



**YEAR-END REPORT
ON BUDGET EXECUTION
2015-16**

**GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT**

Foreword

It has been the foremost priority of the present Government of Khyber Pakhtunkhwa to bring improvement in the service delivery of the entities responsible for it through greater transparency and accountability. The resolve of the Government is evident through promulgation of laws including Right to Information Act and Right to Services Act. At the same time, the Government is committed to the development of the province by bringing much needed reforms in the area of public financial management (PFM) and thus has framed a PFM Reform Strategy. The Strategy is aimed at consolidation of already initiated reforms, expansion of resource base of the province and creation of an enabling structures and mechanisms for effective and efficient utilisation of already available resources.

With transparency at the centre stage of Government policies, the Finance Department has for the first time in the history of the province has prepared a Year-End Budget Report for fiscal year 2015-16. The Report is based on internationally recognised methodology advocated by Open Budget Partnership.

Fiscal year 2015-16 was a challenging year for the Government of Khyber Pakhtunkhwa as for the first time 30% of the development funds were transferred to the newly established local governments. This had a strong impact on the overall budget preparation process as there was a growing demand for funds by the Local Governments for devolved functions.

In spite of the fact that 83% of the total receipts comprise of the funds received from the Federal Government, the measures taken by the Government to increase revenues are bearing fruit as total receipts showed an increase of 31% in FY 2015-16 over previous year's receipts and the government managed to collect 81% of receipts against the target set for the year.

On expenditure side, overall 79% of the original budget estimate was actually spent by the government during FY 2015-16. While the budget estimate stood at an increase of 21% over previous year's estimate (2014-15) the actual spent was, however, about 14% higher than FY 2014-15.

The commitment of the Government to effectively utilise development funds is visible from the increase in actual development spending of PKR 107.6 billion in FY 2015-16, out of which PKR 99.9 billion were spent under the Annual Development Programme. This was 4% higher than the actual spent on ADP in FY 2014-15.

The publication of this report will make citizens more aware of the performance of the Government. The extensive information available in the report will help academia to make use of the information for further analyses and undertaking research works.

I wholeheartedly thank all the departments and the staff of the Finance Department, who has worked untiringly to produce a document which we all are rightly proud of.

Shakeel Qadir Khan
Secretary Finance Department
Government of Khyber Pakhtunkhwa

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1. Introduction

Budget is the government's most powerful economic tool to meet the needs of its people, especially those who are poor and marginalized. In recent years, the Government of Khyber Pakhtunkhwa (GoKP) has been bringing reforms in public financial management system and practices to ensure that public resources are utilised in the best possible manner to achieve policy goals. The government has also become increasingly responsive to internationally accepted open budget practices that recognize citizens' right to budget information.

The Khyber Pakhtunkhwa Right to Information Act was promulgated in 2013, which makes it mandatory on government offices to not only provide information to the citizens on demand, but also proactively make available updated budget and expenditure information. Taking it a step further, the Finance Department set for itself a comprehensive budget transparency roadmap based on the Budget Transparency Survey conducted by the DFID-funded Sub-National Governance Programme in collaboration with Omar Asghar Khan Foundation.¹ This first ever Year-End Report of the GoKP has been prepared under the budget transparency roadmap to provide consolidated information to the public on all types of receipts and expenditures of the GoKP during the fiscal year 2015-16.

The report focuses on the Provincial Consolidated Fund, consisting mainly of Non-food Account (Account-I) relating to other than food transactions. However, a separate section on receipts and expenditures from Food Account (Account-II) relating to food transactions is also presented in section 6. The receipts and expenditures of district governments, tehsil municipal administrations and village/neighbourhood councils is covered only to the extent of provisions made in the budget for local governments and funds released throughout the year (booked as expenditure).

Efforts have been made to present financial data from audited accounts prepared by the Controller General of Accounts, hence the major source of data on actual expenditure is the Government's Integrated Financial Management Information System (IFMIS). Project details of the Annual Development Programme (ADP) has been sourced from the Planning & Development Department. The progress information against key performance indicators and targets for FY 2015-16 were provided by respective line departments during budget preparation process for FY 2016-17.

2. Social and macroeconomic factors

Khyber Pakhtunkhwa's economy has been jolted again and again for an extended period of time by the fallout from over three decades of the Afghan conflict, spill over of militancy in FATA, unprecedented devastations caused by the 2005 earthquake and 2010 floods, and internal displacement of over 3 million people due to the Swat conflict in 2009. As a result, there has been stunted growth in economy despite a huge growth potential in agriculture and livestock, industry and construction, hydel energy, mining and tourism sectors.

Table 1. Socio-economic indicators 2014-15 and 2015-16

Indicators ²	2014-15	2015-16
GDP of Pakistan	27,384 billion	30,533 billion
GDP Growth rate of Pakistan	4.04%	4.71%
KP GDP ³ (provisional)	2,484 billion	2,769 billion
Inflation rate of Pakistan	4.8%	2.8%

¹ The survey was based on Open Budget Survey methodology. <http://www.internationalbudget.org/opening-budgets/open-budget-initiative/open-budget-survey/>

² GDP, inflation and poverty figures are taken from the Economic Survey of Pakistan 2015-16.

³ Extrapolated from National GDP on the basis of provincial share in Federal Divisible Pool i.e. 9.07%. Factual figures for GDP at the provincial level are not available.

Indicators ²	2014-15	2015-16
KP Population ⁴	27.9 million	28.7 million
KP Gender ratio male:female	1:0.95	1:0.95
Poverty rate in Pakistan (Cost of Basic Needs method)	29.5%	N/A
Multidimensional Poverty Incidence in KP (deprivation in health, education and standard of living)	49.1% (28.9% reduction since 2004-5)	N/A
Unemployment rate ⁵	7.71%	N/A
Literacy rate	54%	N/A

3. Receipts Highlights

- Receipts pertaining to Account-I of the government consist mainly of tax and non-tax revenue (collectively called general revenue receipts) and recoveries of investments, loans & advances and debt for development purposes (collectively referred to as capital receipts).
- The government estimated total receipts of PKR 487.884 billion in FY 2015-16. This consisted of provincial own resources, federal transfers and past savings. Overall the revised estimate for total receipts was cut down to 88% of the original estimate during budget review, seven months into budget execution.
- While formulating budget the government expected to collect PKR 83.674 billion revenue from own sources, including 14 billion in savings from previous year. This estimate was revised to PKR 68.058 billion seven months into budget implementation. Fiscal transfers from federal government were originally estimated at PKR 404.209 billion and were also later revised to PKR 362.944 billion.
- Although actual receipts at year-end, amounting to PKR 397.374 billion, fell short of the target (81% against original target and 92% against revised target), however, the aggregate performance was generally better than the previous year (FY 2014-15), where the government managed to collect only 75% of the original target set for receipts.
- The actual receipts collected in FY 2015-16 showed an overall increase of 31% over last year due to an increase of 27% in federal transfers and 72% in provincial own-source receipts.
- Provincial own receipts amounted to about 10% of the total receipts and about 1.47% of the provincial GDP (provisional).
- At the time of budget formulation it was estimated that PKR 14 billion will be available to the government as unutilised savings from fiscal year 2014-15. This figure was revised upwards to over PKR 27 billion in-year.⁶ However, the reflection of these savings and their utilisation is unclear in the audited financial statements prepared by the Controller General Accounts.

3.1. Tax receipts

- A major portion (95%) of the actual tax receipts consisted of federal transfers under the 9th National Finance Commission Award. These funds are transferred by the federal government on the basis of a multi-factored formula for distribution of revenue from selected resources (known as the

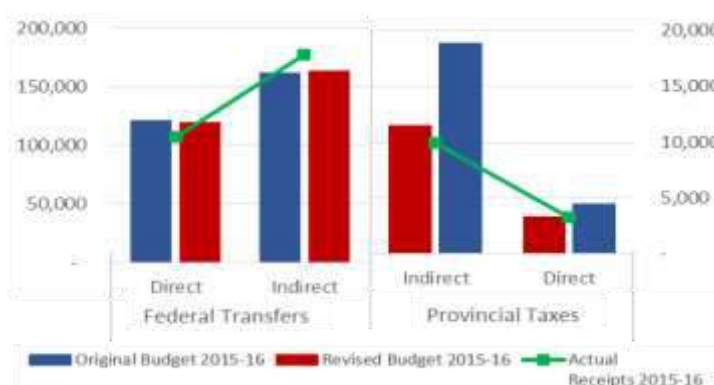


Figure 1. Tax Receipts 2015-16 (PKR in million)

⁴ Projected using population baseline of 17,735,912 and static population growth rate of 2.82% - Source: 1998 census statistics available on KP Bureau of Statistics website.

⁵ Source: Pakistan Labour Force Survey 2014-15.

⁶ Source: Annual Budget Statement 2016-17

divisible pool taxes) between central and provincial governments.

