



Year Book 2016-17

**Government of Pakistan
Planning Commission
Ministry of Planning, Development & Reform**
(ISO 9000-2015 Certified)



**In the Name of Allah
The Most Beneficent
The Most Merciful**

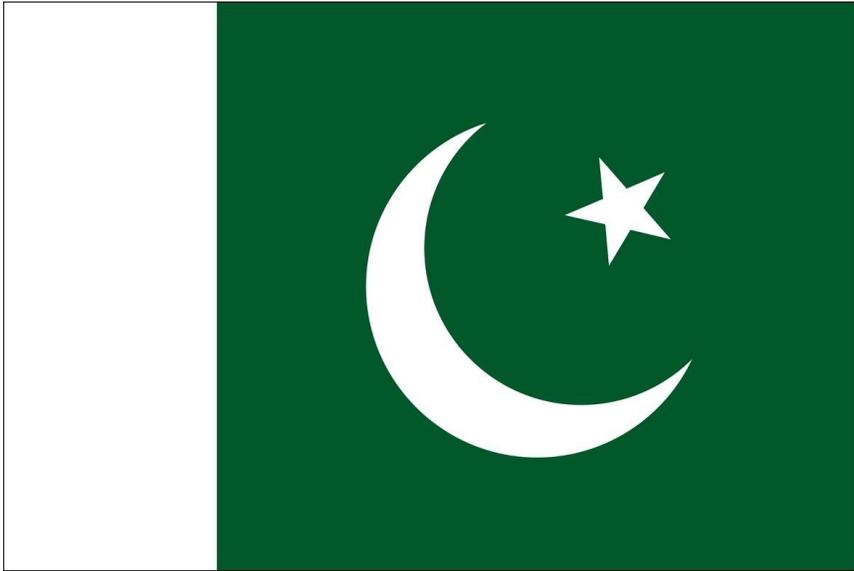


Table of Contents

Foreword	1
Review Committee	2
Introduction	3
Pakistan Vision 2025	7
Major Initiatives	15
Public Sector Development Programme	21
PILLAR-I PUTTING PEOPLE FIRST: DEVELOPING HUMAN AND SOCIAL CAPITAL	25
Population and Social Planning.....	27
Education	31
Health.....	33
Labour, Employment and Skill Development	41
Manpower	45
Poverty Alleviation and MDGs.....	49
Social Welfare and Women Development	53
Mass Media, Culture, Sports, Tourism and Youth	57
PILLAR-II ACHIEVING SUSTAINED, INDIGENOUS AND INCLUSIVE GROWTH	61
Performance of the Economy	63
Money, Prices and Fiscal Policy.....	67
Physical Planning and Housing.....	71
Economic Appraisal	75
Public Investment Authorization	77
External Sector	81
Plan Coordination	85
Special Areas Development	89

PILLAR-III DEMOCRATIC GOVERNANCE, INSTITUTIONAL REFORM AND MODERNISATION OF THE PUBLIC SECTOR	93
Governance.....	95
Projects Wing.....	99
Pakistan Planning and Management Institute.....	101
PILLAR-IV ENERGY, WATER AND FOOD SECURITY	105
Energy Wing.....	107
Water.....	113
Food and Agriculture	117
Nutrition.....	125
Environment and Climate Change	129
National Fertilizer Development Centre	135
PILLAR-V PRIVATE SECTOR AND ENTREPRENEURSHIP-LED GROWTH.....	137
Industries, Commerce and Mineral	139
PILLAR-VI DEVELOPING COMPETITIVE KNOWLEDGE ECONOMY THROUGH VALUE ADDITION.....	143
Information Communication Technology.....	145
Science and Technology	149
Pakistan Institute of Development Economics.....	153
Jawaid Azfar Computer Centre	157
PILLAR-VII MODERNISING TRANSPORTATION INFRASTRUCTURE AND GREATER REGIONAL CONNECTIVITY	161
Transport and Logistics	163
National Logistics Cell	175
Annexures	181-184

FOREWORD

The Year Book 2016-17 of the Ministry of Planning, Development and Reform has been prepared in pursuance of the Rules of Business 1973 as per Sub-rule 2 of Rule 25. The Book covers activities, achievements and progress of various sections and attached departments, made during the financial year 2016-17. These chapters enlist programmes and targets and their actualisation in the period under review. This Book provides sufficient information about the performance of the Ministry of Planning, Development and Reform / Planning Commission which will be useful for the academicians, researchers, Government functionaries and other stakeholders.



It is certainly an honour for me to present the Book to those who might be interested in getting an insight about our working which is aimed at improving the socio-economic development of Pakistan and bringing Pakistan among developed economies of the world. Our work under the policy of the Government is people oriented with an inclusive approach.

Taking the opportunity, I am thankful to my team in the Economic and Technical Sections, projects wing and attached departments/ autonomous bodies for their contribution for this document and making an excellent effort to achieve goals. Contribution of Plan Coordination Section under the supervision of its Chief Dr. Muhammad Afzal in finalizing the document is also deeply acknowledged.

Shoaib Ahmad Siddiqui
Secretary
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REVIEW COMMITTEE

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INTRODUCTION

The Planning Commission after revamping in 2013 has moved to a new paradigm of 'Participatory and Collaborative Planning' involving the parliament, ministries, divisions, provinces, Special Areas, private sector, academia, civil society and diaspora to play the role of facilitator and stewardship as well as an integrator in the areas of economic policy and reforms in the post-devolution scenario.

The Prime Minister is the Chairman of the Planning Commission which apart from the Deputy Chairman comprises twelve members including Secretary Planning & Development Division as Member Coordination (Organization Chart is at **Annex-A**). The Ministry of Planning, Development and Reform has Economic and Technical Sections, Wings and attached departments (complete list at **Annex-B**) to carry out government policies in collaboration with the respective ministries, divisions and provincial governments.

The Planning Commission is responsible to perform functions as indicated in the Schedule II of the Rules of Business 1973 under the heading of the Planning, Development and Reform Division which inter-alia include:

- Preparing the National Plan and review and evaluating its implementation
- Formulating annual plan and ADP
- Monitoring and evaluating implementation of major development projects and programmes
- Stimulating preparation of sound projects in regions and sectors lacking adequate portfolio
- Continuously evaluating the economic situation and coordinate economic policies
- Organising research and analytical studies for economic decision making

The Planning Commission also discharges the following functions:

- Assisting in defining the national vision and under taking strategic planning
- Assessing the material, capital and human resources of the country and formulating proposals for augmenting such resources
- Assisting the government in providing a conducive macroeconomic and regulatory framework, improved resource mobilisation, an institutional framework and efficient public investment
- Promoting and developing role of the private sector as an engine of growth by co-opting it as a partner in the development process through institutionalised effective consultative process
- Promoting and coordinating reform and innovation in the government in partnership with the relevant ministries, divisions and organisations
- Promoting and developing social capital for development with the stakeholders (MDGs, poverty alleviation, social harmony)
- Promoting and coordinating economic and infrastructure initiatives towards developing regional economic integration
- Monitoring Pakistan's economic competitiveness and development strategies for its enhancement with the relevant ministries, divisions and organisations
- Promoting development discourse in the country towards participatory and collaborative planning and development
- Study trends and evaluate impact of globalisation and develop appropriate national responses in coordination with the relevant ministries, divisions and organisations
- Study and evaluate impact of new technologies on development and develop appropriate national responses in coordination with the relevant ministries, divisions and organisations

- Facilitating capacity building of agencies involved in development
- Any other function assigned by the Prime Minister

Recently, the Ministry of Planning, Development and Reform has been certified by International Standards Organization (ISO) - under **ISO 9000-2015** certification.

PAKISTAN VISION 2025

Today Pakistan faces formidable social, economic, security and governance challenges. Many nations have faced almost similar challenges, but successfully turned these into opportunities through sound economic planning, good governance and consistency in policy implementation. As we pass through an era of unprecedented change and complexity, it is imperative that we refresh our framework for national development.

The Vision was drawn up after extensive consultations with a very wide range of stakeholders, which included political parties, federal ministries, provincial governments, national and international private sector entrepreneurs, international development and financial institutions, academia, think-tanks, independent experts, NGOs, parliamentarians and other sections of the civil society.

Vision

A number of emerging economies (the Asian Tigers) appear to have realised this vision through their experience. The Vision 2025 acknowledges this experience in setting out the goal of becoming the next Asian Tiger. It aims at ensuring that Pakistan succeeds in achieving the proposed SDG targets of zero poverty and hunger as well as universal access to health services, education, modern energy services, and clean water and sanitation by 2025, as well as joining the league of the upper middle income countries by 2030. Our ultimate aspiration is to see Pakistan among the ten largest economies of the world by 2047 – the centennial year of our independence.

Seven Pillars

The Vision rests on seven pillars identified as key drivers of growth, which will transform Pakistan into a vibrant and prosperous nation by 2025. However, for these pillars to be truly effective, certain prerequisites or key enablers like political stability, peace and security, rule of law and social justice, must be met. The government is making a strenuous effort to provide the required enabling environment. A brief description of the pillars is as below:

Pillar-I: Putting people first - Development of human and social capital

The first priority is to provide every citizen the ability to improve his/her choices and quality of life. This requires capitalising upon and strengthening existing social capital, improving the human skill base of the population, and providing access to opportunities for advancement. It involves a rapid scaling-up of investments in education, health and social development, generating jobs and prospects for the youth bulge, harnessing the rising power of a socially aware population, gender equality and women development, inclusion of vulnerable segments, interfaith harmony and religious diversity, promotion of art, culture and heritage, raising sporting standards, and moving towards a knowledge-based, ethical and value-driven society.

Pillar-II: Achieving sustained, indigenous and inclusive growth

The Vision seeks to revive and sustain the growth momentum consistent with environmental limits and equity considerations. The objective is to provide better living standards to every Pakistani irrespective of caste, creed, domicile, religious or political affiliation. Every effort will be made to overcome manifold inequalities — horizontal and vertical, intra and inter-provincial or rural and urban. The Vision envisages a strategy for developing a united and equitable society through a balanced development approach, social uplift and rapid broad-based growth. This includes resource mobilisation through improved tax collection, export orientation, mobilising the Diaspora and attracting private sector investment, radical improvements in productivity, provision of opportunities to all segments of the society, formalising the parallel economy, urban development and smart cities and social protection frameworks.

Pillar-III: Democratic governance, institutional reform and modernisation of the public sector

The third pillar aims to ensure good governance through strengthening of the institutions such as the parliament, judiciary, police, and civil service, and deliver the benefits of devolution of powers to the provincial governments as prescribed in the 18th Amendment. The Vision seeks an efficient and transparent government, which operates under the rule of law and provides security of life and property to its

people. Good governance encompasses excellence in the management of political, economic, and administrative infrastructure, the development of a skilled, motivated, results-focused, high performing civil service, elimination of corruption, streamlined and tech-enabled public sector, transparency on government performance, and building of an effective regulatory framework that leverages supporting technology and best global practices.

Pillar-IV: Energy, water and food security

The Vision recognises that sufficient, reliable, clean and cost-effective availability of energy, water and food – for now and the future – is indispensable to ensure sustainable economic growth and development. There is a need to fill the enormous gaps in these areas, while simultaneously making efforts to respond to the looming threat of climate change. There is a renewed national consensus — as articulated in the manifestoes of all leading political parties — to commit major new resources through public and private sector collaboration in these areas and ensure required production and storage capacities. At the same time, efforts will be made towards conservation, efficient distribution and usage of resources, and preventing contamination and environmental degradation.

Pillar-V: Private sector and entrepreneurship-led growth

The Vision aims to make Pakistan a highly attractive destination for the private sector investment, with conditions that allow investors to successfully participate in its development. This will require a concerted focus on the areas that inhibit the private sector, including the energy deficit, lack of security, labour skills, slow and costly judicial procedures (contract enforcement), macroeconomic instability and ad hoc regulations. The public sector enterprises will be made profitable and efficient through a combination of restructuring, partial and outright privatisation. The public-private partnership will be promoted through a comprehensive policy regime. Attracting private sector investment will be a key priority and driver of growth. The SME sector will be aggressively developed and entrepreneurship enabled.

Pillar-VI: Developing a competitive knowledge economy through value-addition

National competitiveness refers to the ability to produce and deliver products and services effectively and profitably in relation to other competing countries. Improving our national competitiveness is, therefore, critical to our ability to utilise resources in a productive manner – based on merit, quality and innovation instead of unproductive rent seeking behaviours and performance. The Vision envisages fundamental improvements in competitiveness across the industrial, manufacturing, services and agricultural sectors. Competitiveness is about achieving efficiency and productivity to enable self-sustaining enterprises; thereby boosting their share in the international market and raising the overall level of prosperity and well-being of the nation.

Pillar-VII: Modernising transportation infrastructure and greater regional connectivity

Successful countries have invariably built upon the dynamism of their regional contexts. Pakistan is situated at the nexus of the four most dynamic regions of the world – China, South Asia, the Middle East and Central Asia. The Vision aims at the establishment of an efficient and integrated system of communications and transport – both in order to benefit from and contribute to the regional dynamism. Key related targets are reduction in transportation costs, safety in mobility, effective connectivity between rural areas and markets/urban centres, inter-provincial high-speed connectivity, integrated road and rail networks between economic hubs (including air, sea and dry ports), high-capacity transportation corridors connecting major regional partners and exponential growth in exports.

