1,870.133	3,113.000	0.010	3,113.010
ST & IT	1,080.000	795.433	610.000		610.000
Transport	234.000	91.000	176.000	6,000.000	6,176.000
Urban Development	-	-	5,552.000	35.000	5,587.000
Water	6,870.000	8,674.000	6,930.000	100.000	7,030.000
Total ADP (I)	144,610.000	114,331.250	91,100.000	36,000.000	127,100.000
DISTRICT ADP (II)	30,274.000	15,491.495	33,900.000	-	33,900.000
Total (I+II)	174,884.000	129,822.745	125,000.000	36,000.000	161,000.000

DEVELOPMENT BUDGET BY SECTOR FOR THE YEAR 2015-16 & 2016-17

(Rs. in Million)

DEVELOPMENT PROGRAMME	2015-16		Budget Estimates 2016-17		
	Budget Estimates	Revised Estimates	Annual Dev: Program	Foreign Project Assistance	Total
SPECIAL PROGRAMME (PSDP)					
Elementary & Secondary Education	-	209.754	-	-	-
Health	-	2,566.907	-	-	-
Local Government	-	647.080	-	-	-
Research and Development	-	2.000	-	-	-
Water	-	1,850.159	-	-	-
Total PSDP (III)	-	5,275.900	-	-	-
Total Annual Development Programme (I+II+III)	174,884.000	135,098.645	125,000.000	36,000.000	161,000.000

DEVELOPMENT BUDGET

(Rs. in Million)

PARTICULARS	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
A-EXTERNAL RESOURCES			
I-FOREIGN LOANS			
ADB	849.380	288.330	6,561.620
Development of Renewable Energy in Khyber Pakhtunkhwa	349.380	288.330	186.620
Detailed Design and Construction of Pehur High level Canal Extension District Swabi	-	-	100.000
Detailed Engineering Design PDA of Peshawar	-	-	1,000.000
Provincial Roads Rehabilitation Project	-	-	200.000
Access to Energy - construction of MHP on Rivers and Tributaries	-	-	25.000
Access to Energy - construction of MHP on Canals	-	-	25.000
Access to Energy - solarization of schools and BHUs	-	-	25.000
Construction Mass Transit facility in Peshawar (Public Private Partnership Donor)	500.000	-	5,000.000
WORLD BANK	-	-	5.000
Own source revenue generation	-	-	5.000
JAPANESE / JICA	4,373.630	2,770.400	2,553.840
Emergency Rural Road Rehabilitation Project	4,373.630	2,770.400	2,553.840
Sub Total (I) Foreign Loans	5,223.010	3,058.730	9,120.460
II-FOREIGN GRANTS			
ADB	700.000	-	1,000.000
Feasibility Study for References Design for Mass Transit System in Peshawar	700.000	-	1,000.000
UNDP	656.385	600.890	1,138.290
Strengthening of Rule of Law in Malakand	219.218	219.070	219.570
SDG Unit in Khyber Pakhtunkhwa	-	-	150.000
Community Resilience in Malakand	-	-	520.000
Youth and social cohesion project	-	-	218.719
Strengthening Local Governance in KP	-	-	0.001
Refugee affected & hosting Area Programme	407.167	377.400	-
Sustainable Land Management Programme to combat Desertification and Land Degradation	30.000	4.420	30.000
SDC	285.376	267.870	252.426
Livelihood Programme Hundukush	104.000	103.030	68.690
Water for Livelihoods Phase-II	181.376	164.840	183.736
NAS/INL	1,268.460	618.158	1,702.440
F/S & Strengthening of Security Crescent Around Peshawar	400.000	-	800.000
Kala Dhaka Area Development Project	150.000	-	29.500
Additional Works in Joint Police Training Center at Nowshera	-	-	88.700
Upgradation / Rehabilitation of Road from Chakdara to Madian - Kanjo to Dhamana Village	176.310	158.207	-
Construction of Police Lines Daggar, District Buner	300.000	250.000	400.000
Construction of Joint Police Training Centre at Nowshera	92.200	0.300	300.000

DEVELOPMENT BUDGET

(Rs. in Million)