- Presently, formula derived for 7th National Finance Commission (NFC) Award is in practice. Through this Award, the provincial share in the divisible pool taxes was increased from 50% to 56% in FY 2010-11 and 57.5% from FY 2011-12 onwards. For the first time in history, multiple indicators were adopted for distribution of provincial shares, which recognized poverty/backwardness, inverse population density and revenue generation as important criteria in addition to population. In addition KP was compensated with one percent of the net proceeds of divisible pool taxes to meet expenses of war on terror. KP gets 14.62% (excluding funds for war on terror) of the share allocable to provincial governments.

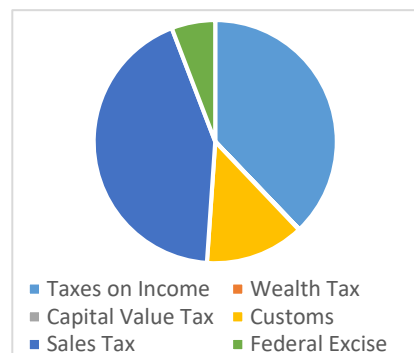


Figure 2. Federal tax assignment (NFC transfers) 2015-16

- **KP's share in divisible pool taxes** in FY 2015-16 was equal to PKR 281.039 billion (including 1% for war on terror), however, PKR 283.538 billion (101%) were transferred to the province during FY 2015-16. The increase in transfers is mainly attributed to increased collections of capital value tax, custom duties and sales tax on goods. In comparison only 89% of the share was transferred to the province in FY 2014-15.
- In addition to federal tax assignment under NFC, **federal excise on natural gas** (charged at well-head) to the tune of PKR 1.545 billion (64% of original estimate) were also transferred to the province at an increase of 17% over last year. These form part of the Straight Transfers.
- Federal transfers were received fortnightly as per policy, however the amount was generally unpredictable.

- **Provincial own tax receipts** collected in FY 2015-16 were about 5% of the total tax receipts, however, an increase of 13% over last year was realised. **Direct taxes** and **indirect taxes** formed 25% and 75% of the provincial own tax receipts.

Direct taxes amounting to PKR 3.276 billion (74% of original estimate) comprised of taxes on income, property tax, land revenue, taxes on professional trades and callings, and capital value tax. Indirect taxes amounting to PKR 9.892

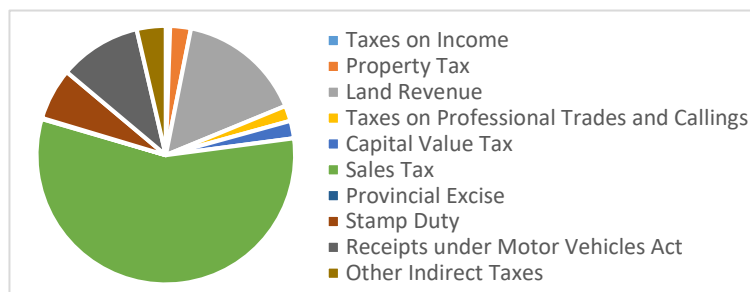


Figure 3. Composition of provincial own tax receipts 2015-16

billion (53% of original estimate) included sales tax on services, provincial excise, stamp duty, receipts under motor vehicles act, and other indirect taxes.

- Since the establishment of the KP Revenue Authority in 2013 for the levying and collection of Sales Tax on Services, devolved to the provinces under the 18th Constitutional Amendment, the provincial tax receipts have steadily grown. Sales Tax on Services accounted for 55% of the provincial taxes collected in FY 2015-16, however the actual receipt of PKR 7.267 billion fell short of the target of PKR 14 billion.
- The Khyber Pakhtunkhwa Revenue Authority (KPRA) was established in 2013 with only 11 taxable services and 200 registered tax payers. By end of 2016, the registered tax payers for sales tax on services was increased to 698 persons/established against 57 taxable services.
- Land revenue and motor vehicles tax receipts (including token tax, Motor Vehicle fitness certificate and route permit fees) constitute the second and third largest components of provincial own receipts at 15% and 10% respectively. There was an increase of 10% in land revenue and 26% in motor vehicle tax over last year.

3.2. Non-tax receipts

- Non-tax receipts were estimated to be PKR 152.5 billion (including development grants) for FY 2015-16 at the time of budget formulation, forming over 31% of the total estimate for receipts. This estimate was 31% higher than last year's estimates due to an expected increase in federal transfers from net hydel profits (NHP) and its arrears, and increase in provincial own receipts expected from (a) sale of timber against enhanced proposed rates, and (b) recoveries from Housing Department.
- The receipts estimate was drastically cut down (41% decrease) during preparation of revised estimates, seven months into the fiscal year; mainly due to low recoveries. The revised estimate was PKR 90.394 billion.
- At the end of the fiscal year the non-tax receipts stood at PKR 89.647 billion, which was only 55% of the original estimate, yet 34% more than last year's non-tax receipts.
- About 85% of KP's non-tax receipts consist of federal transfers. The biggest components of these non-tax transfers were KP's share in net profit from bulk generation of hydroelectricity and arrears of NHP. These stood at PKR 34,463 million (50% of original estimate), which was 336% more than previous year due to an MoU signed between federal government and GoKP on 25th February, 2016, whereby the uncapped NHP at revised rates is payable to GoKP, along with 25 billion in arrears in 2015-16.
- The 7th NFC also recognized the rightful share of provinces in net proceeds of royalties on crude oil, natural gas, and gas development surcharge. These are transferred by the federal government as part of straight transfers each year.

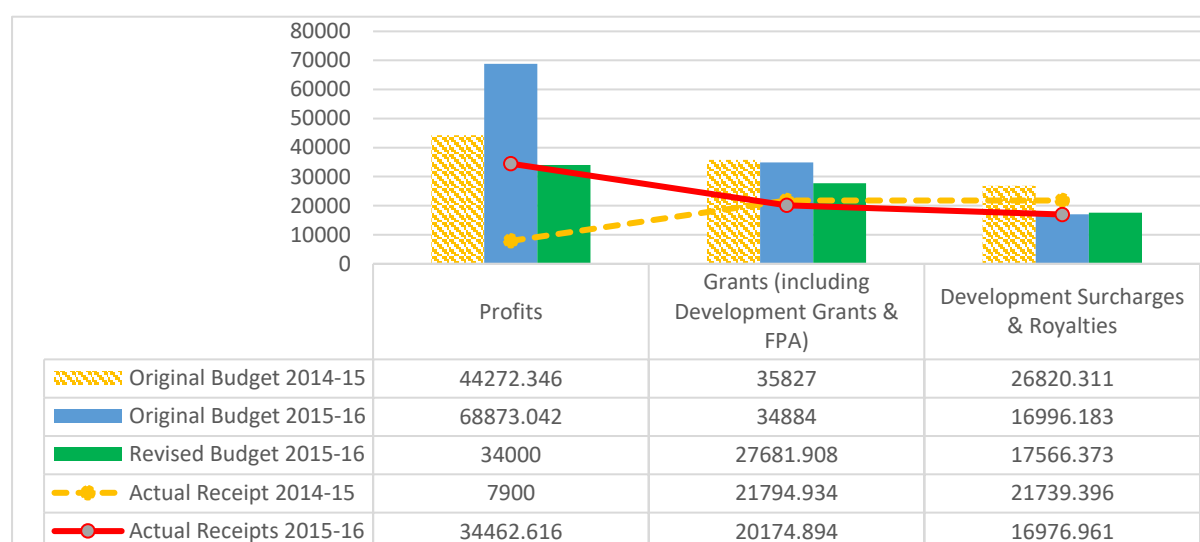


Figure 4. Non-tax transfers from federal government (PKR in million)

- Grants make up a significant part (24%) of the total non-tax receipts. Out of this 31% was foreign project assistance (FPA), 34% was non-development grants from federal government, 27% was development grants (PSDP) from federal government, 6% was incentive on surplus cash and 2% was grants for PDMA. Information on FPA commitments and federal grants are usually not available at the time of budget formulation which results in weak forecasts. In 2015-16 PKR 12 billion were received as federal grants against a zero estimate, while only PKR 6.292 billion were received in FPA against an estimate of PKR 32.884 billion.

3.3. Capital receipts

- Estimates for Capital receipts in the non-food account were drastically increased to PKR 20,473 million from PKR 250 million, estimated last year. The actual receipts at the end of the year were about 87% of the original estimate. In contrast, the estimates for FY 2014-15 were kept low, while an increase of 1787% was witnessed in actual receipts at the end of the year.

- The actual recoveries from investments saw the biggest jump from none in previous year to over PKR 15 billion in FY 2015-16. These consist of recoveries from investment of Hydel Development Fund.
- Actual receipts from debt (foreign loans) at PKR 2,638 million saw a decrease of 25% from previous year, while actual recoveries of loans and advances at PKR 85 million were at a decrease of 91%. As per policy foreign debts are only incurred for the purposes of financing development activities for economic growth.