Goals of the Vision**Pillar-I: Putting people first - Development of human and social capital**

- Increase primary school enrolment and completion rate to 100 per cent and literacy rate to 90 per cent

- Increase higher education coverage from 7 per cent to 12 per cent, and increase number of PhDs from 7,000 to 15,000
- Improve Primary and Secondary Gender Parity Index to 1, and increase female workforce participation rate from 24 per cent to 45 per cent
- Increase proportion of population with access to improved sanitation from 48 per cent to 90 per cent
- Reduce infant mortality rate from 74 to less than 40 (per 1000 births) and reduce maternal mortality rate from 276 to less than 140 (per 1000 births)
- Reduce the incidence and prevalence of hepatitis, diarrhoea, diabetes and heart disease by 50 per cent
- Pakistan will be the World Champions of two sports, and win at least 25 medals in the Asian games.

Pillar-II: Achieving sustained, indigenous and inclusive growth

- Become one of the largest 25 economies in the World, leading to the upper-middle income country status
- Reduce poverty level by half
- Increase annual Foreign Direct Investment from \$600 million to over \$15 billion
- Increase tax to the GDP ratio from 9.8 per cent to 18 per cent

Pillar-III: Democratic governance, institutional reform and modernisation of the public sector

Place in the top 50th percentile for political stability (from bottom 1 percentile), No violence/terrorism (from bottom 1 percentile), and control of corruption (from bottom 13th percentile) as measured by the World Bank's Worldwide Governance Indicators

Pillar-IV: Energy, water and food security

- *Energy*: double power generation to 42,000 MW to provide uninterrupted and affordable electricity, and increase electricity

access from 67 per cent to over 90 per cent of the population by 2025

- reduce average cost per unit by over 25 per cent by improving generation mix (15 per cent) and reducing distribution losses (10 per cent)
- increase percentage of indigenous sources of power generation to over 50 per cent; and
- address demand management by increasing usage of energy efficient appliances and products to 80 per cent
- *Water*: increase storage capacity to 90 days, improve efficiency of usage in agriculture by 20 per cent, and ensure access to clean drinking water for all Pakistanis
- *Food*: Reduce food insecure population from 60 per cent to 30 per cent

Pillar-V: Private sector and entrepreneurship-led growth

- Rank in the top 50 countries on the World Bank's Ease of Doing Business Rankings
- Increase Diaspora investment (via remittances) in the private sector from \$14 billion to \$ 40 billion
- Create at least five global Pakistani brands (having more than 50 per cent sales coming from consumers outside Pakistan), and make 'Made in Pakistan' a symbol of quality

Pillar-VI: Developing competitive knowledge economy through value-addition

- Join the ranks of the top 75 countries as measured by the World Economic Forum's Global Competitiveness Report
- Triple labor and capital productivity
- Improve Pakistan's score on the World Bank Institute's Knowledge Economy Index from 2.2 to 4, and increase internet penetration to over 50 per cent
- Increase the number of tourist arrivals to two million

Pillar-VII: Modernising transportation, infrastructure and greater regional connectivity

- Increase road density from 32 km/100 km² to 64 km/100 km², and share of rail in transport from 4 per cent to 20 per cent
- Increase annual exports from \$25 billion to \$150 billion

MAJOR INITIATIVES

China Pakistan Economic Corridor (CPEC)

The People's Republic of China and the Islamic Republic of Pakistan have enjoyed steady development of bilateral ties ever since they formally established diplomatic relations. In recent years, the economic and social development of the two countries has entered a new historical period. Under the esteemed leadership of Prime Minister of Pakistan, Muhammad Nawaz Sharif and Chinese President H.E. Xi Jinping, the China-Pakistan bilateral relations have been elevated to an all-weather cooperative partnership. The China Pakistan Economic Corridor (CPEC) project epitomizes the growing mutuality of interest and the vision of a shared politico-economic future on the part of the Islamic Republic of Pakistan and the People's Republic of China.

CPEC is the cornerstone of China's "One Belt One Road" (OBOR) or the "Belt and Road Initiative". It also dovetails perfectly with Pakistan's Vision 2025 and respective 5 Year Plans of the China. It will not be exaggeration to state that it's one of the most important game-changing projects to ever be attempted in Pakistan's history. The economic attractiveness of CPEC serves as an irresistible magnet for all sorts of various actors to utilize its infrastructure connectivity in facilitating their trade objectives and enhancing bilateral trade with China such as the Central Asian Republics, European Unions, Middle East, and African States.

Implementation Framework

For effective implementation of CPEC Projects, both China and Pakistan have designated their respected departments. The designated organization of China's National Development and Reform Commission (NDRC) is International Cooperation Department and the designated organization of Ministry of Planning, Development and Reform (M/o PD&R) is China Pakistan Economic Corridor Secretariat (CPECS).

For institutional arrangement and development of the CPEC, NDRC along with M/o PD&R has constituted subsidiary Working Groups of the Joint Cooperation Committee (JCC—the Ministerial level apex body under MoU) on Planning, Transport Infrastructure, Energy, Gwadar and Industry Cooperation for which they have nominated their respective lead agencies for this work. Accordingly, Working Groups in these areas have been constituted on Pakistani side as well. Since the signing of the MoU in July 2013, six (6) meetings of the JCC have been held aside from other subsidiary meetings of Joint Working Groups, Expert Groups, Progress Review Meetings and Expert team visits.

Projects

Energy Cooperation

To promote cooperation in fields of thermal power, hydropower and new energy, Chinese enterprises have been engaged to invest in Pakistani energy projects and make optimal utilization of the local resources, such as the Thar Coal mine etc. Investments have been made to remove the power bottleneck; reinforce the main grid structure and power transmission and distribution network, and improve power supply reliability.

Among the 15 prioritized energy projects, 1320 MW Sahiwal Coal fired Power Plant has commenced Commercial Operation six months ahead of schedule. It was inaugurated on 25th May, 2017 by then the Prime Minister Nawaz Sharif and is successfully contributing more than 1000 MW continuously. Other than this, 100 MW UEP Wind Farm (Jhimpir, Thatta), 50 MW Sachal Wind Farm (Jhimpir, Thatta), 50 MW Hydro China Dawood Wind Farm (Gharo, Thatta) have attained successful completion and were inaugurated by the Prime Minister Shahid Khaqan Abbasi on 13th August, 2017 along with Chinese Vice Premier Mr. Wang Yang. Similarly, other energy projects including Port Qasim Coal Power Project, Thar Coal Power Projects and Mining are under fast implementation and exhibiting remarkable progress besides other solar and hydro projects. Furthermore, the development of Hydro projects along the north Indus River including Basha Hydropower Project was approved in 6th JCC held in December 2016 and MoU on roadmap for Studies of Diamer Basha Project and

Hydo power planning signed during Belt and Road Forum held in May 2017.

Transport Infrastructure

To create a railway, highway and civil aviation comprehensive transportation system in Pakistan, transformation of existing infrastructure is done to give first priority to highway and railway projects in addition to provision of supporting facilities for Gwadar port, Airport and Logistic Parks.

As part of road projects, both PSDP funded and Chinese financed projects are in pipeline. Chinese financed projects include Karakoram Highway Phase-II (Thakot-Havelian Section), and Karachi-Peshawar Motorway (Multan-Sukkur Section) which are under fast implementation. In addition to this, Western Route (Khunjerab-Burhan (Hakla)-D.I. Khan (Yarik)-Zhob-Quetta-Surab-Hoshab-Gwadar) measuring 2494 km is being developed on priority basis and is expected to complete by mid 2018.

Railroad is considered to be the fast and most efficient mode of communication. Given this, a major strategic initiative under CPEC is the expansion and reconstruction of existing Mainline One (ML-I) spanning Karachi to Peshawar over a distance of 1872 km. In this regard, MoU and Framework agreement on ML-I has been signed with Chinese side in May 2017 on the occasion of Belt and Road Forum and the project has been accorded 'strategic importance' by both sides. Recently, in July 2017, a delegation of National Railway Administration (NRA) China led by Deputy Administrator visited Pakistan and inspected various sections of ML-I. Feasibility study of the project has been completed and financial modalities are being worked. The completion of this project will increase speed of train up to 160 km/h. Besides, a dry port will be established at Havelian keeping in view the demands of containerized future freight traffic. The establishment of Havelian Dry port is covered under the same ML-I MoU and framework agreement.

Gwadar Deep Sea Port

Gwadar, located in the southwest part of Pakistan, is endowed with excellent conditions based on its location and deep water port development. The focus is on the development of oil refining, ship-building and repairs, chemicals, non-ferrous metals, logistics, port, cargo services and transportation. This is a way to provide rich industrial products, an outlet to warm waters of Arabian Sea and Persian Gulf in order to promote the economic development in Southern and Western part of the country, and expand job opportunities.

Gwadar projects are to make the Gwadar port operational and make it a modern free port city on lines of Shenzhen, China. Government has announced special concessional incentives for Gwadar Port and Free Zone to attract investors and investment. Work on various Gwadar projects including development of Free Zone, Construction of breakwaters, Dredging of berthing areas and channels, Technical and Vocational Institute, Pak-China friendship Hospital, and Master Plan for Gwadar Smart port city are under various stages of implementation. Gwadar Eastbay Expressway and New Gwadar International Airport (NGIA) are priority projects. Ground-breaking of Gwadar Eastbay Expressway is expected this year whereas work on NGIA will commence by early 2018.

The development of Gwadar will promote the economic development of Pakistan and become a gateway for Central Asian countries, including Afghanistan, Uzbekistan, linking Sri Lanka, Iran and Xinjiang to undertake marine transport. Essentially, the development of maritime sector will promote coastal tourism and local fishery industry in the long term.

Industrial Cooperation

As an important platform and component of industrial development, the industrial parks/Special Economic Zones (SEZs) will play an important role in the future progress of CPEC. It was agreed that the ultimate objective of Industrial Cooperation between China and Pakistan is not merely the establishment of industrial parks, it is to develop and implement various initiative and projects required to help

industrialize Pakistan. In the 6th JCC, Pakistani side designated the Board of Investment as the lead agency on Industrial cooperation.

The 6th JCC also approved the priority list of locations of Special Economic Zones shared by Pakistani side to the Joint Working Group on Industrial Cooperation; which is as under:

S.No.	CPEC SEZs
1	Rashakai Economic Zone on M-1, Khyber Pakhtunkhwa
2	Special Economic Zone Dhabeji, Sindh
3	Bostan Industrial Zone, Balochistan
4	Punjab - China Economic Zone, Faisalabad Punjab
5	ICT Model Industrial Zone, Islamabad
6	Development of Industrial Park on Pakistan Steel Mills Land at Port Qasim near Karachi
7	Mirpur Industrial Zone, Azad Kashmir
8	Mohmand Marble City, FATA
9	Moqpondass SEZ, Gilgit-Baltistan

It may be pertinently highlighted that sites for industrial parks/SEZs have been identified and indicated by each province / area keeping in view the industry specialty of respective areas. The feasibility studies are underway for prioritizing the zones by provinces. In July 2017, an expert level delegation from NDRC visited industrial sites for providing guidance on development of industrial parks/SEZs.

Social Sector Projects

Efforts are being made for intensification of People to People contact, media and cultural exchanges (including movies, drama, theatre etc.) would be done through agreed yearly programmes. Both sides have resolved to promote Chinese and Pakistani culture and heritage as a way of long term partnership which is embedded at all levels in the two societies. The government has undertaken intensive efforts to facilitate transfer of knowledge in education sector through “CPEC Consortium of Business Schools”. Top business schools from Chinese and Pakistan side are part of the consortium which was formally launched on 30th August, 2017. China Association of Higher Education (CAHE) is the counterpart organization from Chinese side. While

Higher Education Commission (HEC) has been made focal agency from Pakistani side and consultative process has commenced.

To further strengthen educational collaboration between the two countries, it is planned to establish Pakistan Academy of Social Sciences (PASS) with Chinese Academy of Social Sciences (CASS).

CPEC Long-Term Plan 2030

In the light of MoU signed in July 2013, Pakistan and China have jointly developed CPEC Long Term Plan (LTP) after extensive deliberations and consultations with all stakeholders. LTP is based on seven broad pillars including connectivity, energy, industries and industrial parks, agricultural development and poverty alleviation, tourism, cooperation in areas concerning people's livelihood, and financial cooperation. The same is under deliberation with Chinese side.

The CPEC will greatly inherit the benefits as well as the dividends from the overall Chinese dream. The benefits will go beyond \$46 billion in energy and infrastructure projects once they are completed. Both projects will work in tandem with trade cooperation, and economic prosperity.

PUBLIC SECTOR DEVELOPMENT PROGRAMME

One of the main functions of Ministry of Planning, Development & Reform under Schedule-II of the Rules of Business 1973, is to devise the Public Sector Development Programme (PSDP) and monitor the pace of implementation of development programmes and projects so as to achieve socio-economic growth for ensuring equitable development in the country. PSDP funded projects aims to provide the basic infrastructure necessary for economic development in the country, create employment and alleviate poverty etc.

The National Economic Council (NEC) approved the PSDP 2016-17 in its meeting held on 30-05-2016 with total outlay of Rs.1675 billion. The Federal component of the PSDP was Rs. 800 billion and Provincial ADP was Rs.875 billion. The Foreign Aid Component of the Federal PSDP was Rs.143 billion and that of Provincial ADP was Rs.66 billion.

PSDP 2016-17 was aligned with the development objectives set under the Vision 2025 and 11th Five Year Plan (2013-18). The Vision provides a road map for inclusive and sustainable growth. The sectoral allocations under the PSDP were set to support the seven pillars of the Vision i.e. integrated energy, modernizing infrastructure, institutional reforms in the public sector, value addition in commodity producing sectors, exports promotion, water and food security, private sector led growth and promoting entrepreneurship.