PARTICULARS	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Directorate of Human Rights and its District based Resources Centre - with integrated facilities for Public Prosecutors, Govt Pleaders, and Probation Officers	149.950	209.651	84.240
JICA / JAPAN ASSISTED.	278.915	86.363	59.330
Construction of Boundary Walls in Govt schools through Tameer-e-school Program	200.000	-	0.010
Gravity Flow Water Supply Scheme, Mansehra.	0.010	-	0.010
Promotion of Carp Fisheries	32.640	-	32.640
Project for Strengthening Routine Immunization	20.374	8.158	26.670
Capacity Building of Technical Teachers and TVC in Malakand	22.645	78.205	-
Capacity Building of Government Officers for Social Participation of Persons	3.246	-	-
UK/DFID/GAVI	9,287.049	5,271.156	8,817.826
Khyber Pakhtunkhwa Immunization Support Program	1,650.000	-	3,427.800
Peace Building Initiative for Khyber Pakhtunkhwa	1,072.000	1,168.649	449.591
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	400.000	51.500	12.000
AAWAZ Voice and Accountability Program	150.599	553.200	400.350
Strengthening of Planning Cell of E&SE Department	-	-	-
Provision of Stipends to Secondary Schools Girls	1,200.000	1,046.465	1,200.000
Continuous Capacity Development of Parent Teachers Councils	500.000	802.512	262.458
Establishment of Independent Monitoring Unit	-	-	-
Schools Infrastructure	2,378.450	-	1,000.000
Sub-National Governance Programm	436.000	148.830	65.627
Schools furniture project in Khyber Pakhtunkhwa	1,500.000	1,500.000	2,000.000
MDTF	3,464.680	1,852.969	1,327.368
Southern Area Development Project	600.000	499.204	681.379
Strengthening of Health Services	391.800	173.520	-
Multi Donor Trust Fund for Improved Growth, Governance and Service Delivery	1,000.000	-	-
Economic Revitalization in Khyber Pakhtunkhwa	531.040	464.060	332.008
Governance and Policy Refoms program	-	-	300.980
Governance Support Programme - Establishment of PCNA Support Unit	119.840	80.184	13.000
Upgradation / Rehabilitation of Road from Chakdara to Madian - Sharif Abad to Kanjo Swat	306.000	442.351	-
Institutional Support Value Addition, Skills Dev. & Employment Generation in Marble & Granite Sector	-	-	0.001
Competative Industries Project for Khyber Pakhtunkhwa	516.000	193.650	-
USAID	1,368.190	776.884	3,496.937

DEVELOPMENT BUDGET

(Rs. in Million)

PARTICULARS	Budget Estimates 2015-16	Revised Estimates 2015-16	Budget Estimates 2016-17
Gomal Zam Dam Command Area Development and On-Farm Water Management for high value and high efficiency Agriculture Project	848.190	6.884	2,193.286
Establishment of Urban Policy Unit	20.000	20.000	35.000
Municipal Service Delivery Project	500.000	750.000	1,000.000
Khyber Pakhtunkhwa Governance Project	-	-	268.651
Italian Debt Swap	52.532	45.133	0.010
Archaeology Community Tourism Field School Project	52.532	45.133	0.010
World Bank/dfid	1,850.624	1,651.670	3,000.000
Integration of Health Services Delivery with special focus on MNCH, LHW and Nutrition Programme	1,850.624	1,651.670	3,000.000
UNICEF/UN	3,076.000	1,246.835	1,869.165
Strengthening Govt. Efforts to Combat Child Labour	-	-	40.000
Multiple Initiative under one UN Programme	3,076.000	1,246.835	1,829.165
CIDA	250.000	250.000	-
Construction of Abutments and Launching of Canadian SteelBridges provided to Pak Army for Khyber Pakhtunkhwa	250.000	250.000	-
GTZ	317.796	624.429	87.954
Support for Development Planning	150.000	192.659	
Establishment of Safe Blood Transfusion Centers in Khyber Pakhtunkhwa	14.796	120.120	87.954
Sustainable Management of Bio-Diversity in Malakand (Swat & Chitral)	153.000	311.650	-
KFW	525.000	225.000	895.690
Reconstruction of women and children liaqat memorial teaching hospital Kohat through RAHA	-	-	125.000
Infrastructure Support to Khyber Pakhtunkhwa	300.000	-	500.000
Social Health Protection Initiative for Khyber Pakhtunkhwa	225.000	225.000	270.690
EUROPEAN UNION	3,756.693	90.758	3,232.104
KP District Governance & Community Dev. Program	2,961.330	-	2,414.919
Strengthening Rule of Law for Citizens Justice and Peace	-	-	387.637
Pakistan Action to Counter Terrorism with Special reference to Khyber Pakhtunkhwa UNODC	251.966	-	251.966
Technical assistance for implementation of citizens justice and peace program	155.760	90.758	177.582
Rule of Law Programme in Khyber Pakhtunkhwa	387.637	-	
AUS AID	523.290	155.900	-
Citizen Engagment for Social Services Delivery	523.290	155.900	-
Sub-Total (II) Foreign Grants	27,660.990	13,764.015	26,879.540
A-Total External Resources (I + II)	32,884.000	16,822.745	36,000.000
B-Provincial Contribution	142,000.000	113,000.000	125,000.000
C-Public Sector Development Programme (PSDP)	-	5,275.900	-
Total Development Resources (A+B+C)	174,884.000	135,098.645	161,000.000