4. Expenditure Analysis

- The total expenditure of the government from Account-I was originally estimated to be PKR 487,884 million. Out of this total budget, over 93% was voted, while remaining was charged in accordance with Article 121 of the Constitution, which allows for remuneration of Governor, Speaker and Deputy Speaker of the Provincial Assembly, Judges of the High Courts, their all related administrative expenses, and debt liabilities to be charged upon the Provincial Consolidated Fund.
- Overall 79% of the original estimate was actually spent by the government during FY 2015-16. While the budget estimate stood at an increase of 21% over previous year's estimate (2014-15) the actual spent was only about 14% more than FY 2014-15.

Table 2. Total expenditure 2015-16 (Account I) by economic type (PKR in million)

Description	Economic Type	2015-16		
		Original Budget	Revised Budget	Actual Expenditure
Charged		30,827	25,821	18,888
Current	Capital	14,910	14,910	11,158
	Revenue	15,917	10,911	7,730
Voted		457,057	405,181	368,186
Current	Capital	90	90	73
	Revenue	282,083	269,993	251,030
Development	Capital	142,856	107,063	84,122
	Revenue	32,028	28,036	23,868
Total Expenditure		487,884	431,002	377,618

- The most notable feature of fiscal year 2015-16 budget was that for the first time fiscal transfers were made to local governments established under the Local Government Act 2013. Since the Provincial Finance Commission (PFC) was not yet notified at the time of budget preparation⁷, therefore, funds for local governments were allocated through an interim arrangement, whereby current expenses of devolved departments were projected on the basis of historical trend, and development funds amounting to 30% of the provincial Annual Development Programme (ADP) were distributed among Districts, Tehsils and Village/Neighbourhood Council on the ratio of 30-30-40.
- Under this arrangement a total of PKR 132.658 billion were estimated to be transferred to the local governments, out of which PKR 30.274 billion were development funds. By the end of the year PKR 112.017 (84% of original estimate) were actually utilised, majority portion of which was salaries and non-salary expenses.

Table 3. Transfers to local governments (PKR in million)

Expenditure Head	2015-16				2014-15	
	Original Budget	Revised Budget	Actual Expenditure	Actual as % of Budget	Actual Expenditure	Actual as % of Budget
District salary	92,555	90,935	87,844	95%	-	0%
District non salary	5,303	10,727	10,581	200%	-	0%

⁷ The new PFC, as per the composition given in LGA 2013, was notified on 15th October, 2015.

Expenditure Head	2015-16				2014-15	
	Original Budget	Revised Budget	Actual Expenditure	Actual as % of Budget	Actual Expenditure	Actual as % of Budget
Grant to local councils	4,526	5,424	4,463	99%	2,980	72%
District ADP	30,274	15,491	9,129	30%	1,557	93%
Total	132,658	122,578	112,017	84%	4,538	72%

4.1. Current Expenditure

Expenses that are of a recurring nature, like salaries and operational expenses, are classified as current expenditures. The assets being created through development investment also have an inherent recurrent cost implication. The current budget of the province has almost doubled during the last 5 years.

- The recurrent budget for FY 2015-16 estimated at PKR 313 billion was revised to PKR 295.9 billion during budget implementation, and by the end of year PKR 269.991 billion were actually spent (86% of original estimate).
- As per the release policy of the government for the fiscal year, salary budget of provincial employees was released upfront along with funds for necessary running expenditures. District salary budget was released on a monthly basis, while non-salary budget was released on quarterly basis.
- The cost details by object (expenditure heads) is given in table 4 below. Note to bear in mind is that salaries devolved to the local governments have been shown under ‘employee related expenses’ in this table to highlight the fact that over 55% of the total current expenditure is spent on salaries. However, any amounts transferred to the local governments are technically classified under ‘grants’ head.

Table 4. Object-wise classification of current expenditure from Account I

Expenditure Head	2015-16				2014-15	
	Original Budget	Revised Budget	Actual Expenditure	Actual as % of Budget	Actual Expenditure	Actual as % of Budget
Employee related expenses	175,000.00	158,935.05	147,286.66	84%	132,150.63	91%
Project Pre-investment Analysis	1.80	1.80	0.58	32%	1.52	190%
Operating expenses	39,755.45	37,985.92	23,045.62	58%	17,726.53	50%
Employees retirement benefits	32,677.61	32,677.13	34,175.18	105%	25,667.36	105%
Grants, Subsidies & Write-off Loans	17,712.36	23,420.54	22,333.24	126%	11,711.41	110%
Transfers	1,479.89	3,669.54	11,321.54	765%	9,356.01	637%
Interest payment	13,000.00	8,000.00	5,571.74	43%	5,957.26	46%
Loans and Advances	80.00	80.00	72.62	91%	193.61	69%
Physical assets	339.06	1,355.48	1,162.15	343%	1,962.73	151%
Principle repayments	14,910.00	14,910.05	11,157.54	75%	6,387.57	43%
Investment	13,400.00	10,400.00	10,400.00	78%	13,944.11	116%
Civil works	2.75	1.80	0.46	17%	39.49	123%
Repair and Maintenance	4,641.09	4,466.45	3,463.79	75%	8,743.71	156%
Total	313,000.00	295,903.77	269,991.12	86%	233,841.95	88%

The recurrent expenditure is further bifurcated into salary and non-salary expenditures and is described in detail in the following sections 4.1.1 and 4.1.2.

4.1.1. Expenditure on salaries and employee benefits

- Overall 14,106 new posts were created during 2015-16, out of which 11,519 were created in districts, with a combined budget implication of PKR 4.59 billion.
- In FY 2015-16 actual expenditure on pay and allowances of provincial and district employees was PKR 147.286 billion and it took up 38% of the total expenditure and 55% of total recurrent expenditure. District salaries make up about 60% of this expenditure. Overall the expenditure on salaries increased by 11% over last year.
- Elementary & Secondary Education, Police, Health, and Higher Education sectors have the greatest number of posts and accompanying expenditure liabilities. In 2015-16, a substantial number of human resource under these departments was handed over to the district governments as per the services devolved to districts under LGA 2013.
- Expenditure on pension increased by 33% was PKR 34.169 billion, which was 92% of original estimate and 92% of revised estimate.

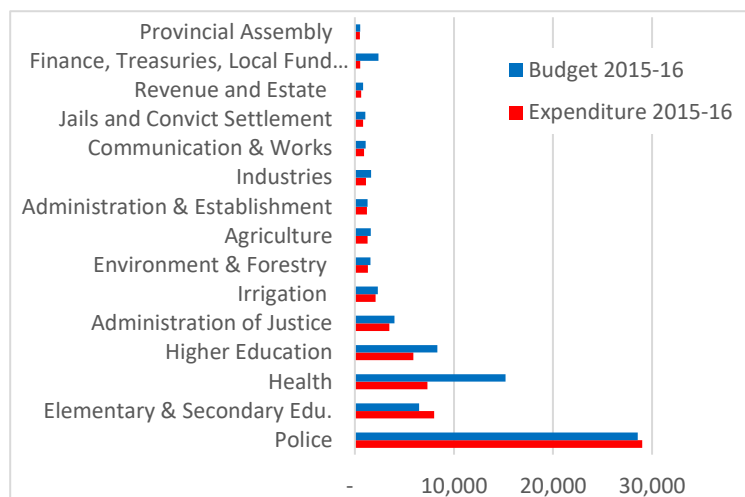


Figure 5. Top fifteen (15) departments with highest employee related expenses

4.1.2. Non-salary expenditures

- Non-salary expenditures incurred during 2015-16 were PKR 88.529⁸ billion which was 84% of the original estimate.
- Operating expenses (including utilities, building rent, POL etc.) constituted about 26% of the provincial non-salary expenditure.

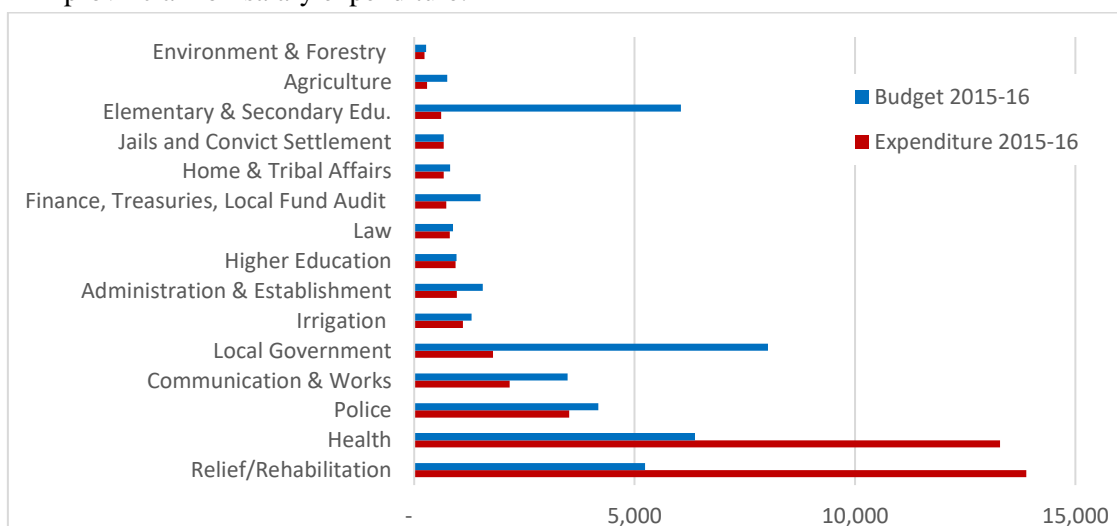


Figure 6. Top fifteen (15) departments with highest non-salary expenditure in 2015-16

- Block allocations in Elementary & Secondary Education budget grant were re-appropriated to the districts during the fiscal year, hence showing low expenditure against the original estimate.