The following policy guidelines were followed while formulating PSDP 2016-17:

- Ongoing projects were financed on priority. Over 90% funds were allocated to ongoing projects
- Committed foreign project assistance was fully accommodated in case of foreign funded projects
- The projects under CPEC Initiative were adequately financed for timely completion
- Programmes of the Special Areas (FATA, AJ&K and G-B) were adequately financed as per their development requirements

- Vertical programmes of health and population were provided allocations as per decision of the Council of Common Interests (CCI) on April 28, 2011
- New projects were discouraged unless falling within the priority sectors and supporting seven pillars of the Vision 2025 and Sustainable Development Goals (SDGs)

Sector-wise Budgeted allocations and revised allocations of the federal PSDP 2016-17 with percentage shares are given below:

Sector-Wise Allocation - Federal PSDP 2016-17

Sector	Budget Allocations	%	(Rs. billion)	
			Revised Allocations	%
Infrastructure	468.0	59.0	482.0	60.0
Social Sector	69.0	9.0	71.0	9.0
Science & Information Technology	8.5	1.0	8.0	1.0
Governance	8.5	1.0	7.0	1.0
Special Areas (AJK, GB, FATA)	42.0	5.0	42.0	5.0
Production Sector	4.0	0.5	3.0	0.5
Special Programmes (Special Federal Programmes and Pak. MDGs)	48.0	6.0	35.0	5.0
ERRA	7.0	1.0	7.0	1.0
Prime Minister's Youth Programme	20.0	2.5	20.0	2.5
Special Dev. Programme for TDPs & Security Arrangements	100.0	12.0	100.0	12.0
Gas Development Infrastructure Fund	25.0	3.0	25.0	3.0
Total Size	800.0	100.0	800.0	100.0

Release and Utilization of PSDP 2016-17

The overall release / disbursement of PSDP 2016-17 was recorded at Rs.744 billion (Rupee component: Rs.545 billion; Foreign Aid: Rs.199

billion) compared to the approved size of Rs.800.0 billion (Rupee component: Rs.657 billion; Foreign Aid component: Rs.143 billion). Reported expenditure of three quarters i.e. July 2016-March 2017 was Rs.591 billion as per fiscal operations of the Finance Division.

Salient Features of PSDP 2016-17

- Infrastructure Sector was accorded priority with 60% share in overall allocations, amounting to Rs.482 billion in the revised federal PSDP 2016-17
- Within infrastructure, the Energy Sector was given priority with an allocation of Rs.409 billion including Rs.253 billion as self-financed portfolio of WAPDA/ PEPCO / NTDC
- For better regional connectivity and fast track trade mobility, the projects of transport and communication including CPEC projects sponsored by NHA, Railways, Ports & Shipping etc. were allocated Rs.262 billion
- For better utilization and conservation of water resources for domestic use and irrigation purposes, Rs.36 billion were allocated for Water Sector projects
- Financing projects falling in devolved Social Sector is the responsibility of the Provincial Governments after 18th Constitutional Amendment. Substantial additional resources were transferred to provinces under 7th NFC Award
- Federal government continued to finance vertical programmes in Health and Population Welfare Sectors as per decision of CCI dated 28-04-2011. Accordingly, a total of Rs.71 billion were allocated for social sector projects (such as education, health, population welfare, etc.). In addition, Rs.35 billion were allocated for achieving SDGs to augment the efforts of the Provincial Governments to finance need based community development projects
- To promote culture of research, innovation and technical knowhow, Science and Information Technology Sector was allocated Rs.8 billion

- For better security, governance, institutional strengthening, capacity building and reforms programmes, Rs.7 billion were earmarked for Governance Sector
- An allocation of Rs.3 billion was earmarked in the PSDP to boost productivity and projects in Agriculture, Commerce, Textiles and Production Sectors
- To bring less developed areas at par with rest of the country, Special Areas (FATA, GB & AJ&K) were provided Rs.42 billion for financing of schemes under their respective ADPs
- Gas Infrastructure Development Fund was setup with an amount of Rs.25 billion
- For rehabilitation and reconstruction of FATA, Rs.100 billion were earmarked for TDPs and security enhancement
- To sharpen the skills of youth to equip them to compete in the global market, an amount of Rs.20 billion was allocated for PM's Youth Development Programme

Ministry of PD&R undertook four quarterly reviews of projects financed through PSDP 2016-17 with a view to assess physical and financial progress and adjust allocations so that more funds are diverted to fast moving important projects with a view to complete the projects as per schedule. In addition, re-appropriation of Rs.53 billion for 101 on-going projects within the size of PSDP 2016-17 was allowed. The Ministries /Divisions were also asked to submit PC-Is of unapproved budgeted projects so that allocated funds can be utilized. Due to these steps, more than 145 projects having total estimated cost of Rs.68 billion were completed during 2016-17.

**PILLAR-I
PUTTING PEOPLE FIRST:
DEVELOPING HUMAN AND SOCIAL CAPITAL**

POPULATION & SOCIAL PLANNING

The Section apprises the government about population, family planning and reproductive health situation and related issues. It deals with the population policy and suggests measures for population control. It also processes the PSDP funding to the population welfare projects and programmes and also coordinates with the Ministry of National Health Services Regulations and Coordination (NHSR&C), provincial governments, international donors and NGOs dealing with the population and family planning programmes.

Population and Housing Census, 2017

The present government must be given credit for conducting the long awaited sixth Population and Housing Census, 2017. Pakistan's population is 207.774 million as per the provisional results of census, as compared to 132.352 million of 1998 Census. The estimated population growth is 2.4 percent and fertility rate is 3 percent. The urban population is 75.584 million, whereas the rural population is 132.189 million. The Total Fertility Rate (TFR) is very high i.e. 3.57 percent while Contraceptive Prevalence Rate (CPR) is of 40.6 which is very low in the region. Pakistan's Crude Birth Rate (CBR), Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR) are also very high.

Major activities

The federal government is still funding the Population Welfare Programme of provinces and federating units through PSDP to achieve the objectives and targets of Vision 2025 and 11th Five Year Plan (2013-18), in addition to our international commitments of FP-2020 and SDGs. The detail of PSDP expenditures for Population Sector in 2016-17 is tabulated as under:

(Rs. million)

S.No.	Name of the Project	Approved Cost	Allocation for 2016-17	Expenditure for 2016-17
1	Population Welfare Programme, Punjab (2010-15)	196,28.3	3,583.6	3,583.6
2	Population Welfare Programme, Sindh (2010-15)	133,36.0	2,057.4	2,057.4
3	Population Welfare Programme, Khyber Pakhtunkhwa (2010-15)	6,234.0	1,268.4	1,268.4
4	Population Welfare Programme, Balochistan (2010-15)	5,425.8	795.7	795.7
5	Population Welfare Programme, AJK (2010-15)	1,245.3	273.4	273.4
6	Population Welfare Programme, Gilgit-Baltistan (2010-15)	663.1	118.7	118.7
7	Population Welfare Programme, FATA (2010-15)	997.4	78.8	78.8
	Total:	47,529.8	8,176.1	8,176.1

The Service Delivery Outlets (physical targets and achievements thereof) during 2016-17 are given below:

(In Numbers)

Service Delivery Outlets	2016-17 (Targets)	Achievements 2016-17
Family Welfare Centers	3390	3525
Reproductive Health-A Centers	270	276
Mobile Service Units (MSUs)	370	358
Reproductive Health-B Centers	240	209

Source: Population Welfare Departments of the Provinces and federating units.

Preparation of National Population Policy

In the post-devolution scenario, there was no National Population Policy of the country and it was direly needed to have such policy. However, all the four Provinces have already developed their population policies. Population Section has played a very important role to convince the provincial governments and build consensus for the formation of National Population Policy. In this regard, a serious attempt was made by Planning Commission for the preparation of the National Population Policy to address the population and family planning issues. Under the guidance of Planning Commission, the Ministry of National Health Services, Regulation & Coordination is preparing first draft of the policy with the help of UNFPA and after the meeting of all the public and private stakeholders, the draft policy will be presented to Planning Commission for vetting prior to its approval. It is very likely that the policy will be ready for the approval by November 2017. It will improve coordination between the federal and provincial governments as well as private sector to bridge the policy gaps, to evolve and integrate strategies and generate more resources.

Other activities performed

- Regularly attended the quarterly meetings, Country Engagement Working Group (CEWG) on Family Planning 2020 (FP-2020), formed by the federal government, for better implementing the strategies
- FP programme to achieve the targets of 2012 London Summit. The Section gave valuable inputs for finalization of different country papers and reports
- Attended the meetings of Working Group on Population Projections, 2016 held in the National Institute of Population Studies (NIPS) for updating and provision of authentic data pertaining to population projections
- Attended meetings and offered comments on forthcoming Pakistan Demographic and Health Survey (PDHS)

- Offered comments on “Sixth Population and Housing Census” for the CCI meeting
- Prepared working paper of PSDP relating to quarterly reviews and proposed PSDP 2017-18

Work in progress

The Population Welfare Departments of the provinces and federating units are preparing their new PC-Is of Population Welfare Programme (2017-20) under the broad guidelines of the Population Section. In order to achieve the desired goals and targets of FP-2020, 11th Five Year Plan and Vision 2025, the innovative ideas, schemes and new strategies will be incorporated in the upcoming new PC-Is.

EDUCATION

The human resource development is given top priority by the developed world like United States, Europe and fast developing countries like China, Malaysia and Turkey. They know that the people are the real wealth of any nation and human capital plays crucial role in the socio-economic development. Some of the developed nations do possess least natural resources but they have optimized their efforts in the national development by developing human capital. Japan is the best example of that scenario.

Sectoral overview

As per prevailing economic growth and financial resources, Pakistan is trying at its best to achieve the targets of Sustainable Development Goals by 2030 to ensure that all girls and boys complete free, equitable and quality primary and secondary education to attain necessary outcomes. After eighteenth Constitutional amendment. Federal Government has to provide Basic and College education in Islamabad Capital Territory, FATA, Gilgit Baltistan and AJ&K. At present, National Education Policy 2009 is under implementation till new policies are framed by the provinces as per situation. On the other hand, New Education Policy 2016-2025 is under formulation process in the Ministry of Federal Education & Professional Training Islamabad which is in line with Pakistan Vision 2025. PSLM survey 2014-15 reflects percentages as Primary GER 91 (Male 98, Female 82), Primary NER 67 (Male 72, Female 62), Middle GER 62 (Male 68, Female 56), Middle NER 37 (Male 39, Female 34), Matric GER 58 (Male 64, Female 50) and Matric NER 27 (Male 29, Female 24) at national level. More investment in human capital in the backward areas of all Provinces/Areas is necessary for attainment of Sustainable Development Goals.

PSDP allocation for 2016-17

During 2016-17, Federal Government allocated Rs.26,185.7 million in the PSDP for the development programmes / projects in the areas of literacy, National Curriculum, Examination system, Motivation of

teachers, Capacity building of Education Managers/ teachers
Establishment of new Institutions, Uplifting of schools and
Up-gradation of ICT High schools.

Putting People First-Developing Human and Social Capital is the Pillar-I of Pakistan Vision 2025 which reflects education as a top priority and political commitment of the present government. The development schemes mentioned above will have positive impact on access to education, increasing literacy, creating child friendly environment, providing physical facilities, capacity building of teachers to provide quality education and increase human development by providing scholarships.

Major activities

Ministry of Planning, Development & Reform has established a company under Article 1984 under PSDP “National Endowment Scholarships for Talent (NEST)” costing Rs.10 billion to award scholarships to needy cum talented students to enable them to continue their studies from Intermediate to PhD level. The selection and disbursement of scholarships is underway

On the direction of Planning Commission, the Ministry of Federal Education & Professional Training has approved three schemes that include, “National Curriculum Council” aiming to maintain uniform education / curriculum standards at national level, “Modernization and Standardization of Examination system” to strengthen quality of education and “Mainstreaming of Madaris” aiming at formalizing madaris education

The Education Section arranged two Pre-CDWP meetings and presented the projects and got them approved from CDWP. Also participated in two meetings of DDWP for approval of the projects

HEALTH

Health plays a pivotal role in overall socio-economic development of the country. Currently, health delivery system in Pakistan is inadequate. Basic medical facilities are non-existent/non-functional, especially in rural areas. Hospitals are over-crowded and public awareness about primary health care is insufficient. Overall expenditure on Health in terms of Health to GDP Ratio remains quite low contrary to recommended by the United Nations.

Major activities

During 2016-17 particular emphasis was on prevention and control of communicable and non-communicable diseases. An amount of Rs.145.97 billion was incurred in health sector in 2016-17 wherein development expenditures included Rs.34.47 Billion. Expenditure on health sector was 0.46 percent of GDP. Physical targets and achievements are given below:

S.No.	Sub-Sector	2016-17		
		Targets	Achievements	(%)
1.	Hospital Beds	5000	4350	87
2.	Health Human Resource			
	Doctors	5000	4500	90
	Dentists	500	450	90
	Nurses	4500	3500	78
	Paramedics	5500	4550	83
3.	Preventive Programmes			
	Immunization (Million)	8	7	88
	Oral Rehydration Salt (ORS) (Million Packet)	23	21	91

Universal Health Coverage

Manifesto of the ruling government envisaged providing universal health coverage through a package of health insurance scheme which was launched to improve health status of the population by ensuring access to quality health care and enhancing coverage and access to secondary & priority treatment of poor and vulnerable population. Cost

of the programme is Rs.8,072.5 million which was approved by CDWP. The Programme is under implementation in 31 districts including 4 districts each in Sindh and Khyber Pakhtunkhwa. The scheme covers secondary healthcare including daycare and maternity services such that the insured families report reduction in episodes of catastrophic health expenditure for inpatient hospitalization by at least 60%.