**ANNUAL DEVELOPMENT PROGRAMME
SINCE 1972-73**

(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	135,098.645*
2016-17	161,000.000	

(*Includes PSDP of Rs. 5,275.900 million)

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

(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 REVENUE RECEIPTS & CURRENT REVENUE BUDGET SINCE 1974-75

(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 REVENUE RECEIPTS & CURRENT REVENUE BUDGET SINCE 1974-75

(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	—	—
R.E	14,319.9	11,161.1	25,481.0	—	301,262.2	34,000.0	7,401.7	368,144.9	280,903.8	(+) 87241.2	—	—
2016-17 B.E	18,171.1	31,335.9	49,507.0	—	346,183.8	33,704.0	300.0	429,694.8	333,000.0	(+) 96694.8	—	—

GRANT WISE GENERAL ABSTRACT OF CURRENT BUDGET FOR THE YEAR 2016-17

(Rs. In Million)

D.NO	DEPARTMENTS	BUDGET ESTIMATES 2015-16	REVISED ESTIMATES 2015-16	BUDGET ESTIMATES 2016-17			
				POSTS	SALARY	NON SALARY	TOTAL
1	PROVINCIAL ASSEMBLY	790.633	763.033	563	564.093	298.413	862.506
2	GENERAL ADMINISTRATION	2,835.207	2,992.141	2,688	1,619.060	1,932.638	3,551.698
3	FINANCE, TREASURIES, LOCAL FUND AUDIT	3,900.040	2,115.325	1,291	1,496.183	464.832	1,961.015
4	PLANNING & DEVELOPMENT DEPARTMENT & BUREAU OF STATISTICS	259.671	244.787	355	243.051	57.263	300.314
5	INFORMATION TECHNOLOGY DEPARTMENT	74.778	63.562	104	55.089	24.737	79.826
6	REVENUE & ESTATE DEPARTMENT	1,972.219	675.894	1,399	519.177	637.608	1,156.785
7	EXCISE AND TAXATION DEPARTMENT	592.811	547.756	1,325	441.048	178.262	619.310
8	HOME DEPARTMENT	1,434.599	1,656.367	1,404	748.372	786.781	1,535.153
9	JAILS & CONVICTS SETTLEMENT	1,728.155	1,690.862	4,170	1,119.531	676.802	1,796.333
10	POLICE	32,745.244	33,508.428	71,575	27,700.580	5,237.485	32,938.065
11	ADMINISTRATION OF JUSTICE	4,878.094	4,965.810	6,703	3,841.858	1,141.125	4,982.983
12	HIGHER EDUCATION, ARCHIVES & LIBRARIES	9,268.213	7,660.957	13,391	8,160.503	1,336.709	9,497.212
13	HEALTH	21,576.133	21,576.133	31,172	17,534.840	7,986.805	25,521.645
14	COMMUNICATION AND WORKS DEPARTMENT	1,252.053	836.728	2,412	807.734	187.284	995.018
15	ROADS HIGHWAYS & BRIDGES (REPAIR)	2,321.500	2,157.116	-	-	2,502.000	2,502.000
15	BUILDING & STRUCTURE (REPAIR)	981.235	556.500	-	-	966.000	966.000
16	PUBLIC HEALTH ENGINEERING	1,571.031	196.435	387	194.797	73.089	267.886
17	LOCAL GOVERNMENT DEPARTMENT	8,297.648	3,441.309	146	123.183	5,206.177	5,329.360
18	AGRICULTURE	2,348.546	1,625.621	3,514	1,638.596	793.851	2,432.447
19	ANIMAL HUSBANDRY	975.582	620.289	1,516	699.037	453.072	1,152.109
20	CO-OPERATION	57.590	29.017	50	29.067	10.492	39.559
21	ENVIRONMENT AND FORESTRY	1,837.833	1,733.347	4,279	1,673.757	323.165	1,996.922
22	FORESTRY (WILDLIFE)	382.443	384.478	1,139	318.735	76.545	395.280
23	FISHERIES	122.026	86.898	241	75.953	22.220	98.173
24	IRRIGATION	3,609.195	3,463.626	7,694	1,992.924	1,428.747	3,421.671
25	INDUSTRIES	418.665	333.329	667	350.346	118.665	469.011
26	MINERAL DEVELOPMENT AND INSPECTORATE OF	503.226	401.857	826	350.536	187.329	537.865
27	STATIONERY AND PRINTING	128.203	123.400	214	73.908	60.977	134.885
28	POPULATION WELFARE	428.989	280.995	260	122.579	332.636	455.215
29	TECHNICAL EDUCATION AND MANPOWER	1,754.880	1,394.270	2,942	1,432.931	538.503	1,971.434
30	LABOUR	297.498	261.030	541	233.653	109.893	343.546
31	INFORMATION & PUBLIC RELATIONS	216.181	303.981	315	169.521	156.686	326.207