⁸ After excluding district salaries from "Grants" portion of the non-salary expenditures.

- The non-salary expenditure of Relief, Rehabilitation & Settlement Department exceeded budget estimate due to flood relief expenses.
- Another big-ticket item was transfers made to health institutions in the province to the tune of PKR 11 billion. This far exceeded the original budget estimate of PKR 1.3 billion.
- The government makes annual contributions/investments to the various funds it maintains i.e. General Provident Investment Fund, Pension Fund, Hydel Development Fund and equity shares in KP Oil & Gas Company. In FY 2015-16 PKR 10.4 billion were invested in these funds (100% utilisation against original estimate).
- PKR 2.9 billion were spent on subsidies (100% utilisation against original estimate).
- PKR 2.08 billion were spent on repair and maintenance of roads, highways and bridges

4.1.3. Debt management

- Actual spent on debt related expenses from Account I was PKR 16.729 billion, which was 60% of the original budget. The drop in expenditure was mainly due to non-utilisation of PKR 5.9 billion allocated for debt reduction in addition to the regular Sinking Fund.

Table 5. Expenditure on debt servicing from Account I (PKR in million)

Economic type	Expenditure head	2015-16			2014-15	
		Original Budget	Revised Budget	Actual Expenditure	Actual Expenditure	Actual as % of Budget
Capital	Principal repayments	14,910	14,910	11,158	6,388	43%
Revenue	Interest payment	7,021	7,067	5,572	5,957	84%
	Appropriation for reduction or avoidance of debt	5,979	932.91	0	0	0%
Total expenditure on debt servicing		27,910	22,910	16,729	12,345	44%

- Domestic debt servicing constituted 64% of total debt servicing and consisted of repayments against principal amounts of (a) PKR 5.103 billion to federal government on Cash Development Loans, and (b) PKR 385.8 million to State Bank of Pakistan for recapitalization of Bank of Khyber. Interest payments of PKR 5.261 billion were also made to the federal government.
- Debt servicing of foreign loans through federal government constituted 36% of total debt servicing from Account I. This amounted to PKR 5.669 billion and PKR 311 million spent on principal repayment and interest payment respectively. The GoKP also incurs obligations of debt servicing on floating debt for purchase of food grains and sugar, which are dealt with separately from the Food Account (see section 6).

4.2. Development Expenditure

- There were a total of 1,544 projects included in the Annual Development Programme for FY 2015-16 with a total allocation of PKR 174.884 billion at an increase of 25% over last year. This estimate was decreased by 23% during revised budget finalisation.
- The actual spent on development projects was PKR 99.98 billion under ADP (57% of original estimate) which was at an increase of 4% over last year. Additionally PKR 7.64 billion was also spent on PSDP and non-ADP schemes.
- As per the release policy, funding priority was given to those development schemes, which were due for completion during FY 2015-16. As a result, about 70% of actual expenditure was incurred for completion of ongoing schemes.

Table 6. Expenditure on new vs. ongoing schemes (PKR in million)

Status	No. of Projects	2015-16			2014-15		
		Original Budget	Revised Budget	Total Expenditure	No. of Projects	Original Budget	Total Expenditure
New	630	75,599	43,901	30,469	539	50,691	30,135
Ongoing	914	99,285	81,884	69,512	711	89,114	66,343
Total	1,544	174,884	125,785	99,982	1250	139,805	96,478

- The throw-forward cost was originally estimated at PKR 319.348 billion, however due to low utilisation of ADP at only 57%, the throw-forward stood at PKR 394.250 billion at the end of the year.
- There were a total of 54 foreign-aided projects with a combined foreign assistance estimated at PKR 32.884 billion for FY 2015-16, out of which only PKR 8,491 million (26%) was released during the year and PKR 6,253 million was utilised.
- Local allocation was PKR 142 billion out of which PKR 97.044 billion (68%) were actually spent.

The sector wise expenditure details are given below in table 7, scheme-wise expenditure details are given in annexure F.

Table 7. Sector-wise expenditure on annual development programme (PKR in million)

Sector	2015-16			2014-15	
	Original Budget	Revised Budget	Actual Expenditure	Original Budget	Actual Expenditure
Elementary & Secondary Education	15,978	11,549	11,689	19,927	16,562
Higher Education	6,200	5,088	5,163	6,180	5,568
Health	12,433	8,219	6,752	11,211	7,643
Agriculture	2,468	1,830	1,782	2,455	2,183
Energy & Power	3,749	1,785	1,481	5,657	3,033
Building	1,275	1,275	1,212	1,271	1,286
Roads	19,006	19,289	16,033	17,267	12,875
Auqaf, Hajj, Religious & Minority Affairs	222	102	112	149	120
Board of Revenue	1,129	460	396	-	-
Drinking Water & Sanitation	7,362	5,551	5,547	5,851	5,740
Environment	57	17	9	57	15
Excise Taxation & Narcotics Control	406	153	60	-	-
Finance	6,067	2,321	1,798	5,374	3,205
Food	501	54	40	501	156
Forestry	1,242	1,708	1,333	1,366	1,095
Home	6,379	3,323	1,272	7,114	3,127
Housing	956	161	132	956	333
Industries	4,541	2,537	2,305	5,077	1,986
Information	224	208	136	224	230
Labour	74	8	6	26	1
Law & Justice	1,200	1,260	1,101	1,345	1,256
Local Government	18,266	17,450	13,280	-	-
Mines & Minerals	626	240	149	626	131
Population Welfare	349	177	154	330	243
Social Welfare	526	396	298	556	253
Relief & Rehabilitation	2,053	877	707	2,053	727
Sports Tourism Archeology	1,378	1,823	1,423	1,350	1,115
Science Technology & Information Technology	1,080	795	345	1,000	455

Sector	2015-16			2014-15	
	Original Budget	Revised Budget	Actual Expenditure	Original Budget	Actual Expenditure
Transport	234	91	28	200	54
Water	6,870	8,664	8,635	4,737	6,024
Urban Development	-	-	-	8,760	5,760
Regional Development	-	1,999	1,561	16,994	9,168
Multi Sectoral Development	13,593	5,449	1,687	-	-
Research & Development	-	-	-	1,620	895
Pro-Poor Special Initiatives	8,166	5,433	4,227	7,900	3,681
Districts ADP	30,274	15,491	9,129	1,672	1,557
Total	174,884	125,785	99,982	139,805	96,478

- In addition to the funds spent under the ADP, the provincial government also executed schemes that were not a part of the ADP. These included the funds transferred by the federal government under Public Sector Development Programme (PSDP). The cost details are given in table below.

Table 8. Sector wise expenditure on non-ADP schemes, including PSDP (PKR in million)

Sector	2015-16		
	Budget	Actual Expenditure	Actual as % of Budget
Elementary & Secondary Education	150	70	47%
Forestry	2,759	2,359	86%
Health	2,407	2,177	90%
Higher Education	699	592	85%
Industries	156	-	0%
Local Government	667	760	114%
Multi Sectoral Development	202	200	99%
Roads	146	135	92%
Sports, Tourism, Archaeology, Culture & Youth Affairs	47	24	51%
Water	1,392	1,328	95%
Total Non-ADP Expenditure	8,626	7,646	89%

4.2.1. Pro-poor Initiatives

Khyber Pakhtunkhwa continues to make efforts to achieve positive results for marginalized groups as part of its overall objectives of enhanced social and economic development. The GoKP has reinforced its policy commitments to gender equity and equality in the GoKP Strategic Development Partnership Framework, the Integrated Development Strategy and Women's Empowerment Policy. It must be understood that a majority of other initiatives also benefit the poor indirectly, such as:

- large scale irrigation schemes and flood protection benefitting farmers specifically and communities at large;
- enhancing access to public schools in far-flung and rural areas;
- incentivizing education through stipends to female students and free textbooks to all students;
- drinking water supply and sanitation schemes;
- subsidizing wheat and sugar, etc.