Health sector governance reforms in Islamabad Capital Territory (ICT)

Territorial/ geographic jurisdiction / distribution for provision of curative health service in ICT are defined in the Rules of Business. Medical curative services are supposed to be provided in ICT by the following departments under certain rules and regulations:

- Directorate of Health (DoH), Office of the Chief Commissioner under Ministry of Interior for General Population of Rural Islamabad
- Directorate of health Service (DHS), Capital Development Authority (CDA) for General Population of Rural Islamabad
- Capital Administration and Development Division (CADD) (PIMS & Polyclinic) for Parliamentarians and Federal Government Employees

Failure to follow the official domains by the above mentioned three departments has resulted in unwarranted extension of their services to cater for urban and rural settings in Islamabad by PIMS and Polyclinic. Consequently, resulted in heavy patient load and deterioration in quality of health services ensued. This has also resulted in compromised capacity development by Directorate of Health in CDA and Health Directorate of Chief Commissioner Office. Poor medical services due to paucity of funds, material and human resource further deteriorates the circumstances.

As a reform measure, upon direction of the Minister for PD&R relevant stakeholders providing health services in ICT have been directed to

follow the defined geographical distribution for provision of curative health services according to the Rules of Business and to deploy an effective and timely referral system for optimal health service provision. Continuous efforts to constantly evaluate the setup of health service delivery in ICT is a must step. In this regard, Committee on Health Reforms in ICT notified by Planning Commission has recommended establishment of Health Policy Board and Health Regulatory Authority for effective health service delivery.

Polio eradication and provincial preparedness and funding requirements

Polio incidence has almost been eradicated around the world. According to WHO, in Pakistan only 2 polio cases has been reported this year till 25th April, 2017 against 9 cases recorded during same period last year and the country is almost close to polio eradication. The containment of polio incidence indicates that immunization Programme is going in right direction. Under the Global Polio Eradication Initiatives (GPEI), national governments and number of organizations like World Health Organization (WHO), United Nations Children Fund (UNICEF) and US Centers for Disease Control (CDC) are working to eradicate polio worldwide.

The world famous philanthropist Mr. Bill Gates in a meeting with Prime Minister of Pakistan on World Economic Forum in Davos in January, 2017 appreciated the tremendous success on polio eradication and commended that Pakistan Government has achieved great success and the year 2017 would be the year of polio eradication from Pakistan. Efforts for polio eradication in Pakistan are at its terminal stage. A Programme of action worth of US\$638.57 million to end polio by 2018 has been approved by Planning Commission and is under implementation.

Non-communicable diseases (NCDs) and mental health

Vision 2025 and 11th National Five Year Plan (2013-18) focus on prevention and control of non-communicable diseases (NCDs) and mental illnesses. Upon direction of Minister for Planning, Development

& Reform / Deputy Chairman, Planning Commission, extensive stakeholders' consultation including the provincial governments, academia, technical experts and international development partners was convened at Planning Commission. The Minister for Planning, Development & Reform himself chaired the session. Subsequently, a Working Group was constituted to formulate smart and achievable action plan for implementation at all levels of governance in health sector. The plan was subsequently shared with relevant federal ministries/ divisions and all the provincial/ area governments.

Sustainable Development Goals in health (SDG 3)

The 2030 agenda of Sustainable Development Goals (SDGs) incorporate 169 targets and 17 goals that UN member states are expected to localize in their socio economic policies during 2015-2030. SDGs Goal-3 and Goal-6 relate to health of people and undertake a commitment to end endemics of AIDS, TB, Malaria and other communicable disease by 2030. One of the SDGs targets is to end the global TB epidemic. Sustainable Development Goals in health sector provides for ensuring healthy life style through a set of interventions to be implemented by aligning with national vision and overall strategic development plan. This requires awareness and capacity building efforts at all levels of governance particularly the provincial governments which are the real implementers. The Section undertook workshops/ seminars in partnership with development organizations to create awareness and education among the diverse stakeholders. A symbiotic relationship has been developed with Ministry of National Health Services, Regulations and Coordination and provincial health departments for achieving the goals and targets of SDGs.

A critical analysis of progress towards SDGs 2030 was undertaken by Health Section to review the policy and strategy environment for accomplishment of this international agenda in the context of Pakistan.

Civil registration and vital statistics

In order to enhance and accelerate the existing dysfunctional civil registration and vital statistics system in Pakistan in a coordinated way. During 2016-17, a Technical Support Unit was established with support of UNICEF in Health Section in order to facilitate the working of National Steering and Coordination Committee particularly for development of National CRVS Strategic Plan.

Preventive health programmes

To improve health status of the people and to reduce burden of diseases, a series of programmes/ projects are on track. Although vertical programmes in health sector have been devolved to the provinces, yet, in pursuance to decision of CCI and upon request of the provinces, funding for these vertical programmes during the currency of 7th National Finance Commission (NFC) Award shall be catered for by Federal Government. Noteworthy health related Programme include: i) Expanded Programme on Immunization (EPI) focused at providing life-saving vaccines to children up to 5 years of age; ii) National Neonatal and Child Health Programme (MNCH); iii) People's Primary Health Care Initiative (PPHI); iv) The Family Planning and Primary Health care (FP&PHC) Programme; v) HIV/AIDS Control Programme (NACP); vi) TB Control Programme; and vii) Malaria Control Programme.

Prime Minister's initiative for 46 new hospitals across the country

On the direction of the Prime Minister, establishment of 46 new hospitals (14 Five Hundred Bedded, 20 Two Fifty Bedded, and 12 One Hundred Bedded) has been launched. In this regard, a PC-II costing Rs.1317.7 million was approved on 9th March 2017. Out of 46 hospitals,

14 hospitals will be completed in Phase-I and other 32 hospitals will be completed in Phase-II and III. Province/ Region wise distribution of these 46 hospitals is:

Province/ Region	500 Bed	250 Bed	100 Bed	Total	Percentage of hospitals
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Province/ Region	500 Bed	250 Bed	100 Bed	Total	Percentage of hospitals
Islamabad	3	-	-	3	7%
Punjab	5	7	-	12	26%
Sindh	3	3	-	6	13%
Khyber Pakhtunkhwa	2	3	2	7	15%
Balochistan	1	3	4	8	17%
AJK	-	1	4	5	11%
GB	-	2	2	4	9%
FATA	-	1	-	1	2%
Total	14	20	12	46	100%

The amount of Rs. 8 billion has been earmarked in the PSDP 2017-18 for the project "Prime Minister Programme for New Hospitals (Phase-I)".

Projects during 2016-17

A total of 55 projects (i.e. 38 for CDWP/ ECNEC and 17 for DDWP) in health sector were examined/ scrutinized and processed for the competent forums (i.e. DDWP/CDWP/ ECNEC) during 2016-17.

Status of projects completed, partially completed in 2016-17 is given as under:

Completed	Substantially Completed	Partially Completed
Federal Breast Cancer Screening Programme	Expanded Programme on Immunization (EPI), Islamabad	Establishment of Centre for Hematology Disorder at PIMS, Islamabad

Completed	Substantially Completed	Partially Completed
Up-Gradation of Radiology Department of Children Hospital, PIMS, Islamabad	Improvement/ Upgradation of Existing Building & Equipment for the Manufacturing of Measles Vaccine from Concentrate (Secondary Manufacture) According to Current GMP and GLP at NIH, Islamabad.	Establishment of Safe Blood Transfusion Services Project
Up-Gradation of X-Ray Machines in Radiology Department Islamabad Hospital, PIMS.	National Maternal, Neonatal and Child Health Programme (MNCH)	Khyber Institute of Child Health & Children Hospital (District Peshawar)
	National Programme for Family Planning & Primary Health Care	Shaheed Benazir Bhutto Mother & Child Health Care Centre, Nawabshah City (300 Bedded Hospital) (District Nawabshah)
	National Programme for Prevention and Control of Avian Pandemic Influenza	Upgradation of Cancer Treatment Facility at Nishtar Hospital, Multan
	National Programme for Prevention and Control of Blindness	Common Unit to Manage Global Fund
	National TB Control Programme	Establishment of a Current GMP Sera Processing Laboratory for Capacity Enhancement, BDP, National Institute of Health, Islamabad.
	Prime Minister's National Health programme	Establishment of National Resource Centre of Traditional Medicine (Traditional Medicine Park & Botanical Garden) at NIH,

Completed	Substantially Completed	Partially Completed
		Islamabad.
	Prime Minister's Programme for Prevention & Control of Hepatitis	Up-gradation of Supply and Filling Line to improve the Vaccine Supply & Filling System to achieve cGMP Standards at NIH, Islamabad.
	Prime Minister's Programme for Prevention & Control of Hepatitis	Brief on Status of the PC-I: 400 beds Women and Chest diseases Hospital, Rawalpindi
	Roll Back Malaria Control Programme	Mir Waiz Muhammad Farooq Shaheed Medical College, Muzaffarabad
	Construction of BHU with Staff Accommodation at Kirpa ,ICT, Islamabad.	MBBS Medical College Mirpur
	Extension of INOR, Abbottabad	
	Provision of Equipments for 05 PAEC Cancer Hospitals (Bahawalpur, Lahore, Karachi and Islamabad)	

LABOUR, EMPLOYMENT AND SKILL DEVELOPMENT

The core functions of Employment & Research Section are to estimate labour force supply, demand and future manpower requirements in order to analyze the labour market situation in the country and keep a track record of performance against labour, employment and skill development parameters, coordination and follow-up with different organizations regarding employment issues and offering comments/views on policy issues relating to Employment and Human Resource Development. In addition to this, the section is mandated to coordinate the Research Programme of the Ministry through a project entitled “Research/Feasibility Studies and Workshops”.

Sectoral Overview

Labour force participation and employment situation

Pakistan ranks 9th in terms of its workforce and in term of population, it ranks 6th largest country in the world. This implies low participation as per latest Labour Force Survey (2014-15). Overall, crude participation rate in the country is 32.27 %; male and female participation rates are 48.08% and 15.81% respectively. It indicates that only 1/3rd population is active in economic activities. Furthermore, about two-fifths of workforce is illiterate which hampers learning skills and productivity. The unemployment rate is persistently decreasing. In absolute numbers, overall unemployed persons have decreased from 3.73 million in 2012-13 to 3.62 million in 2014-15. It implies that unemployment rate is persistently decreasing for the last three years from 6.24% in 2012-13 to 5.96% in 2013-14 and further to 5.94% in 2014-15. Net jobs of 1.41 million have been created during 2013-14 and 2014-15.

Youth employment

The youth needs to be channelized as powerful force for economic development through proper education and training and this segment

(aged 15-24) comprises more than 40 million of the total population. Under the Prime Minister Youth Programme the government announced various schemes for youth in September 2013; comprising of Youth Business Loan Scheme, Youth Skill Development Programme, Youth Training Programme, Free Loan Scheme and Fee Re-imbursement Scheme for Less Developed Areas. These initiatives were designed to the youth for starting their own business and enhancing their technical know-how and skills for gainful employment. The defined objectives of this package and Vision 2025 were enabling vulnerable youth and poor segments of population to get good opportunities for gainful employment.

Women employment

Female unemployment rate slightly increased from 8.74 percent in 2013-14 to 8.97 percent in 2014-15 contrary to contraction in unemployment at national level. Pakistan has a Gender Development Index (GDI) ranking at 121 out of 155 in the 2015. However, it is encouraging sign that female participation in the labour market is increasing with the passage of time. Pakistan is the signatory to the Convention on the Elimination of Discrimination against Women, as well as the Millennium Development Goals (MDGs) and the Sustainable Development Goals (SDGs) that have commitments on improving women's socio-economic conditions in the country and promote gender equality. Legislation against gender-based violence has improved in Pakistan between 2000 and 2016. The government is committed to facilitate the women so that they can play a positive role in the development of the country.

Employment by sector

The share of agriculture sector in total employment marginally reduced from 43.7 % in 2012-13 to 43.5% in 2013-14 and 42.3 % in 2014-15. The main reason of this change is due to technical transformation as labour is being replaced by machine. On the other hand share of manufacturing sector show gradually increased as it increased from 13.3 % in 2012-13 to 14.2% in 2013-14 and 15.3 % in 2014-15. It implies that the economy is undergoing certain structural

changes and further indicates that during last couple of years most of the left share by agriculture was taken by manufacturing. However share of services and construction sector is almost stagnant during this period. The prospects of finding productive/decent employment are much higher in manufacturing and services as compared to agriculture sector.

Overseas employment opportunities

Pakistan is one of the largest labour exporting country in the region and remittances from the overseas workforce are one of major source of income. A significant progress has been made in overseas employment opportunities from Pakistan and during 2013-16 about 3.16 million Pakistani workers went abroad for seeking jobs. During the year 2013, about 622,714 workers went abroad while in 2014 about 752,466 in 2015 about 946,571 and in 2016 about 839,353 workers went abroad for employment.

Major activities

- Prepared a chapter on Labor, Employment and Skill Development for Annual Plan 2017-18
- Analyzed/ Examined PC-1 forms from employment point of view and furnished comments to the concerned sections
- Prepared material for Economic Survey 2016-17
- Prepared material for the Year Book 2015-16
- Carried out the estimation of labor force supply, demand and future manpower requirements
- Prepared briefs, summaries, reports and country papers in respect of employment and Human Resource Development
- Collected Data related to employment from different organizations, compiled and analyzed
- Prepared replies to the National Assembly/ Senate Business Questions

- Coordinated with different organizations regarding employment issues
- Prepared comments/views on policy issues relating to employment and Human Resource Development
- Resurrected the Research Programme of the Ministry through a new intervention

New initiatives

This Section has designed a detailed project titled “Research/ Feasibility Studies and Workshops” with the estimated total cost Rs.248.619 million. It was approved by CDWP on 8th June, 2016 and tentatively 28 research topics were finalized in the project’s PC-I. The Programme signifies the importance of research based decision making process, help government to realign its development priorities and divert scarce public resources more optimally toward growth/development.