GRANT WISE GENERAL ABSTRACT OF CURRENT BUDGET FOR THE YEAR 2016-17

(Rs. In Million)

D.NO	DEPARTMENTS	BUDGET ESTIMATES 2015-16	REVISED ESTIMATES 2015-16	BUDGET ESTIMATES 2016-17			
				POSTS	SALARY	NON SALARY	TOTAL
32	SOCIAL WELFARE, SPECIAL EDUCATION	551.187	251.823	215	217.574	502.207	719.781
33	ZAKAT & USHER DEPARTMENT	193.841	178.282	447	188.311	30.533	218.844
34	PENSION	36,993.025	36,993.025	-	-	40,905.310	40,905.310
35	SUBSIDIES	2,900.000	2,900.000	-	-	2,900.000	2,900.000
36	GOVT INVESTMENT & COMMITTED CONTRIBUTION	13,400.000	10,400.000	-	-	24,000.000	24,000.000
37	AUQAF, RELIGIOUS, MINORITY & HAJJ	92.031	73.574	46	26.861	66.451	93.312
38	SPORTS, CULTURE, TOURISM & MUSEUMS	385.834	395.631	613	192.170	288.239	480.409
39	DISTRICT NON SALARY	5,302.777	10,726.811	-	-	17,440.064	17,440.064
40	GRANT TO LOCAL COUNCILS	4,526.269	5,424.136	-	-	4,715.849	4,715.849
41	HOUSING DEPARTMENT	35.346	28.919	39	24.174	14.117	38.291
42	DISTRICT SALARY	92,554.756	90,935.350	300,474	112,584.605	-	112,584.605
43	INTER PROVINCIAL COORDINATION DEPTT	39.531	32.190	56	29.794	14.353	44.147
44	ENERGY AND POWER DEPARTMENT	70.364	59.727	100	48.743	19.483	68.226
45	TRANSPORT & MASS TRANSIT DEPARTMENT	221.868	129.561	443	170.473	67.844	238.317
46	ELEMENTARY AND SECONDARY EDUCATION	12,535.827	1,249.585	1,164	673.127	1,489.225	2,162.352
47	RELIEF REHABILITATION AND SETTLEMENT	5,637.223	16,433.873	1,147	513.526	4,239.534	4,753.060
-	DEBT SERVICING (INTEREST PAYMENT)	7,021.090	7,067.090	-	-	8,075.000	8,075.000
-	DEBT SER. (APPRO. FOR REDUCTION OR	5,978.910	932.910	-	-	4,925.000	4,925.000
TOTAL (REVENUE BUDGET)		298,000.000	280,903.768	468,027	189,000.000	144,000.000	333,000.000
CAPITAL EXPENDITURE							
48	LOANS AND ADVANCES	90.000	90.000	-	-	90.000	90.000
-	DEBT SERVICING (LOAN FROM FEDERAL GOVT.DISCHARGED)	14,910.000	14,910.000	-	-	10,910.000	10,910.000
TOTAL (Capital Budget)		15,000.000	15,000.000	-	-	11,000.000	11,000.000
GRAND TOTAL (Revenue + Capital)		313,000.000	295,903.768	468,027	189,000.000	155,000.000	344,000.000
CAPITAL EXPENDITURE - FOOD (ACCOUNT-II)							
49	STATE TRADING IN FOOD GRAINS AND SUGAR	86,858.000	17,821.086	1,297	416.550	86,488.450	86,905.000
-	DEBT SERVICING (FLOATING DEBT)	15,000.000	15,000.000	-	-	15,000.000	15,000.000
TOTAL Capital Budget (Account-II)		101,858.000	32,821.086	1,297	416.550	101,488.450	101,905.000

Medium Term Fiscal Framework (2016-19)