The table below presents budget allocation and actual expenditure on initiatives specifically designed to directly benefit and uplift population below the poverty line, underprivileged women and children, people with disabilities or drug addiction, communities affected by natural disasters or militancy, and

religious minorities. Collectively these represent 20% of budget allocation and 13% of the actual spent for development. Pro-poor schemes have the biggest chunk with PKR 26,881 million allocation and PKR 10,069 million actual spent under the classification of projects mentioned in Table 8. The budget allocation for local level development through Village/Neighbourhood Councils has also been included in pro-poor initiatives.

Table 9. Development schemes benefitting the poor and marginalised (PKR in million)

Sector, Project		Original Budget 2015-16	Total Expenditure 2015-16
Pro-poor		26,880.73	10,069.40
Agriculture	Small Farmers Land Development in Khyber Pakhtunkhwa.	19.79	19.79
Districts ADP	Provision for VCs/NCs.	13,100.00	5,282.50
Finance	KP Districts Governance and Community Development Program (EU).	2,961.33	-
Health	Social Health Protection Initiative for Khyber Pakhtunkhwa (KfW Assisted).	260.00	3.38
	Treatment of Poor Cancer Patients (Phase-II).	200.00	200.00
Multi Sectoral Development	Livelihood Programme Hindukush (LPH) (SDC)	104.00	-
	Slums & informal settlements upgradation Programme in Khyber Pakhtunkhwa.	20.00	-
	Southern Area Development Project (MDTF Assisted).	600.00	-
	Special Development Package, District TOR GHAR.	1,018.78	237.47
	Special Initiative Program for District Nowshera.	50.00	-
	Water for Livelihood Phase-II (SDC Assisted).	181.38	-
Social Welfare	Construction of Darul Kafala and Drug Addicts Rehabilitation Centre at Peshawar.	54.98	40.74
	Construction of Social Welfare Complex at District Bannu.	15.00	16.75
	Construction of T.A.B.D.E.E.L.I Centre at Hayatabad Peshawar	34.50	-
	Establishment of Model Institutes for Street Children (Kids Haven/Zamung Kor) at Nasapa Payan Flats, Peshawar.	50.00	25.15
	Establishment of Welfare Home at District Buner	31.17	16.38
	Establishment of Welfare Homes for Destitute and Orphans in Districts Hangu and Swabi.	7.50	-
	Purchase of land for Social Welfare Complex at Nowshera.	6.30	-
Special Initiatives	Sasta Aata Ghee Khasoosi Package.	5,000.00	2,137.69
	Special Initiatives	3,166.00	2,089.56
Women & Children		5,394.27	1,586.19
Health	Establishment of Children & Maternity Hospital Charsadda.	100.00	155.39
	Establishment of Shaheed Mohtarma Benazir Bhutto Children Hospital in Mardan.	77.00	13.50
	Integration of Health Services Delivery with special focus on MNCH, LHW, EPI and Nutrition Programme (DFID & AusAid Assisted).	2,350.62	125.00
	Khyber Pakhtunkhwa Immunization Support Program (KPIISP) (GAVI Assistance in kind)	1,800.00	-
	Project for Strengthening Routine Immunization in Khyber Pakhtunkhwa (JICA Assisted).	33.61	-
	Reconstruction of Women and Children Hospital, Haripur	5.00	-
Higher Education	Construction of Girls Student hostel at Shaheed Benazir Bhutto University Sheringel Dir (Upper)	50.00	50.00
	Establishment of Commerce College for Women at Mardan.	20.54	26.49
	Establishment of GCMS Women Swabi	60.00	-
	Establishment of Women University at Mardan	100.00	100.00
	Establishment of Women University Campus in Swabi.	350.00	700.00
	F/S and Construction of two Girls Colleges in District Nowshera.	68.90	149.66
	F/S and Establishment of Home Economics Colleges (one each at Abbottabad & Nowshera).	75.00	102.50

Sector, Project		Original Budget 2015-16	Total Expenditure 2015-16
Industries	Re-construction of Building for GTVC (Women) D.I.Khan.	72.14	59.87
Labour	Establishment of Child & Bonded Labour Unit in Labour Department.	6.00	0.53
Social Welfare	Completion of Balance Work of Bacha Khan Women Vocational Centre at Peshawar, Charsadda, Nowshera and Karak.	58.12	51.01
	Completion of Balance Work of Women Vocational Centre at Matta, District Swat	17.83	13.33
	Establishment of Darul Aman at Mansehra.	5.00	-
	Establishment of Darul Aman in Dera Ismail Khan.	12.38	-
	Establishment of Dastakari Centres in Khyber Pakhtunkhwa. (On need basis)	60.00	32.45
	Establishment of Vocational Training Centres in Khyber Pakhtunkhwa.	10.14	-
	Women Empowerment through Gender Equity in Khyber Pakhtunkhwa. (GRAP-Phase-II).	16.99	3.97
Sports, Youth Affairs	Establishment of female indoor Sports facilities/youth Center at Peshawar	15.00	-
ST&IT	ICT Training for Women Empowerment.	30.00	2.50
People with disabilities		166.18	106.92
Health	Strengthening of the Rehabilitation Services for Physically Disabled at Health Department Khyber Pakhtunkhwa.	29.34	8.70
Social Welfare	Construction of Additional Portion of Centre of Excellence (Special Education Complex), Hayatabad, Peshawar.	21.00	21.00
	Construction of Building Deaf & Dumb School at Takht Bhai, Mardan	20.00	-
	Construction of building for Special Education Institutes at Haripur.	12.09	26.07
	Construction of School for Hearing Impaired and Centres for MR&PH Children in Districts Kohistan & Battagram.	10.00	38.50
	Construction of Special Education Centre at Shangla.	20.00	-
	Establishment of Rehabilitation Centres for Drug Addicts at Districts Mardan, Nowshera and Karak.	8.78	0.00
	Establishment of School for Hearing Impaired Children in District Buner and MR&PH in District Malakand.	7.47	0.01
	Establishment of Schools for Deaf & Dumb Children (female) in Districts Mardan & Kohat.	7.50	0.00
	Provision of Desktops/Laptops for Students of Blind Schools.	10.00	7.63
	Upgradation of Blind School for Girls at Nanakpura and Deaf & Dumb School for Boys at Gulbahar Peshawar upto Secondary levels.	20.00	5.00
Disaster & Conflict Affected		2,007.12	715.07
Elementary & Secondary Education	Reconstruction of 760 Non-Strategy Earthquake affected schools.	120.00	208.47
	Reconstruction of Govt. Schools damaged due to militancy/bomb blasts in the Province other than Malakand Division.	85.35	69.36
Health	Revitalization and Strengthening of Health Service Delivery and Nutrition Services in Crisis Affected Districts of Khyber Pakhtunkhwa under Public Private Partnership (MDTF Assisted)	391.80	-
Local Government	Rehabilitation / Repair of Militancy damaged infrastructure at Kanju Township Scheme (KTS) and others.	40.00	20.00
Multi Sectoral Development	Development activities in militancy hit areas of Koh-e-Daman, District Peshawar.	435.79	342.10
	Refugee Affected & Hosting Area Programme (UNDP Assisted).	407.17	-
	Special Development Package for Militancy & Flood hit area in PK 86, District Swat.	50.00	-
Relief & Rehabilitation	Purchase of Land for Flood Damaged Schools in Khyber Pakhtunkhwa and Warehouse (UNHCR)	310.00	-
	Reconstruction and Rehabilitation of Disaster Affected Infrastructure in Khyber Pakhtunkhwa	167.00	75.14
Minorities		102.00	71.75

Sector, Project		Original Budget 2015-16	Total Expenditure 2015-16
Auqaf, Hajj, Religious & Minority Affairs	Improvement and Rehabilitation of Residential Colonies for Minorities in Khyber Pakhtunkhwa. (Phase-VI)	15.00	-
	Khyber Pakhtunkhwa Scholarship Scheme for Minority Students (Phase-II)	10.00	9.79
	Provision of Security measures to worships places of Minorities in Khyber Pakhtunkhwa	11.00	-
	Reconstruction/Restoration of Mandar at Teri, District Karak	2.00	2.00
	Renovation of Mandars, Gordawaras and Churchs in Khyber Pakhtunkhwa.	10.00	12.34
	Skill enhancement schemes for Minorities in Khyber Pakhtunkhwa. (Phase-II)	9.00	8.67
	Special Package for Kalash Minority (Phase-II).	10.00	9.57
	Textbooks & Uniforms for Students of Minority Educational Institutions in Khyber Pakhtunkhwa	20.00	19.60
	Welfare Package for Minorities in Khyber Pakhtunkhwa.(Phase-VI)	15.00	9.78
Total	34,550.29	12,549.34	

5. Account II

Receipts and expenditures on state trading in wheat and sugar are maintained in Account II (also known as Food Account), separate from all other transactions of the provincial government.

- **Receipts** in Account II are classified as capital receipts according to economic type. Funds for procurement of wheat are arranged through cash credit accommodation (floating debt) from commercial banks, and more significantly recoveries of investment in state trading schemes.
- The actual receipts were about PKR 16,195 million, amounting to only 16% of the budget estimate compared to 20% in previous year.