MANPOWER

Training and skill development are an integral part of broad economic, social and labour market policies for sustained socio-economic development and employment generation. Nature and quality of skill sets of an economy is the major determinant of its competitiveness, employability and quality of life of its people. Thus, training and skills development policies have direct bearing on productivity, growth and economic well-being of human capital of a country.

Government is committed towards building the innovative society through knowledge, technology, and competition by realizing the vital need of investments in education and skill generation programme. The government is making effort to invest more on educated and unemployed youth so that immense potential of youth can be channelized to become valuable asset for the country. Presently, priority has been accorded to skill development by acknowledging supply of skilled labour force as a mandatory input for inclusive growth process. Further, China-Pakistan Economic Corridor (CPEC) has far-reaching impacts on national economy as it is offering a unique opportunity to effectively harness the demographic dividend. Moreover, regional demand of skilled workforce offers another opportunity to increase the flow of foreign remittances.

Major activities

During 2016-17, an amount of Rs.3,614.2 million was utilized under PSDP and Prime Minister's package. Achievements during 2016-17 are as under:

- The "Prime Minister's Youth Skill Development Programme (Phase-III)" was launched by NAVTTC for unemployed and less educated youth. Under the Programme, 23,671 individuals were equipped with hands-on skills in various demand driven trades. The objectives of the programme are to create competent, motivated, entrepreneurial, adaptable, creative and well-trained / skilled workforce for local and international market

- Ministry of Inter Provincial Coordination (IPC) has trained 50,000 on job internees under the “Prime Minister’s Youth Training Scheme (NIP)” so far
- Under National Talent Pool’s programme around 1,037 expatriate Pakistanis professionals have provided their commendable services across the world most prominently from U.S.A, Canada, U.K, Germany, Australia etc., in the fields of medicine, engineering, agriculture, basic or social sciences and Information Technology etc. 29 number of visits have been undertaken by highly qualified overseas Pakistanis under “President Programme for care of Highly Qualified Pakistanis (PPQP)”
- National Education Foundation is involved in delivering free general education and training to students from Class IV to VIII under the project “Vocational Schools in Public Private Partnership (PPP)” at an estimated cost of Rs.50.00 million
- Development of National Vocational Qualifications Framework, 08 operational manuals of NVQF, curriculum for NVQF Qualifications, teaching and learning material for NVQF qualifications, 61 competency standards and 61 curricula for various CBT qualifications, 61 assessment packages for various qualifications, teaching and learning Manuals for 35 qualifications, competency standards and curricula for 12 trades for Cooperative Vocational Training (CVT)
- Assessment of CBT qualifications, Recognition of Prior Learning (RPL) and recognition of current competencies and implementation of 10 CBT qualifications in 97 Institutes across the country
- Trained 221 assessors for conducting formative and summative competency based assessment from across the country, 150 teachers for conducting CBT, 175 principals/managers, up-scaled the capacity of institutes and up-gradation of labs/workshops

National Skills Strategy

National Skills Strategy (NSS) emphasizes on creating a demand-driven training system responsive to requirement of the job market. The priority areas for skill development are well aligned with CPEC projects, indigenous clusters and exportability of skilled workforce to regional and international markets. Focus is being made on skill development programs/schemes based on Public-Private Partnership (PPP) includes the following areas:

- Developing National Skills Information System, NVQF & RPL Assessment Procedures
- Formalization of informal Sector in promoting Competency based Training
- Capacity building of existing TVET institutes
- Establishment of Sector Skill Councils (SSCs)
- Skill Development in emerging technologies and trades in line with CPEC and cluster development in major areas i.e. agriculture cluster, industrial cluster and mining cluster
- Increasing employability of Madrasass graduates
- Opportunities for creating TVET institutes in un-covered/less-developed areas of the country
- Employability of Youth through Skills Training including specific groups, informal economy and rural areas
- Promotion of entrepreneurship through human resource development

Work in progress

- “PM Youth Training scheme (National Internship Programme – Phase-II)” will be launched to provide on-job internship to 50,000 unemployed educated youth in 100 demand driven trades/courses and give the intern an opportunity to learn and develop skills for better employment

- “Prime Minister Youth Skill Development Programme (phase IV)” at an estimated cost of Rs.6,196.50 million, envisages to train 100,000 young aspirants in demand driven market oriented trades/courses in various TVET institutions in collaboration with private sector all over the country
- Skill Development through “Donor’s Special Initiative for 1100 FATA Youth” at Public and Private Technical & Vocational Training Institutes in FATA & Khyber Pakhtunkhwa
- Training course for 20-30 Master Trainers and 400 service Refrigeration & Air-Conditioning (RAC) technicians under execution of Ministry of Climate Change in collaboration of National Vocational & Technical Training Commission (NAVTTTC) and National Training Bureau (NTB)
- National Talent Pool has planned to strengthen web portal and interface for collection and dissemination of data of High level Manpower in Pakistan and abroad and arrangement of visits of expatriate Pakistani professionals for short to long term placement in various institutions of the country
- Trade Testing & Certification of more than 50,000 skilled workers/institutional training
- Training of 300 master trainers of TEVTA system
- Training Courses in 18 different vocational trades for 2200 youth at NTB Campus (Technical Training Centre) including NAVTEC courses in 10 different marketable trades

POVERTY ALLEVIATION AND SDGs

Core functions of Poverty Alleviation and SDGs Section is primarily designated to assess the impact of macroeconomic policies, spending on living standards, income distribution and international/regional obligations regarding these issues.

Major achievements

From MDGs to SDGs

To improve social and economic condition of the poor, poverty alleviation and social protection is given due importance in framing development policy. The impact of this policy is reviewed/ judged through changes in income distribution and effectiveness of social safety nets. The poverty reduction strategy incorporates pro-poor economic growth, equitable distribution of economic opportunities, and decent living conditions. The Sustainable Development Goals (SDGs) have replaced the “Millennium Development Goals (MDGs) from January, 2016. Since, MDGs have been ended in December, 2015 but work for reporting on indicator for final achievements, drawbacks, and flaws is still in progress to prepare final report by the year 2018.

Poverty estimation & dissemination

In 2016, a Technical Committee, comprising of independent experts estimated a new poverty line by applying Cost of Basic Needs (CBN) approach, it comes to Rs.3030 per adult equivalent per month using the latest available HIES 2013-14 data. According to this methodology, 29.5 percent of the population estimated to live below the poverty line. The poverty is estimated by using PSLM Survey (HIES round) which is available after alternate years i.e. only one report in two years. Therefore, new poverty estimates based on 2015-16 data will be released by the end of 2017 and a poverty estimation committee has been notified for this purpose.

The report on Multidimensional Poverty 2016 and PSLM data provided deep insight on the state of poverty and its dynamics in Pakistan. This

poverty profile revealed that, in Pakistan poor are predominantly rural, young, poorly educated, mostly deprived of health facilities, and are living in larger households with more children. The results of the report on MPI were disseminated through divisional level awareness workshops in all four provinces of Pakistan. The purpose of these workshops was to highlight the extent of poverty and inequality at district level and also to show the inter-district and inter-provincial disparities in three dimensions of MPI.

SAARC Plan of Action on Poverty Alleviation

The Section prepared brief/material for the Inter-Governmental Experts Group (IGEG) meeting meant for consideration of Contextualization of post-2015 Development Agenda, revisit SAARC Plan of Action on Poverty Alleviation and review SAARC Development Goals Country Report.

In this connection, SAARC Development Goals country report has been finalized. Annual Country Report, 2016 is prepared for the Standing Committee to review SAARC activities. Also contributed to the meeting of the United Nations High Level Political Forum (HLPF) scheduled in 2016. The HLPF works under the auspices of Economic & Social Council (ECOSOC) to review progress defined in the 2030 Development Agenda.

Sustainable Development Goals

SDGs Support Unit, established at Ministry of Planning, Development and Reform, soon after its inauguration organized a Local Government Summit at Islamabad on March 9, 2017 to create awareness of the SDGs and their localization at the grass root level. Secondly, local representatives could share their views and reservations in implementing these goals. The report was also prepared after the summit which gives insights of the problems faced by the people in different districts. It pinpoints policy actions for the government on several key issues prevailing in different districts. One of the major tasks of the unit was to make activity based thorough work plan, which was completed in the second quarter of the year

2017. In addition to that a draft communication strategy is developed by the Unit.

Poverty Alleviation Section & SDGs unit have started a social sector seminar series meant to serve as a bridge between policymakers and academia. Moreover, other activities like automation of PC-I for Ministry of Planning, Development & Reform for alignment of federal public sector spending with the SDGs, analysis of Federal Budget 2017-18 with respect to SDGs and preparation of roadmap for the revival of DAD System at EAD have been carried out during the year.

SOCIAL WELFARE AND WOMEN DEVELOPMENT

Social Welfare Section is entrusted to plan and achieve sectoral objectives through inclusion of the vulnerable and socially excluded segments of the society through poverty reduction and social development initiatives to mainstream the marginalized segments of the society into overall development spectrum. The Section foresees realization of goals of the Vision 2025 to reduce vulnerability of the downtrodden and marginalized segments of the society through institutional care, rehabilitation of the needy and vulnerable, and promotion of the entrepreneurship skills. The Section aims at providing an enabling environment for promotion of the social justice and equity through a national framework for equitable socio-economic development in line with the constitutional obligations, national plans and priorities, local needs and international commitments.

Major activities

Social welfare

During 2016-17, many initiatives have been taken for the welfare, rehabilitation and realization of the rights of vulnerable segments of the society in line with the Vision 2025 -Pillar-I "Putting People First: Developing human and social capital under inclusion of vulnerable segments." Prime Minister of Pakistan approved Action Plan to improve human rights situation in the country prepared by Ministry of Human Rights on 13th February, 2016. Under the Action Plan through Federal PSDP 2016-17, an amount of Rs.20 million was allocated for "Helpline for Legal Advice on Human Rights", Rs.150 million were allocated for the establishment of National Institute of Human Rights for capacity building, training, research and communication on promotion and protection of human rights. A project for implementation of Action Plan on Human Rights was approved by DDWP held on 26th September, 2016 for human rights education, sensitization, awareness, research and communication. The Social Welfare Section remained part of the National Task Force established by the Prime Minister for the monitoring and implementation of Action

Plan and provided input on actionable points relevant to Ministry of Planning, Development and Reform.

A special education project “Up-gradation of National Special Education Centre for Hearing Impaired Children” from Higher Secondary to Graduation Level, Islamabad was initiated with an approved cost of Rs.44.4 million. An amount of Rs.14.4 million was allocated to it out of which Rs.11.6 million were utilized. 100 Hearing Impaired Children have been enrolled at graduation level for which special needs requirements are being completed. The establishment of resource unit of Autistic Children at Special Education Centre for Mentally Retarded Children at H-8/4, Islamabad costing Rs.54.3 million was allocated Rs.20 million, out of this Rs.14.2 million were utilized. 100 autistic children were identified for rehabilitation and management autism.

The promotion of innovative ideas through business plans competitions leading to the solution of social issues/problems, Ministry of Planning, Development & Reform established a Centre for Social Entrepreneurship at a cost of Rs.178.4 million. Out of this, Rs.20 million were allocated. The Centre for Social Entrepreneurship envisaged to provide opportunities to the youth, women, and students having innovative ideas for solution of the social problems. The Centre developed networking with stakeholders to plan business plan competitions with support of the universities/public & private institutions and other stakeholders for solution of social problems pertaining in the areas i.e. education, health, social welfare, gender & women empowerment, infrastructure etc.

Gender and women development

During 2016-17, Pakistan has taken many initiatives for women development and empowerment. The Action Plan to improve human rights situation in the country approved by the Prime Minister in February, 2016 prepared by Ministry of Human Rights had given key priority to realization of the rights of women. A number of initiatives have been envisaged in collaboration with provincial women development departments. A Project titled “Generating Data to

Advance Women's Social and Economic Wellbeing in Pakistan" costing Rs.699.30 million was approved by CDWP with the grant of UNFPA and support by NIPS/PBS/NCSW. The project is being implemented by National Commission on the Status of Women (NCSW) to encourage full participation of women in national development. A Helpline 1099 has been established to provide legal advice to the women victims of human rights violation by Ministry of Human Rights. Services for strengthening of support mechanism for women survivor of violence and in distress, creation of gender based knowledge through research and gender disaggregated data (including third gender), day care facilities for infants and children of working women to keep them comfortable and women friendly workplace remained continued for the year 2016-17.

Interfaith harmony and religious diversity

The Section has remained involved in giving inputs for promotion of religious pluralism and interfaith harmony. Many initiatives have been taken for empowerment of minorities and promotion of religious and cultural pluralism and interfaith harmony; such as:

- Allocation of 5 percent Job Quota for minorities in all Federal Government Services/Jobs in addition to their participation on the open merit basis
- Declaration of 11th of August as a "Minorities Day" to recognize the services/sacrifices and contributions of minorities in nation building
- Celebration of Ten (10) religious festivals of minorities at official level in Pakistan in a year, including Christmas/Easter for Christians, Holi/Diwali for Hindus, Biasakhi/Birthday of Guru Nank for Sikhs, Nauroze for Zoroastrian, Eid-e-Ridvan for Bahai's, Festival of Lights for Buddhist community, Chelum Jhust for Kalasha people
- In emergency crises faced by minorities in different areas of the country, financial help of Rs. 300,000/- to Rs. 500,000/- is extended to the victims and their family members

- Grant of financial assistance through Minorities Welfare Fund (MWF)
- Marriage Grant of Rs.50,000/- for marriage of daughters of widows/orphan girls of minorities

Contribution to the Vision 2025

The technical input was given for implementation of the Vision 2025 and input for 11th Five Year Plan (2013-18), Annual Plan 2017-18, PSDP 2017-18, preparation of the annual report on principles of policy 2015-16, Draft "Senior Citizen Policy for ICT and update on actions relevant to the Ministry of PD&R on implementation of Action Plan for human rights.