PKR in Million

	B.E 2015-16	R.E 2015-16	BE 2016-17	Forecast 2017-18	Forecast 2018-19
Total Revenue	487,884	431,002	505,000	499,921	552,437
Federal Transfers	300,453	301,262	346,184	382,146	422,082
Federal Tax Assignment	250,893	251,651	293,694	325,960	361,770
1% for War on Terror	30,147	30,238	35,289	39,167	43,470
Straight Transfers	19,413	19,373	17,200	17,020	16,842
Provincial Tax & Non Tax Revenue	54,425	25,481	49,507	43,891	52,478
Provincial Tax Receipts	22,595	14,320	18,171	21,905	26,515
Property tax	218	164	218	257	302
General Sales Tax(Provincial)	14,000	8,000	10,000	12,579	15,822
Excise duties	38	38	42	45	49
Stamp duties	814	814	890	989	1,099
Motor vehicles tax	1,139	1,139	1,252	1,333	1,419
Infrastructure Dev Cess	1,000	200	1,100	1,100	1,100
Other	5,386	3,966	4,669	5,603	6,723
Provincial Non-Tax Receipts	31,830	11,161	31,336	21,985	25,964
Interest	116	116	116	116	116
Irrigation	551	513	560	623	692
Hydel Own Generation	3,300	3,300	3,630	4,051	4,521
Commercialization of Govt. Property	-	-	12,700	-	-
Others	27,863	7,231.64	14,330	17,196	20,635
Profits from Hydro electricity	17,000	9,000	18,704	18,704	18,704
Financing From HDF	15,000	15,000	15,000	-	-
Financing From Past Savings/Cash Balance	14,000	27,327	11,855	-	-
Grants	29,661	24,623	27,180	29,897	32,887
Population Welfare	-	-	-	-	-
Incentive on Cash Balance	2,000	1,198	300	330	363
Other Non Development Grants from Federal	-	6,204	-	-	-
PSDP(Federal)	-	3,124	-	-	-
Foreign Grants (PDMA)	-	334	-	-	-
Foreign Grants (Others)	-	-	-	-	-
Foreign Grants (FPA)	27,661	13,764	26,880	29,567	32,524
Capital Receipts	5,473	3,309	21,570	10,283	11,286
Recovery of Investment & loans	250	250	250	250	250
Domestic Loan	-	-	12,200	-	-
Foreign Loans (FPA)	5,223	3,059	9,120	10,033	11,036

Medium Term Fiscal Framework (2016-19)

PKR in Million

	B.E 2015-16	R.E 2015-16	BE 2016-17	Forecast 2017-18	Forecast 2018-19
Operational shortfall	-	-	-	-	-
NHP arrears	51,872	25,000	15,000	15,000	15,000
Financing Savings in expenditure till june 2015	-	-			
Total Expenditure	487,884	431,002	505,000	499,921	552,437
Current Expenditure	298,000	280,904	333,000	356,709	382,922
Salary	82,445	67,994	76,415	78,509	80,911
Pension	37,043	36,993	40,905	46,795	53,544
Non-Salary O&M and Contingency	46,828	47,531	41,039	44,929	49,247
Subsidy	2,900	2,900	2,900	3,306	3,769
Investment & committed contribution	13,400	10,400	24,000	26,400	29,040
Interest Payments	13,000	8,000	13,000	14,300	15,730
Transfer to Local Government	102,384	107,086	134,741	142,470	150,682
Local Councils	4,526	5,424	4,716	5,344	6,056
District Salary	92,555	90,935	112,585	118,436	124,597
District Non Salary	5,303	10,727	17,440	18,690	20,030
Capital Expenditure	15,000	15,000	11,000	12,100	13,311
Domestic Debt	500	500	-	-	-
Federal Debt	9,096	8,723	4,710	5,181	5,699
Foreign Debt	5,314	5,687	6,200	6,820	7,502
Initiatives & Others	90	90	90	99	110
Fiscal Space	174,884	135,099	161,000	131,112	156,204
Development Expenditure	174,884	135,099	161,000	131,112	156,204
ADP(Provincial)	111,726	97,509	91,100	66,694	82,094.73
ADP(Districts)	30,274	15,491	33,900	24,818	30,549
PSDP	-	5,276	-	-	-
Foreign Project Assistance	32,884	16,823	36,000	39,600	43,560
Total Revenue	487,884	431,002	505,000	499,921	552,437
Total Expenditure	487,884	431,002	505,000	499,921	552,437
Surplus /Deficit	- 0	- 0	-	-	-