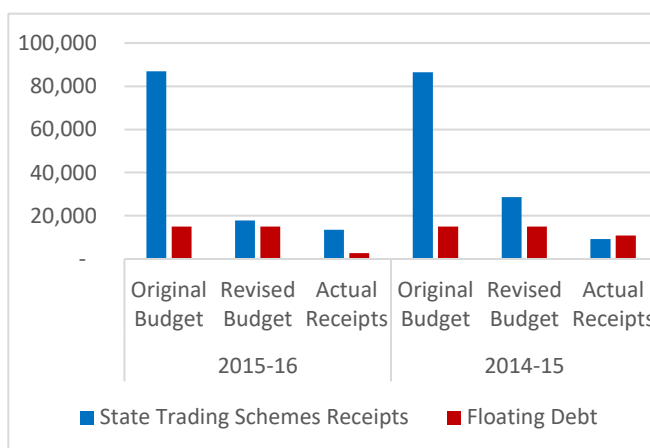


Figure 7. Account-II Receipts (PKR in million)

- **Expenditure** from Account-II is considered capital expenditure and is related to (a) state trading in food grains and sugar, including salary and non-salary expense of the Food Department, and (b) interest payments and principal repayment of debt.
- The original estimates were kept on a high side to absorb drastic fluctuations in times of food crisis, however, actual expenditure by end of year on state trading in food commodities, was low in comparison to previous year's estimates.

Table 10. Account-II Expenditures (PKR in million)

Voted / Charged	Expenditure Components	2015-16			2014-15
		Original Budget	Final Budget	Actual Expenditure	Actual
Charged	Interest payment to financial institutions	1,100	1,100	206	42
	Principal repayments of domestic floating debt	15,000	15,000	5,798	9,000
Voted	Employee related expenses of Food Department	346	343	318	

Voted / Charged	Expenditure Components	2015-16			2014-15 Actual
		Original Budget	Final Budget	Actual Expenditure	
	Operating and other expenses of Food Department	163	158	29	
	Commodity purchases	75,000	16,250	2,687	12,971
	Transportation	10,249	859	189	
Grand Total		101,858	33,710	9,227	

6. Service delivery performance

The GoKP prepares output based budget as part of its annual budget process, which presents policy priorities and performance targets against budget demands. There were more than 650 indicators targeted in FY 2015-16, the progress for each one can be viewed in output based budget book for FY 2016-17 available on the Finance Department's website.⁹ Some of the key performance indicators for select sectors are presented below in Table 10:

Table 11. Progress against key performance indicators and targets for FY 2015-16

Key sectors	Key Performance Indicators	Target	Progress
Social Services			
Health	Full immunization coverage	78%	78%
	Skilled birth attendance	68%	61.59%
	Beneficiaries of TB medicine	45,000	30,865
	Number of monitoring visits by drug inspectors	10,944	9,468
	Number of water samples examined for contamination	150	190
Education	Gross enrolment rate in primary schools		
	Male	66	62
	Female	60	56
	Gender Parity Index		
	Primary schools	0.89	0.90
	Secondary schools	0.65	0.67
	Number of schools constructed	249	100
	Number of missing basic facilities provided in schools	5,250	22,000
Social Welfare	Number of female students provided stipends	464,100	443,204
	Number of students provided free textbooks (in million)	5.582	5.3
	Number of scholarships provided to needy students for bachelor studies	30	36
	Number of persons with disabilities provided financial support	14,000	10,911
Relief	Number of women trained in vocational skills	9,350	6,672
	Financial assistance through Guzara Allowance		
	Male	12,000	7,562
Female	4,300	22,867	
Relief	Average response time for Rescue 1122 (in minutes)	5.5	5.5
Economic Growth			
Agriculture	Number of farmers trained in agriculture extension	1,250	1,250

⁹ <http://financekpp.gov.pk/FD/budget/budget-estimates/be2016-17/71-obb-2016-17>

Key sectors	Key Performance Indicators	Target	Progress
	Certified seed production (in tonnes)	300	284
	Vaccination of poultry (in millions)	2	6.7
	Number of protection bunds constructed	70	124
	Number of water courses installed	3,500	183
Irrigation	Irrigation channels completed	10	7
	Number of small irrigation dams started	2	2
Civil Works	Length of roadways constructed (in km)	180	90
	Length of roadways rehabilitated/repared	300	486
Industries	Number of plots allotted for small industrial units	50	54
	Number of students enrolled in technical institutes	24,990	24,046
Mines & Minerals	Number of mining leases issued	100	0
Energy & Power	Additional power generation capacity added (in MW)	53.6	0
Environment	Linear plantation (area in km)	1,256	3,535
	Raising afforestation	25,000	135,000
Food	Storage capacity for food items	403,950	400,000
Tourism & Sports	Number of tourism promotional events held	40	6
	Number of sports tournaments held	74	46
	Number of cultural festivals/shows organized	40	169
Transport	Completion of feasibility study and design work for mass transit system in Peshawar	80%	80%
Governance			
Transparency & Accountability	KP Citizens Portal		
	Complaints logged	-	11,114
	Complaints resolved	-	7,919
	Recoveries against detected losses	70%	74.14%
	Open Budget Survey score (budget transparency)	55	54
Security	Computerization of land records in 7 districts	40%	31%
	Number of police officers trained	2,530	7,024
	Reduction in crime rate over previous year		
	Murder	-	17%
	Kidnapping	-	24%
Robberies	-	20%	
Vehicle theft	-	8%	
Local Government	Percentage of development budget devolved to districts	30%	30%
	Local government rules as per Article 140A of 18 th Constitutional Amendment	30 LG rules/sub-ordinate legislation notified	6 rules notified
Recruitment	Average lead time in recruitment (days)	230	240

Annexure A – Tax Receipts

(PKR in million)

Description	2015-16				2014-15				Remarks
	Original Budget	Revised Budget	Actual Receipts	Actual as % of Budget	Original Budget	Revised Budget	Actual Receipts	Actual as % of Budget	
A-Direct Taxes	125,792	122,912	110,761	88%	108,701	102,520	91,732	84%	
Federal Transfers	121,342	119,647	107,485	89%	106,389	99,838	88,807	83%	
Taxes on Income	121,219	119,466	107,290	89%	106,327	99,737	88,723	83%	NFC Tax Assignment
Capital Value Tax	123	180	195	159%	63	101	85	135%	NFC Tax Assignment
Provincial Own Receipts	4,450	3,266	3,276	74%	2,312	2,682	2,925	127%	
Taxes on Income	1,000	80	69	7%	79	79	66	84%	
Property Tax	1,000	750	668	67%	223	244	532	239%	
Land Revenue	1,801	1,801	2,011	112%	1,430	1,780	1,834	128%	
Taxes on Professional Trades and Callings	265	250	248	94%	230	230	204	89%	
Urban Capital Value Tax	385	385	281	73%	350	350	288	82%	
B-Indirect Taxes	180,907	175,557	187,491	104%	167,606	154,622	148,938	89%	
Federal Transfers	162,114	164,049	177,598	110%	150,465	137,473	140,195	93%	
Customs	27,027	31,711	37,383	138%	25,319	23,040	27,229	108%	NFC Tax Assignment
Sales Tax	115,080	113,352	122,156	106%	107,426	99,565	98,232	91%	NFC Tax Assignment
Federal Excise	17,590	17,179	16,514	94%	15,278	13,548	13,417	88%	NFC Tax Assignment
Federal Excise on Natural Gas	2,417	1,807	1,546	64%	2,443	1,319	1,318	54%	Straight Transfers
Provincial Own Receipts	18,793	11,508	9,892	53%	17,141	17,150	8,742	51%	
Sales Tax	14,000	8,000	7,267	52%	12,000	12,000	6,280	52%	
Provincial Excise	38	38	16	41%	33	33	23	71%	
Stamp Duty	814	814	831	102%	740	740	817	110%	
Receipts under Motor Vehicles Act	1,639	1,489	1,317	80%	1,206	1,221	1,046	87%	
Other Indirect Taxes	2,303	1,167	461	20%	3,162	3,156	576	18%	
Total Tax Revenue (A+B)	306,699	298,469	298,252	97%	276,307	257,142	240,669	87%	

Annexure B – Non Tax Receipts

(PKR in million)