Appraisal of projects

The Section appraised 20 projects, and technical inputs on various documents pertaining to the social welfare were offered. Two DDWP meetings of CA&DD and two of Ministry of Human Rights were attended for approval of development schemes. A field monitoring visit of the Project Establishment of Resource Centre for Autistic Children was conducted to assess the resource centre for autistic children.

MASS MEDIA, AND CULTURE, SPORTS, TOURISM AND YOUTH

The Mass Media & CSTY Section is responsible for looking after the development work, programmes, plans and policy proposals of Mass Media, Culture, Sports and Tourism & Youth sectors which primarily aim at digitalization of terrestrial broadcasting networks of PTV and PBC, 100% TV coverage through cable in remote and less developed areas of the country and promotion, protection, preservation and projection of tangible, intangible and national heritage of the country.

During 2016-17, the Section examined and processed new development projects costing Rs.8926.5 million for consideration of the competent fora. The schemes were related to Information & Broadcasting Division, National History & Literary Heritage Division, Ministry of Inter-Provincial Coordination (IPC) and their attached departments i.e. Pakistan Television Corporation (PTVC), Pakistan Broadcasting Corporation (PBC), Pakistan National Council of Arts (PNCA), Pakistan Academy of Letters (PAL), Department of Archaeology & Museum (DOAM) and Pakistan Sports Board (PSB). Moreover, the administrative and operational affairs of Library section of Ministry of Planning Development & Reform were also supervised during the 2016-17.

During 2016-17, the cumulative revised allocation for the development portfolio of Mass Media and CSTY sectors was Rs.1174.4 million against which an amount of Rs.1034.2 million was released and utilized. Due to the effective coordination with sponsoring/executing agencies, this section catalyzed the completion of ten (10) projects of PTVC, Radio Pakistan and PNCA costing Rs.721.7 million. The projects namely, Establishment of Rebroadcast Station (RBS) Astore, Gilgit Baltistan; Establishment of RBS Kohat, KPK; Establishment of RBS Bunner, KPK; Establishment of RBS Pooran, KPK; Establishment RBS Badin, Sindh; Establishment of RBS Mian Channu; Establishment of RBS Kotli Sattian; Replacement of three transmitters at Muzaffarabad, Hyderabad & Multan; Setting-up of Laboratory & Restoration of damaged Paintings/ Art Works, PNCA,

Islamabad; Installation of FM-101 Transmitter at Narowal were completed.

Major activities

The Section performed the following major activities during 2016-17:

Preparation of Event Calendar for Pakistan 70th Anniversary Celebrations

The Federal Cabinet constituted a Committee under the chairmanship of Minister for Planning Development & Reform to formulate detailed recommendations for celebrating Pakistan's 70th Anniversary celebrations in a befitting manner. Mass Media & CSTY Section has been the Secretariat of the Cabinet Committee. The section prepared a draft Event Calendar in close liaison with Minister for Planning Development & Reform/Deputy Chairman, Planning Commission and Member (Development Communication) offices and the same was shared with concerned Ministries/Divisions, Provincial and Regional governments and arranged a number of meetings under the Chairmanship of Minister for Planning Development Reform for finalizing the Event Calendar. Subsequently, a Summary for Prime Minister's Office was also prepared to take the approval of the draft Event Calendar from the Prime Minister. After approval of the Prime Minister, the approved Event Calendar was sent to the quarters concerned for implementation.

Selection and appointment of advertising agencies

The Section has successfully completed the process of selection and appointment of advertising agencies on the panel of Ministry of Planning Development & Reform in consultation with Press Information Department (PID) during 2016-17. A number of meetings under the chairmanship of Minister of Planning Development & Reform were arranged to ensure open and transparent competition process among accredited advertising agencies.

Preparation and processing of PC-I project "China-Pakistan Friendly Exchange Programme"

In compliance of one of the decisions of the CDWP, this section worked as the secretariat of rationalization committee and arranged several consultative meetings with relevant agencies/department under the Chairmanship of Chief Economist and Member Development Communication to reduce the cost of the project to Rs.184.0 million (including FEC of Rs.128.0 million).

The main objective of the project is to promote and launch soft image, culture, art, food, dress and lifestyle of Pakistan to Chinese People for strengthening and deepening of people to people contact between the two countries. The project will promote Pakistan as a land of business opportunity, vibrant economy, rich cultural heritage and tourism destination resulting in developing a public opinion about China Pakistan Economic Corridor (CPEC) by both the countries are hardware related.

Appraisal of projects

During 2016-17, the Section examined, processed and prepared working papers of about 20 projects of CDWP and DDWP level. Major projects are Punjab Cultural Heritage and Economic Growth Project, Construction of National Sports City at Narowal (Revised), Technical Up-Gradation of Radio Station Multan under the official Development Assistance Programme, Republic of Korea and Construction of Auditorium at Pakistan Academy of Letters (PAL), Islamabad. The Section also prepared Mid Term Review of 11th Five Year Plan (2013-18) in respect of the sectors. Similarly, the Section also prepared Annual Plan 2016-17 and PSDP 2017-18. Officers of the section held a series of meetings with Sponsors and Executing agencies throughout the year to review each and every projects included in PSDP 2016-17 and new projects during the processing/approval phase.

Other activities

The detail of miscellaneous activities performed by the section during the 2016-17 is given below:

- Chief, Mass Media & CSTY Section as a member secretary of Scrutiny Committee for evaluation of Advertisement Printing and Publicity Campaigns Bills, examined and processed bills pertaining to advertisements published and telecast in various national dailies and TV channels, respectively.
- Chief and Assistant Chief Mass Media & CSTY Section attended more than forty (40) pre-CDWP, post-CDWP, DDWP meetings, IDWP, PSDP Review, Standing Committee of National Assembly, APCC and Library Committee meetings during the 2016-17
- Assistant Chief, Mass Media & CSTY conducted monitoring of on-going projects including 2x100KW Short Wave Transmitters & High Frequency Aerial System, Landhi, Karachi, Computerization of Urdu Dictionary, Karachi and Upgradation of Security Measures at Mazar-e-Quaid, Karachi and identified bottlenecks for timely and cost effective completion of project titled "2x100KW Short Wave Transmitters & High Frequency Aerial System, Landhi, Karachi"
- Proposals for re-appropriation from various slow moving projects to fast moving projects were examined and recommendations were given accordingly

PILLAR-II
ACHIEVING SUSTAINED, INDIGENOUS AND
INCLUSIVE GROWTH

PERFORMANCE OF THE ECONOMY

Macroeconomic Section has the responsibility to monitor macroeconomic indicators with a view to assess macroeconomic performance of the country and to assist policy decisions for sustained and inclusive economic growth. To discharge its responsibility the Macroeconomic Section performs the following major functions:

- Carry out sectoral analysis of the economy to develop Macroeconomic Framework
- Prepare monthly review & outlook report of the economy
- Prepare weekly position of macroeconomic indicators
- Contribute towards preparation of Annual, Medium-Term and Five-Year Plans
- Periodic review of Annual Plan and Medium-Term Plan
- Provide input for preparing working papers/summaries for the APCC and NEC
- Biannual meetings on economic issues inviting eminent Economists
- Quarterly meetings with stakeholders
- Estimation of Public savings
- Prepare position papers and policy briefs on macroeconomic issues and performance
- Provide views/comments to National and International organizations on macroeconomics issues

Major activities

Macroeconomic section monitored macroeconomic indicators during 2016-17 and prepared weekly updates on macroeconomic indicators, monthly report on macroeconomic review and outlook of the economy. Replies to National Assembly/Senate Questions pertaining to growth, development and Vision 2025 were furnished. The Section also

prepared bimonthly working paper for Fiscal and Monetary Policies Coordination Board on issues relating to Growth, Investment & Savings. The section contributed chapter on 'Growth Investment and Savings' to Annual Plan 2017-18. It carried out sectoral analysis of economy and developed Macroeconomic Framework that projected growth targets 2017-18. The section prepared working paper for Annual Plan Coordination Committee (APCC) and summary for National Economic Council (NEC). The NEC in its meeting held in May 2017 approved the Macroeconomic Framework for 2017-18 proposed by the Section.

Overview of economic performance during 2016-17

Economy sustained the upward growth trajectory attaining 5.3 percent GDP growth rate (**highest in past 9 years**) for 2016-17. Macroeconomic indicators were stable and depicted an optimistic economic outlook. Real sector was vibrant as agriculture sector rebounded and industry showed encouraging growth. Large Scale Manufacturing (LSM) revived and private sector credit, fixed investment in particular, picked up pace. Policy rate stayed at a multi-decade low level whereas average inflation was contained at 4.2 percent in 2016-17. Pakistan capital market was upgraded to 'emerging market' status in terms of MSCI Index. Standard & Poors upgraded Pakistan's long-term credit rating from B minus to B with stable outlook (2016). Based on good performance of the economy and prudent policies, Pakistan's ranking in terms of World Bank upgraded on 'Doing Business Index' from 148 to 144.

Agriculture sector met its target of 3.5 percent growth, **highest in past seven years**, up from 0.3 percent in 2015-16. Important crops grew by 4.1 percent while other crops registered growth of 0.2 percent. Livestock, fishing and forestry achieved growth of 3.4 percent, 1.2 percent and 14.5 percent, respectively. Sugarcane crop showed remarkable growth of 12.4 percent in 2016-17. Rice crop showed marginal growth of 0.21 percent. The production of wheat from rain fed areas (*barani* areas) declined by 30-40 percent due to drought during October-December 2016. However, the damage was mitigated to some extent by later showers in January 2017 which reduced the

stress at later stage of the crop. Therefore, despite the projected fall in wheat production in *barani* areas, the overall target of wheat crop was achieved due to the satisfactory growth of wheat crop in irrigated areas.

The industrial sector registered a growth of 5 percent during 2016-17, compared with growth rate of 5.8 percent in 2015-16. Manufacturing sector grew by 5.3 percent in 2016-17. The overall output of Large Scale Manufacturing industries (LSM) increased considerably by 5.3 percent against the target of 5.9 percent during July-May 2017. The main contributors of growth were iron & steel products (20 percent), electronics (16.2 percent), food and beverages (11.6 percent) and automobiles (12.3 percent) in July-May 2016-17. However, wood products (-94.2 percent) and leather products (-17.7percent) showed negative growth.

The services sector grew by 6 percent, **surpassing its target of 5.7 percent**, owing to revival in LSM and agriculture along with increase in imports. Finance & Insurance, Wholesale & Retail Trade, Transport, Auctioning, Hotelling & Restaurants and CPEC related imports have been the major contributors of growth in services. General Government Services grew by 6.9 percent close to the target of 7 percent. In development expenditures, construction of roads & highways, power generation and social sector expenditures remained high in government priorities. Total investment for 2016-17 was recorded at 15.8 percent of GDP. Fixed investment to GDP ratio grew marginally from 14.0 percent in 2015-16 to 14.2 percent in 2016-17, against the target of 16.1 percent. National Savings remained at 13.1 of GDP as against the target of 16.3%.

MONEY, PRICES AND FISCAL POLICY

Money, Prices and Fiscal Policy (MP&FP) Section broadly deals with matters relating to four areas of macroeconomic management, i.e., Monetary Developments, Price Situation / Inflation, Fiscal Developments, and Capital Market Developments. During 2016-17, the Section completed a number of regular and special assignments.

Major activities

- Prepared quarterly reports on review of consolidated fiscal developments
- Prepared monthly reports on review and analysis of FBR's tax collection, inflation, monetary developments and capital market developments
- Prepared chapter on 'Fiscal, Monetary and Capital Market Developments' for Annual Plan 2017-18
- Represented the Ministry in the meetings of National Price Monitoring Committee (NPMC)
- Prepared working papers for the meetings of Fiscal and Monetary Policies Coordination Board
- Prepared material for the working paper for Annual Plan Coordination Committee (APCC) and for the summary for National Economic Council (NEC)
- Prepared material for Year Book 2015-16 of the Ministry
- Prepared a brief on public-private partnership
- Prepared review of Investment Policy 2013
- Prepared projections of inflation and banking & insurance for Medium-Term Macroeconomic Framework 2017-20
- Prepared comments on summaries for Council of Common Interests (CCI) and Cabinet

- Prepared material for Mid-Term Review of 11th Five Year Plan 2013-18

Sectoral overview

Fiscal developments

Consolidated total revenue during 2016-17 stood at Rs.4,936.7 billion as compared to Rs.4,447.0 billion during 2015-16, registering a growth of 11 percent. Consolidated tax revenue was recorded at Rs.3,969.2 billion, registering a growth of 8.4 percent over the last year. The FBR's tax collection stood at Rs.3,361.0 billion with a growth of 8 percent. Consolidated non-tax revenue stood at Rs.967.5 billion, posting a growth of 23 percent.

Consolidated total expenditure stood at Rs.6,800.5 billion, 17.3 percent higher than the last year's expenditure of Rs.5,796.3 billion. Both current and development expenditures grew by 10.7 percent and 30.1 percent, respectively. Development expenditure through PSDP registered a significant growth of 33.1 percent with increase in both federal and provincial PSDP spending by 22.3 percent and 43.8 percent, respectively.

Consolidated fiscal deficit was recorded at Rs.1,863.8 billion (5.8 percent of GDP) as compared to Rs.1,349.3 billion (4.6 percent of GDP) last year.