Description	2015-16				2014-15				Remarks
	Original Budget	Revised Budget	Actual Receipts	Actual as % of Budget	Original Budget	Revised Budget	Actual Receipts	Actual as % of Budget	
A-Income from Property and Enterprises	72,309	38,314	37,376	52%	47,255	13,287	11,491	24%	
Federal Transfers	68,873	34,000	34,463	50%	44,272	9,400	7,900	18%	
Profits	68,873	34,000	34,463	50%	44,272	9,400	7,900	18%	NHP & arrears of NHP
Provincial Own Receipts	3,436	4,314	2,914	85%	2,983	3,887	3,591	120%	
Profits	3,300	3,300	1,980	60%	2,850	2,850	2,598	91%	Hydel projects' own generation
Interest on Loans and Advances to Financial Institutes	-	-	-		-	-	160		
Interest on Loans and Advances to Government Servants	116	116	1	1%	116	321	1	1%	
Interest on Loans – Others	-	-	51		-	-	128		
Dividends	20	898	881	4406%	17	717	704	4247%	
B-Receipts from Civil Administration and Other Functions	3,292	3,390	3,208	97%	2,626	2,862	2,724	104%	
Provincial Own Receipts	3,292	3,390	3,208	97%	2,626	2,862	2,724	104%	
General Administration Receipts – Organization of States	50	55	88	177%	45	45	32	71%	
General Administration Receipts – Fiscal Administration	140	140	177	127%	110	125	138	125%	
General Administration Receipts – Economic Regulation	37	37	19	51%	34	36	18	53%	
Law and Order Receipts	1,238	1,454	1,285	104%	932	1,069	1,013	109%	
Community Services	1,030	850	599	58%	1,030	1,030	718	70%	
Social Services	798	854	1,011	127%	475	556	792	167%	
Social Services Miscellaneous	-	-	29		-	-	14		

Description	2015-16				2014-15				Remarks
	Original Budget	Revised Budget	Actual Receipts	Actual as % of Budget	Original Budget	Revised Budget	Actual Receipts	Actual as % of Budget	
C-Miscellaneous Receipts	76,962	48,691	43,326	56%	66,363	69,024	48,317	73%	
Federal Transfers	51,880	45,248	37,152	72%	62,647	65,205	43,534	69%	
Grants	34,884	27,682	20,175	58%	35,827	42,345	21,795	61%	Including Development Grants, FPA & PDMA
Development Surcharges & Royalties	16,996	17,566	16,977	100%	26,820	22,860	21,739	81%	Straight Transfers. (Royalties on Crude Oil, Natural Gas & Gas Development Surcharge)
Provincial Own Receipts	25,082	3,442	6,174	25%	3,716	3,819	4,782	129%	
Economic Services Receipts – Food and Agriculture	217	202	198	91%	188	190	192	102%	
Economic Services Receipts – Fishing and Animal Husbandry	205	160	158	77%	122	141	130	107%	
Economic Services Receipts – Forest	7,847	525	385	5%	769	770	382	50%	
Economic Services Receipts – Cooperation, Irrigation & Embankment Drainage Works	551	513	525	95%	500	525	462	92%	
Economic Services Receipts – Others	237	229	282	119%	200	220	264	132%	
Others (including Commercialization of Government Property)	16,024	1,813	4,627	29%	1,937	1,973	3,353	173%	
Total Non-Tax Revenue (A+B+C)	152,563	90,394	83,910	55%	116,244	85,173	62,531	54%	

Annexure C – Capital Receipts

(PKR in million)

Description	2015-16				2014-15			
	Original Budget	Revised Budget	Actual Receipts	Actual as % of Budget	Original Budget	Revised Budget	Actual Receipts	Actual as % of Budget
Recoveries of Investments	15,000	15,000	15,021	100%	-	-	-	
Investment Receipts	15,000	15,000	15,021	100%				
Recoveries of Loans & Advances	250	250	86	34%	250	1,015	939	375%
From Financial Institutes					250	1,015	803	321%
From Non-Financial Institutes			26				77	
From Government Servants	250	250	60	24%			59	
Debt	5,223	3,059	2,638	51%	-	-	3,529	
Domestic Debt	-	-	-		-	-	-	
Permanent Debt - Foreign (FPA)	5,223	3,059	2,638	51%	-	-	3,529	
Total Capital Receipts in Account I	20,473	18,309	17,744	87%	250	1,015	4,468	375%

Annexure D –Current Expenditure from Account I (Department-wise)

(PKR in million)

Department	2015-16					2014-15		
	Posts	Original Budget	Revised Budget	Actual Expenditure	Actual as % of Budget	Posts	Actual Expenditure	Actual as % of Budget
NC21001 PROVINCIAL ASSEMBLY	538	791	763	661	84%	539	595	98%
NC21002 GENERAL ADMINISTRATION	2,406	2,835	2,992	2,188	77%	2,434	1,952	94%
NC21003 TREASURIES	521	295	273	252	85%	521	238	90%
NC21004 FINANCE DEPARTMENT	394	3,485	1,730	902	26%	388	316	14%
NC21005 LOCAL FUND AUDIT	255	120	112	98	81%	255	96	71%
NC21006 PLANNING & DEVELOPMENT DEPARTMENT	247	221	210	177	80%	251	169	76%
NC21007 BUREAU OF STATISTICS	72	39	35	33	84%	72	30	77%
NC21009 REVENUE & ESTATE DEPARTMENT	1,400	1,972	676	551	28%	7,926	2,887	74%
NC21010 EXCISE AND TAXATION DEPARTMENT	1,174	593	548	484	82%	1,160	506	95%
NC21011 HOME DEPARTMENT	1,404	1,435	1,656	1,156	81%	1,167	1,284	111%
NC21013 JAILS & CONVICTS SETTLEMENT	4,162	1,728	1,691	1,514	88%	3,470	1,447	111%
NC21014 POLICE	71,312	32,745	33,508	32,508	99%	70,141	29,876	105%
NC21015 ADMINISTRATION OF JUSTICE	6,642	4,878	4,966	4,274	88%	6,587	3,910	93%
NC21016 HIGHER EDUCATION, ARCHIVES & LIBRARIES	13,000	9,268	7,661	6,826	74%	11,119	5,427	77%
NC21017 HEALTH	30,525	21,576	21,576	20,053	93%	48,200	26,387	105%
NC21018 COMMUNICATION AND WORKS DEPARTMENT	2,419	1,252	837	866	69%	8,109	2,207	93%
NC21019 ROADS HIGHWAYS & BRIDGES (REPAIR)	-	2,322	2,157	1,681	72%	-	1,602	79%
NC21020 BUILDING & STRUCTURE (REPAIR)	-	981	557	418	43%	-	533	61%
NC21021 PUBLIC HEALTH ENGINEERING	369	1,571	196	159	10%	10,147	4,298	97%

Department	2015-16					2014-15		
	Posts	Original Budget	Revised Budget	Actual Expenditure	Actual as % of Budget	Posts	Actual Expenditure	Actual as % of Budget
NC21022 LOCAL GOVERNMENT DEPARTMENT	124	8,298	3,441	1,998	24%	7,385	3,062	103%
NC21023 AGRICULTURE	3,491	2,349	1,626	1,458	62%	6,329	2,439	78%
NC21024 FISHERIES	223	122	87	72	59%	495	168	87%
NC21025 ANIMAL HUSBANDRY	1,125	976	620	571	59%	3,763	1,462	86%
NC21026 CO-OPERATION	50	58	29	26	45%	355	133	87%
NC21027 ENVIRONMENT AND FORESTRY	4,212	1,838	1,733	1,554	85%	4,210	1,489	90%
NC21028 FORESTRY (WILDLIFE)	1,037	382	384	363	95%	1,018	331	97%
NC21029 IRRIGATION	7,614	3,609	3,464	3,183	88%	7,307	3,498	109%
NC21030 INDUSTRIES	559	419	333	244	58%	413	164	73%
NC21032 MINERAL DEVELOPMENT AND INSPECTORATE OF	825	503	402	229	45%	772	217	45%
NC21033 STATIONERY AND PRINTING	186	128	123	97	76%	186	108	110%
NC21036 TECHNICAL EDUCATION AND MANPOWER	3,404	1,755	1,394	1,233	70%	4,648	1,640	75%
NC21037 LABOUR	442	297	261	226	76%	389	172	80%
NC21038 INFORMATION & PUBLIC RELATIONS	152	216	304	252	117%	377	214	67%
NC21039 SOCIAL WELFARE, SPECIAL EDUCATION	215	551	252	249	45%	2,098	899	81%
NC21040 ZAKAT & USHER DEPARTMENT	402	194	178	156	80%	300	149	97%
NC21041 PENSION	-	36,993	36,993	34,169	92%	-	25,666	83%
NC21042 SUBSIDIES	-	2,900	2,900	2,900	100%	-	2,715	100%
NC21043 GOVT INVESTMENT & COMMITTED CONTRIBUTION	-	13,400	10,400	10,400	78%	-	13,944	116%
NC21045 AUQAF, RELIGIOUS, MINORITY & HAJJ	46	92	74	67	72%	44	70	61%
NC21046 SPORTS, CULTURE, TOURISM & MUSEUMS	607	386	396	336	87%	733	306	95%
NC21047 POPULATION WELFARE	248	429	281	136	32%	3,687	985	77%

Department	2015-16					2014-15		
	Posts	Original Budget	Revised Budget	Actual Expenditure	Actual as % of Budget	Posts	Actual Expenditure	Actual as % of Budget
NC21048 INFORMATION TECHNOLOGY DEPARTMENT	104	75	64	56	75%	96	52	85%
NC21049 DISTRICT NON SALARY	-	5,303	10,727	10,581	200%	-	-	0%
NC21050 GRANT TO LOCAL COUNCILS	-	4,526	5,424	4,463	99%	-	2,980	72%
NC21051 HOUSING DEPARTMENT	39	35	29	22	63%	39	21	65%
NC21068 DISTRICT SALARY	-	92,555	90,935	87,844	95%	-	-	0%
NC21070 INTER PROVINCIAL COORDINATION DEPTT	56	40	32	30	75%	56	26	79%
NC21071 ENERGY AND POWER DEPARTMENT	100	70	60	44	63%	95	53	84%
NC21072 TRANSPORT & MASS TRANSIT DEPARTMENT	443	222	130	99	44%	335	94	60%
NC21073 ELEMENTARY AND SECONDARY EDUCATION	1,083	12,536	1,250	1,111	9%	187,795	71,654	97%
NC21074 RELIEF REHABILITATION AND SETTLEMENT	1,123	5,637	16,434	14,218	252%	1,254	2,951	52%
NC24051 DEBT SERVICING (INTEREST PAYMENT)	-	7,021	7,067	5,572	79%	-	5,957	84%
NC24052 DEBT SER. (APPRO. FOR REDUCTION OR	-	5,979	933	-	0%	-	-	0%
NC11053 LOANS AND ADVANCES	-	90	90	73	81%	-	74	26%
NC14057 DEBT SERVICING (LOAN FROM FEDERAL GOVT.	-	14,910	14,910	11,158	75%	-	6,388	43%
Total Expenditure	164,750	313,000	295,904	269,991	86%	406,665	233,842	88%

Annexure E – Development Expenditure (Scheme-wise)

(PKR in million)

Sector and Sub Sector	Budget 2015-16	Actual Expenditure 2015-16
Agriculture	2,468	1,782
Agricultural Planning	903	9
Agriculture Extension	478	1,089
Agriculture Mechanization	256	115
Agriculture Research Systems	126	90
Agriculture University	15	1
Co-operatives	2	-
Crop Reporting Services	7	7
Fisheries	139	34
Livestock & Dairy Development(Extension)	169	133
Livestock Research & Development	32	16
On-Farm Water Management	275	234
Soil Conservation	30	30
Veterinary Research(Institute)	36	23
Auqaf, Hajj, Religious & Minority Affairs	222	112
Minority Affairs	117	80
Religious Affairs	105	32
Board of Revenue	1,129	396
Building	1,275	1,212
District Programme	439	270
Provincial Programme	836	942
Districts ADP	30,274	9,129
Drinking Water & Sanitation	7,362	5,547
Drinking Water & Sanitation(District Programme)	1,212	1,587
Drinking Water Supply (Provincial)	6,145	3,947
Social Action Programme	5	12
Elementary and Secondary Education	15,978	11,689
Primary Education	3,706	1,148
Secondary Education	12,272	10,541
Energy And Power	3,749	1,481
Energy and Power	3,749	1,481
Environment	57	9
Environment	57	9
Excise Taxation & Narcotics Control	406	60
E & T	406	60
Finance	6,067	1,798
Finance	3,198	41
Royalty & Cess	2,869	1,757
Food	501	40
Forestry	1,242	3,692
Forestry	953	3,517
Pakistan Forest Institute (PFI)	110	51

Sector and Sub Sector	Budget 2015-16	Actual Expenditure 2015-16
Sericulture/NTFP	19	11
Wildlife	159	112
Health	12,433	6,752
Basic Health	2,008	486
General Hospitals	3,457	1,767
Medical Education and Training	1,486	1,765
Preventive Programme	4,574	1,251
Teaching Hospitals	909	1,483
Higher Education	6,200	5,755
Archives & Libraries	121	98
College Education	3,453	2,223
Commerce & Management Sciences	541	256
University Education	2,085	3,178
Home	6,379	1,272
HTAs	2,437	32
Police	2,545	843
Prisons	1,397	397
Housing	956	132
Industries	4,541	2,305
Industries Department	1,847	553
Printing and Stationary	219	209
Sarhad Development Authority	850	794
Small Industries Development Board	315	235
Technical Education & Manpower Trg.	-	-
TEVTA	1,309	513
Information	224	136
Labour	74	6
Labour	74	6
Law & Justice	1,200	1,101
Law & Justice	222	227
Peshawar High Court	978	874
Local Government	18,266	13,280
Local Development	11,280	7,211
Urban Development	6,986	6,069
Mines And Minerals	626	149
Mines and Minerals	626	149
Multi Sectoral Development	13,593	1,888
MSD	9,480	983
Research & Development	2,004	436
Urban Policy	2,109	470
Population Welfare	349	154
Population Welfare	349	154
Pro-Poor Special Initiatives	8,166	4,227
Pro-poor Special Initiatives	8,166	4,227
Regional Development	-	2,321

Sector and Sub Sector	Budget 2015-16	Actual Expenditure 2015-16
Local Development	-	2,131
Multi Sectoral Development	-	190
Relief & Rehabilitation	2,053	707
Research & Development	-	(1)
Roads	19,006	16,168
District Roads	7,735	8,979
Flood-Roads	-	-
Foreign Project Assistance	-	-
Pakhtunkhwa Highways and Bridges (PKHA)	5,090	5,895
Roads & Bridges (Provincial)	6,181	1,294
Social Welfare	526	298
Social Welfare	346	197
Women Development	180	101
Special Programme	-	3,843
Education	-	130
Health	-	2,315
Water	-	1,398
Sports Tourism Archeology	1,378	1,448
Archaeology	305	193
Culture	100	224
Sports	668	803
Tourism	244	190
Youth Affairs	60	38
ST&IT	1,080	345
Information Technology	822	278
Science and Technology	258	67
Transport	234	28
Transport	234	28
Urban Development	-	(3)
Urban Development	-	-
Urban Policy Unit (UPU)	-	(3)
Water	6,870	8,730
Total Development Expenditure (including PSDP & non-ADP)	174,884	107,628

7. Glossary

B

Budget: A financial statement of government's estimated revenues and expenditures for the fiscal year.

C

Charged Expenditure: expenditure that is not voted upon by the legislature (Provincial Assembly) as provided under Constitution of Pakistan

Capital Expenditure: money spent on acquiring new fixed assets (such as land, building, equipment). Principal repayment of debt and loans and advances given by the government are also considered capital expenditure.

Capital Receipt: A non-recurring incoming cash flow, usually leading to the creation of a liability (e.g. a debt to be paid in the future).

D

Direct Tax: Direct tax is a tax the burden of which is born entirely by the individual or the entity that pays it and it cannot be passed elsewhere; for example corporate tax, income tax etc.

Domestic Debt: Debt owed to the creditors residing in the same country as the debtor (Pakistan in this case).

F

Federal Divisible Pool: The divisible pool is that portion of tax revenue which is distributed between the Central Government and the Provincial Governments. The Divisible Pool comprises of taxes on income, wealth tax, capital value tax, taxes on sales and purchases, export duty on cotton, customs duties, and federal excise duties excluding the excise duty on gas charged at well-head, and any other tax which may be levied by the Federal Government.

Fiscal year: The time period that the government uses for budget and accounting purposes, i.e. 1st July to 30th June.

Foreign Debt: The money one country owes to another country as a result of loan and / or a negative balance of trade.

G

General Provident Fund: The investment fund created by the government for the welfare of its employees. The employees contribute a portion of their salaries and the government also contributes on behalf of its workers.

Gross Domestic Product (GDP): represents the size of the economy by calculating the total monetary value of all goods

and services produced over a specific time period.

H

Hydel Development Fund: The investment fund established by the government to be utilised solely for developing hydel power generation capacity of the Province.

I

Indirect Tax: A charge levied by the state on consumption, expenditure, privilege or right but not on income or property. Custom duties levied on imports, excise duties on production, sales tax or value added tax at some stage in production – distribution process are few examples of Indirect Tax.

Inflation: It is a general increase in prices, and decrease in the purchasing value of money.

P

Provincial Consolidated Fund: The Fund which comprises all revenues received and all loans raised by the provincial government and all monies received by it in repayment of any loan.

Public Account: consists of those moneys for which the Provincial Government has a statutory or other such obligation to account for but these are not available for appropriation for the general

operations of the Government

Pension Fund: The investment fund established by the government for payment of pension liabilities.

S

State Trading: Relates to procurement and sale of commodities (especially wheat) to provide price support for important agricultural products and ensuring food security. State trading transactions are maintained separately in provincial government's food account i.e. Account No.II with the State Bank of Pakistan. It is carried out with the borrowing from commercial banks as per cash credit facility extended by these banks.

V

Voted Expenditure: which is subject to the vote of the legislature (Provincial Assembly) under Constitution of Pakistan