Monetary developments

Broad money (M2) expanded by Rs.1,756.2 billion (13.69 percent) during 2016-17 as against its expansion of Rs.1,542.7 billion (13.67 percent) during 2015-16. This expansion reflects the expansionary monetary policy whereby the policy rate was reduced to 5.75 percent from 6 percent in May 2016 and was kept unchanged during 2016-17. Net Foreign Assets (NFA) of the banking system contracted by 40.2 percent (Rs.-405.2 billion) in 2016-17 as against its expansion of 24 percent (Rs.194.9 billion) in 2015-16. This contraction was due to the underperformance of both exports and workers' remittances. Net Domestic Assets (NDA) of the banking system increased considerably

by 18.3 percent (Rs.2,161.5 billion) as compared to its growth of 12.9 percent (Rs.1,347.9 billion) in 2015-16.

Inflation

Average CPI rose to 4.2 percent during 2016-17 from 2.9 percent in 2015-16 mainly due to the seasonal impact of perishable food items and a recovery in global prices of food commodities. However, it remained well below the target of 6 percent for 2016-17. Average WPI increased by 4 percent in 2016-17 as compared to its decrease of 1.1 percent in 2015-16 while average SPI (for all income groups combined) rose from 1.7 percent in 2015-16 to 1.8 percent in 2016-17.

Stock market

The Pakistan Stock Exchange registered an upward growth during 2016-17, consolidating at new heights as broad based surge played out at the wheel of MSCI upgrade. The benchmark KSE-100 index grew by 23.2 percent, from 37,784 to 46,565 points during the financial year. The index registered a steady growth since the beginning of the year and galvanized to touch the **all-time high 52,876 points** in May 2017. Pakistan's stock market outperformed the leading stock markets of the world during the year.

PHYSICAL PLANNING AND HOUSING

Physical Planning and Housing (PP&H) Section aims at promoting orderly, coordinated and sustainable modernized land use development of human settlement, including housing, drinking water supply, sewerage, drainage and infrastructure development, besides, construction of government offices and development of Islamabad Capital Territory (ICT). The PP&H Section formulates sectoral policies, planning, programming as well as budgeting of the projects relating to water supply, sanitation, urban development, urban renewal, slum up-gradation, housing, and development of ICT. In addition, the Section carries out technical appraisal of sectoral projects; submitted by Federal Ministries/Divisions/Organizations and provincial governments for the consideration of the DDWP, CDWP and the ECNEC.

Sectoral overview

About 40 percent of the Pakistan's population is urbanized. However, urban expansion is confronted with rapid population growth, lack of access to shelter, infrastructure, services and serious environmental issues. There is a strong relationship between urbanization and GDP growth whereby cities are considered pathways to higher growth. Urban development is a provincial issue and urban planning a local, however, the immense contribution and, indeed, economic potential, of urban areas to the national trade and economy gives the Government of Pakistan a good reason to focus on addressing the challenges of urbanization and suggest areas for reforms. In the context of the 11th Five Year Plan, the Federal Government is focusing to develop consensus amongst provincial governments to develop a national policy framework for coherent and sustainable urban development. Federal Government interest is also rooted in supporting provincial and local governments to prepare and implement city specific development strategies to cope with growing urban problems. Provincial Governments undertake the PP&H activities at local level, by preparing the master plans, standards/regulations and monitoring the implementation of projects as well as sharing of financial resources

with local governments. However, the delivery of municipal services is the sole responsibility of local governments.

During 2016-17, Rs.19 billion were allocated to different federal ministries and line departments for implementation of PP&H sector programmes/projects. Major allocations were made to water supply and sanitation, construction of government offices, residential buildings, and housing projects. Provincial governments had allocated substantial amount for the execution of projects relating to the sector, i.e., Punjab Rs.85 billion, Sindh Rs.17.3 billion, Khyber Pakhtunkhwa Rs.11.7 billion, Balochistan Rs.2.6 billion and AJ&K Rs.930 million.

Major activities

During 2016-17, 12; 39; and 83 meetings of Central Development Working Party; Departmental Development Working Party; and Pre/Post CDWP, were held, respectively. Important projects considered by the CDWP and DDWPs include Punjab Intermediate Cities Improvement Project; Gwadar Smart City Master Plan; Legislative Assembly Building, AJ&K; Greater Karachi Sewerage Project (S-III); Saaf Suthro Sindh Project; Construction of Plan House; WASH Projects in Southern Districts of Khyber Pakhtunkhwa under RAHA through PIDSA; Development of Ziarat Town; Construction of Residential accommodation at NAB Punjab Complex, Extension of Water Resources for Faisalabad City.

In addition, PP&H Section prepared sectoral chapters for Annual Plan, PSDP 2017-18, Budget Speech, besides providing technical assistance to various ministries/departments pertaining for preparation of programme/project documents.

Work in progress

To tackle the rapid urbanization issues, and to achieve the goals/objectives of Vision 2025, Ministry of PD&R has established Pakistan Urban Planning & Policy Centre to provide strategic direction by formulating comprehensive development plans and carry out a coordinated set of targeted investment for balanced urban and regional development. The Centre is actively collaborating with national and international urban sector organizations like Punjab Urban Unit; Sindh

Urban Directorate; Urban Policy Unit Khyber Pakhtunkhwa; World Bank; UN-Habitat etc. for preparation of “State of Pakistan Cities’ Report” and finalization of “Home Ownership for Everyone Project” being implemented by Ministry of Housing & Works.

ECONOMIC APPRAISAL

Ministry of Planning, Development & Reform, as per the Rules of Business, 1973 is responsible for the development of appropriate cost and physical standards and effective technical and economic appraisal of projects. The technical appraisal is undertaken by the concerned technical Sections which covers engineering, commercial, organizational, environmental and managerial aspects whereas the financial and economic analyses (Cost Benefit Analysis) of the projects are carried out by the Economic Appraisal Section. The appraisal of the development projects facilitates informed decision-making in selection / approval of viable projects for socio-economic development of the country.

Major activities

The Section is committed to excellence in work through using modern techniques, transformational change through innovation and team work. E-filing system is planned to start in order to quick disposal of work of CBA.

During the period from July, 2016 to June, 2017, Cost Benefit Analyses (CBA) of about 300 development projects in various sectors of the economy were undertaken and requisite input provided / considered in the relevant forum such as the Central Development Working Party (CDWP) and Executive Committee of the National Economic Council (ECNEC). During the corresponding period 2015-16, 259 projects were appraised. In addition, projects of the Governments of AJ&K Government and FATA were also examined and requisite input provided in the AK Development Working Party (AKDWP) and FATA DWP meetings held during the reporting period. This section also participated as a member in about 14 Central Development Working Party's meetings and 186 pre/post CDWP meetings.

PUBLIC INVESTMENT AUTHORIZATION

The Public Investment Authorization (PIA) Section mainly provides secretariat services for the Central Development Working Party (CDWP) meetings, and coordinates with the Cabinet Division for holding meetings of the Executive Committee of the National Economic Council (ECNEC). The Section also registers PC-Is and PC-IIs of development schemes received in the Ministry of Planning, Development and Reform for processing through the CDWP/ECNEC and circulates these schemes to the technical sections concerned as well as to all members of the CDWP for examination before arranging meetings of the forum. Circulation of minutes / decisions of the CDWP and coordination for submission of summaries for the ECNEC to the Cabinet Division for projects recommended by the CDWP and requisite follow-up of the CDWP and ECNEC decisions are other key activities of the Section. Issuance of authorization letters of the approved projects also falls within the domain PIA Section.

The Section also looks after policy and procedural matters pertaining to processing of development projects, sanctioning powers of various development fora and to render advices to ministries, divisions and provincial governments in this regard. Following two annual documents are compiled on yearly basis for consideration of the National Economic Council (NEC).

- Schemes approved by the ECNEC and CDWP
- Progress report of the CDWP

During the Year 2016-17 (i.e. from 1st April 2016 to 31st March 2017), 197 development schemes were processed for the consideration of CDWP. At the beginning of the reporting period (i.e. 1st April, 2016) 73 projects were awaiting consideration of CDWP whereas 314 new projects were received during the period under review. Hence, a total of 387 projects were carried forward for processing by the CDWP.

The CDWP in its 13 meetings considered 267 projects, out of which 113 being within the authorized limit of CDWP were approved at a rationalized cost of Rs.106.2 billion and 60 projects being within the

approving competence of ECNEC were recommended to ECNEC for approval. Besides, 5 projects were returned to the sponsors after discussion by the CDWP. However, 87 PC-Is were returned to the sponsors after preliminary examination.

The ECNEC during 2016-17 considered 59 projects and approved 43 projects at a rationalized cost of Rs.943.7 billion in its 08 meetings. A summarized table of approved projects by CDWP and ECNEC during the reporting period with sector-wise breakup is given below:

**Sector – wise Break-up of Total Cost of Schemes
Approved by CDWP & ECNEC**

(Rs. Million)

S.No.	Sector	Schemes approved by CDWP			Schemes approved by ECNEC		
		No.	Estimated Cost	Approved Cost	No.	Estimated Cost	Approved Cost
1	Agriculture & Food	03	2,411.05	2,431.05	-	-	-
2	Culture Sport & Tourism	01	98.21	89.75	-	-	-
3	Devolution & Area Dev.	01	300.00	300.00	01	4,597.56	4,657.96
4	Education	03	9,956.09	9,703.74	-	-	-
5	Energy	06	9,111.15	8,036.70	11	346,625.82	320,376.93
6	Environment	03	3,719.81	3,660.09	01	3,652.14	3,652.14
7	Governance	06	2,132.15	2,012.62	-	-	-
8	Health	07	18,599.83	13,502.86	05	52,554.18	49,983.10
9	Higher Education Commission	25	26,072.70	24,609.62	03	38,364.56	31,159.20
10	Information Technology	04	4,158.98	3,910.82	01	9,246.01	9,246.01
11	Industries & Commerce	03	993.99	993.99	-	-	-
12	Mass Media	02	423.25	414.53	-	-	-

S.No.	Sector	Schemes approved by CDWP			Schemes approved by ECNEC		
		No.	Estimated Cost	Approved Cost	No.	Estimated Cost	Approved Cost
13	Physical Planning & Housing	16	8,814.45	8,766.12	01	5,430.46	3,928.52
14	Poverty Alleviation	-	-	-	-	-	-
15	Science & Technology	01	298.59	298.59	-	-	-
16	Social Welfare	-	-	-	-	-	-
17	Transport & Communications	16	16,288.38	15,837.90	14	405,239.48	369,332.62
18	Water Resources	16	14,163.79	11,620.81	06	158,874.09	151,335.63
Total		113*	117,542.42	106,189.19	43	1,024,584.30	943,672.11

*includes new as well as revised projects.

Besides, Concept Clearance Committee considered and approved 20 concept clearance proposals received from different sponsoring agencies seeking foreign assistance through Economic Affairs Division to engage the development partners for project financing.

EXTERNAL SECTOR

The trade balance deteriorated during 2016-17 and remained negative to the tune of US\$ 26.9 billion against a deficit of US\$ 19.3 billion recorded during 2015-16. This was due to decrease of 1.4 percent in exports and an increase of 17.7 percent in imports during 2016-17.

Major activities

- Furnished chapter on Balance of Payments for the Annual Plan 2017-18
- Review of chapter on Balance of Payments for the 11th Five Year Plan 2013-18 was submitted
- Prepared and circulated monthly reports on Balance of Payments within the ministry of Planning, Development & Reform
- Matters related to Foreign Exchange Control Committee were handled; preparation of briefs, participation in meetings etc.
- Matters pertaining to the bilateral trade relations with various countries were handled
- Matters relating to promotion of exports were dealt
- Furnished comments on draft reports sent by various multilateral organizations
- Prepared briefs on the various aspects of external sector
- Furnished data, prepared graphs and tables for the analysis of state of the economy
- Presentations and talking points were prepared for the Minister of PD&R for the visits of various dignitaries pertaining to state of the external sector
- Issues relating to the external sector in Sustainable Development Goals (SDGs) were dealt

- Yearly submission of material for the budget speech of the Finance Minister
- Yearly submission of export projections for the coming year to Finance Division
- Preparatory work for the 27th Regional Policy Council of Economic Cooperation Organization (ECO)
- Dealt with all matters of Shanghai Cooperation Organization
- Prepared material and coordinated all work of Vision 2025 of ECO
- Prepared bilateral briefs of different meetings
- Dealt with matters of CAREC and UNESCAP
- Prepared material for TIR implementation
- Prepared briefs for Board of Governor meeting of Asian Investment & Infrastructure Bank
- Prepared briefs for different meetings of ADB
- Prepared economic performance report of Pakistan for ECO journal
- Prepared material and talking points for the Minister and Chief Economist in regard to regional connectivity
- Prepared views/comments on ECC summary
- Prepared presentations on Regional Connectivity and investment opportunities in Pakistan
- Work done with regard to Vision 2025

Sectoral overview

Exports

During 2016-17 exports (fob) showed a decrease of 1.4 percent and stood at US\$21,660 million as against US\$21,972 million during 2015-16.

The decrease in exports may be attributed to many factors. The world demand pattern is not the same while the composition of Pakistan's exports has remained unchanged as production patterns have shifted to global value chains. Increased cost of production is also a deterrent to exports and thus cost effectiveness is an issue of concern. New markets have not been explored and there is little diversification of products. Most important factor is the dependence on low value added items of export.

Imports

Total imports (fob) during 2016-17 stood at US\$48,545 million as compared to US\$41,255 million during 2015-16 showing an increase of 17.7 percent.

Remittances

Remittances during 2016-17 showed a decrease of 3.1 percent and stood at US\$19,303 million compared to US\$19,917 million during the same period last year. It may be noted that remittances had increased during 2015-16 by 6.4 percent.

Current account balance

During 2016-17 current account deficit stood at US\$ 12,098 million as compared to US\$4,867 million during 2015-16. This shows an increase in the deficit of 148.6 percent. Current account deficit increased on account of adverse trade balance and reduction in remittances.

Capital and finance accounts

The net inflows stood at US\$9,639 million in 2016-17 from US\$6,790 million during 2015-16. The overall balance stood at of US\$ 1,946 in 2016-17 as compared to of US\$ -2,652 million in 2015-16.

Foreign economic assistance

Foreign economic assistance has become vital for sustaining Pakistan's economy. Foreign aid is connected with debt sustainability as well. According to SBP, disbursement during 2016-17 amounted to US\$9203 million as against US\$ 6159 million during 2015-16.

Forex reserves and exchange rate

Total liquid foreign exchange reserves were at US\$21.4 billion as on 30th June 2017 against US\$23.1 billion recorded on 30th June 2016. Average exchange rate during the year against US dollar remained at Rs.104.77 against Rs.104.58 during last year.

PLAN COORDINATION

The Plan-Coordination Section performed following activities during 2016-17:

Annual Plan Coordination Committee (APCC)

To finalize the proposed Annual Plan 2017-18, and PSDP 2017-18 alongwith the progress review of the PSDP 2016-17, the Annual Plan Coordination Committee (APCC) meeting was arranged by this Section on the 17th of May, 2017. The meeting was chaired by Minister for Planning, Development and Reform Prof Ahsan Iqbal, and attended by provincial Finance and Planning Ministers, federal secretaries, provincial representatives and heads of different Public Sector Enterprises (PSEs), like NHA, PAEC, SUPARCO, PNRA, HEC, NHA and WAPDA. The allocations made to complete development agenda of Ministries was brought under discussion.

National Economic Council (NEC)

The Section forwarded agenda of the NEC meeting held on May 19, 2017. Summaries on the agenda items were also forwarded to the Cabinet Division for further approval by the NEC.

Annual Plan 2017-18

The Economic and Technical sections of the Ministry prepared and processed their respective chapters on economic and technical issues to include in Annual Plan 2017-18 for further approval of the National Economic Council (NEC) in its meeting held on May 19, 2017. In this regard, the Section collected all relevant material from sections and wings concerned of the Planning Commission, and consolidated draft was prepared. After its approval by the NEC, the Annual Plan 2017-18 was got published and 1500 copies were circulated to all federal ministries/divisions, provincial governments, Embassies of Pakistan, leading academic institutions, policy-making and implementing organizations in the public sector, development partners as well as non-government organizations (NGOs).

Year Book 2015-16

Material and data received from different sections and wings was consolidated and draft was presented before the members of committee constituted to review the draft Year Book 2015-16. After its approval, the Book was published and circulated among the quarters concerned.

Advisory Committee

Two meetings of the Advisory Committee under the chairmanship of Federal Minister for PD&R were organized during 2016-17. Minutes of the meetings were drafted and circulated among the members of the committee and follow up of the decisions was carried out.

Senior Management Committee

The PC Section was assigned to coordinate and organize meetings of Senior Management Committee of Planning Commission under the chairmanship of Minister, PD&R which comprises of all Members of Planning Commission, VC PIDE, Secretary, Additional Secretary, JCE (Operations), JCE (Macro), DG (JACC), Joint Secretary and Chief (Plan Coord.) as member/ secretary of SMC. Five (05) SMC meetings were organized during 2016-17. Moreover, a progress review meeting on the decisions of SMC under the chairmanship of Secretary PD&R was also organized. Well coordinated follow-up was made for implementation of the decisions.

Institutional Cooperation Programme (ICP)

Institutional Cooperation Programme, a Norwegian foreign funded project, is being managed by the Plan Coordination Section. There are 05 ongoing projects under this programme. The on-going projects are being executed in collaboration with, Survey of Pakistan, NUST, NILOP, University of Agriculture Faisalabad, and NED University, Karachi. The programme is scheduled to be completed by 31st December, 2017.

Other activities

- Material for Finance Minister's Budget Speech was collected from sections and wings concerned of the Ministry, consolidated and forwarded to Ministry of Finance.
- Material for the Economic Survey of Pakistan 2016-17 was provided to the Ministry of Finance.
- Organized meetings on "Restructuring of Ministry of Planning, Development and Reform".
- Follow-up action on decisions of the ECC, ECNEC and NEC was taken up, and progress on implementation was reported to the Cabinet Division.
- Information for Preparation Annual Report on the observance and Implementation of Principles of Policy for the Year 2015-16 was provided to the Cabinet Division.
- A report on three year performance of the Ministry (June 2013- June, 2016) was compiled and furnished to Prime Minister's Office after obtaining information from all the sections/wings/ attached departments of the Ministry.

SPECIAL AREAS DEVELOPMENT

Sustainable economic development leads to reduction in regional inequalities. It requires balanced growth approach for all sectors and regions of the country. Special Areas i.e. Azad Jammu & Kashmir, Gilgit-Baltistan and Federally Administered Tribal Areas are blessed with natural resources which provide a solid base to prosper and progress. Federal government is making its efforts to fully utilize these potentials and bring these areas at par with other parts of the country. Vision 2025 and 11th Five year plan aimed to reduce the regional disparities, particularly in special areas.

During 2016-17, efforts have been made by the federal government in collaboration with local administration of Special areas to achieve desired developmental targets. Various development projects have been implemented in education, health, infrastructure, tourism and other sectors to improve the living standard in these areas.

Budgetary allocation in the PSDP 2016-17

During 2016-17, an amount of Rs.42.36 billion was allocated for Less Developed Special Areas. Out of this, an amount of Rs.42.00 billion was earmarked as block allocation for development activities in three Special Areas, whereas an amount of Rs.0.36 billion was set aside for projects reflected under Ministry of Interior & Narcotics Control. Details of allocation & utilization for various agencies are given below:

(Rs. billion)

Areas	Allocation	Utilization	% of utilization
FATA Block Allocation	21.00	21.00	100
AJ&K Block Allocation	12.00	12.00	100
Gilgit-Baltistan Block Allocation	9.00	9.00	100
Interior Division (for area development)	0.20	0.20	100
Other Programs (NCD)	0.16	0.23*	144
Total	42.36	42.43	100

*Rs. 70 million were taken as Technical Supplementary Grant (TSG) for area development projects under NCD

Source: Public Sector Development Programme (PSDP) 2016-17

Physical targets achieved against block allocation in Special areas are described below:

Azad Jammu & Kashmir (AJK): Under block allocation 125 development projects were completed. Through these development activities, 200 km of rural, 250 km double lane and 250 km link roads were constructed. 8 tourist resorts, 3 sports stadiums, 2 polytechnic institutes have been established. Electricity connections were provided to 25,000 consumers. Skills trainings were imparted to 600 individuals including 300 women. A total of 70 educational buildings have been constructed/ upgraded and IT labs were established in 200 middle and high/higher secondary schools.

Federally Administered Tribal Areas (FATA): Allocated amount has been distributed amongst 16 different sectors spread over 7 Agencies and 6 Frontier Regions. FATA Administration has also been facing the challenge of reconstruction and rehabilitation of Temporarily Displaced Persons (TDPs), which remained priority during 2016-17. In wake of operations Zarb-e-Azab and Rah-e-Nijat in North & South Waziristan, considerable damage was done to infrastructure in both areas. Rs.100 billion was allocated for rehabilitation of TDPs in PSDP 2016-17. For early delivery of benefits under Vision 2025, FATA Administration has declared the 2016-17 as "Year of Completion". For this purpose, 83% funds have been allocated to ongoing schemes as a result 524 schemes have been completed during the year.

Gilgit Baltistan (GB): Major projects include: construction of 150 km of single, 98 km of metalled roads, 30 bridges and 204 protective bunds, 8 water purification plants, 235 water channels, 34 water reservoirs. In education sector, 32 primary school buildings have been constructed, 3 primary schools up-graded to middle level and IT equipment provided to 9 girls schools.

In addition to block allocation, area development projects are being implemented by Narcotics Control Division in Federally Administered Tribal Areas (FATA). Under these projects, 52 km rural roads, 13 irrigation schemes, 48 water supply schemes have been constructed and agricultural inputs have been distributed among the farmers.

Major activities

During 2016-17, 2 Pre-CDWP meetings were arranged by the section to discuss development projects before presenting at CDWP forum. Material/presentation for 5 meetings of Senate Functional Committee on Problems of Less Developed Areas was prepared and presented, and queries of National assembly regarding development process in less developed areas were replied. 18 development projects of CDWP regarding rural roads, sanitation, streets pavement were received & appraised in the section. Annual Plan chapter on “Balanced Development, Focus on Less Developed Regions” was prepared. The material for PSDP 2017-18 in respect of less developed areas was coordinated with relevant ministries/division and administration of Special Areas.

PILLAR-III
DEMOCRATIC GOVERNANCE, INSTITUTIONAL
REFORM AND MODERNISATION OF THE PUBLIC
SECTOR

GOVERNANCE

Governance means all the processes that coordinate and control an organization's resources and actions. Its scope includes ethics, resource-management processes, accountability and management controls. It involves interaction of public, private, corporate sector and civil society communicating with each other and synergistically working together for better service delivery. Good governance is perhaps the single most important factor in eradicating poverty and promoting development as it addresses economic institutions and public sector management, including transparency and accountability, regulatory reform, and public sector skills and leadership.

The Government of Pakistan has developed Vision 2025 to give strategic direction to the economy and transform Pakistan into next Asian Tiger. The Vision recognizes Democratic Governance, Institutional Reform and Modernization of Public Sector as one of the seven pillars of development and growth framework. Under 11th Five Year Plan (2013-18) a responsive, inclusive, transparent and accountable system of governance is envisaged through adoption of a holistic approach - from formulation of policy and strategy to implementation and service delivery-encompassing all administrative levels of the state.

Governance Section deals with the development activities/ programme/ projects which revolves around knowledge management, organization restructuring, institutional reform, judicial reform, law and order, professional development and service delivery. The key initiatives of Governance framework will foster socio-economic development, strengthening institutions opportunities based on equity, fairness and justice while adhering to the foundation of democratic principles and rule of law in the society. With a comprehensive reform agenda, the governance indicators are expected to improve in upcoming years.

The government has undertaken a number of initiatives to improve economic governance. An amount of Rs.3.5 billion including foreign aid Rs.0.35 billion has been allocated for Governance Sector during 2016-17 against which Rs.2.6 billion have been spent thereby

showing utilization of 74 percent. There were 42 ongoing and new projects/ schemes including 1 umbrella projects with the cost of Rs.72 billion in the Governance Sector. During the year, 20 projects/ schemes in the sector were initiated.

Major activities

- Project titled “Reforms and Innovation in Government for High Performance” is being implemented at a total cost of Rs. 1166.00 million (i.e., UNDP share: 60% and GOP share:40%).The main aim of the project is to transform the governance milieu of Pakistan by making it more transparent, inclusive and collaborative. Consultative process was undertaken with the private sector, civil society, academia, media and other stakeholders to reform public sector and improve the delivery of service
- Training Programme for officers from 11 target ministries to prepare Performance Contract were arranged and consultation with eleven key Ministries/ Divisions to finalize Performance Contract for the Year 2017-18 were undertaken
- To encourage participation of youth in national mainstream especially from less privileged regions, upper age limit of CSS Examination, 2017 onwards has been increased from 28 years to 30 years
- For improvement in the public sector’s efficiency and better public service delivery Civil Services Reform in the areas of human resource management including recruitment, selection, promotion, training and performance evaluation of employees, proposals have been initiated in consultation with stakeholders
- A Training Need Assessment (TNA) for enhancing capabilities of officers/officials of Federal Ministries/Divisions has been conducted by a third party to design short-term training courses. On the basis of TNA, Executive Leadership Management Course (ELMC) - a five days training Programme to train 1000 senior civil servants has been launched. Four cohorts of the

training Programme comprising 25 officers each nominated by different Ministries/Divisions have been conducted

- TORs to conduct TNA of the mandatory/ specialized/ other training regime in Pakistan have been prepared. Process to hire suitable firms to conduct TNA is under way
- Pakistan has joined a 67 country alliance forum on Open Government Partnership. This will improve governance statistics in the country through openness
- Mandatory service-specific training regime was reviewed and proposal was formulated
- To calibrate recruitment process of civil service with international best practices, proposals for the creation of new cadres and cluster based competitive examination have been prepared to promote specialization in civil services. These proposals were discussed with multi stakeholders
- To promote effectiveness of public service delivery, restructuring of government organizations was initiated. A working paper on redundant organizations has already been undertaken
- A draft PC-I on Establishment of National University of Public Policy and Administration (NUPPA) was prepared on the model of National Defense University (NDU) and shared with Establishment Division for further process
- A report on CPEC Workshop/ Symposium held at Pak-China Friendship Centre was prepared
- A document on National Security Policy was prepared and forwarded to National Security Division for further process
- A project titled "Young Development Fellowship Programme" implemented at a total cost of Rs.261.6 million to equip youth having distinguished academic background and potential for leadership with necessary learning and skills who will lead Pakistan through the 21st Century. Recruitment process of third batch of Young Development Fellows has been completed

- Governance Section has played the role of facilitator and integrator in the areas of public policy consultations and reforms in the post-devolution scenario. Frequency of dialogue among Ministries/Divisions and between the provinces and the federal government has been increased

PROJECTS WING

Monitoring & Evaluation (M&E) is an effective tool to assess the progress and performance of the projects/programmes and suggest remedial measures to avoid cost and time overrun in the different sectors of economy. M&E ensures that the government's policies and priorities are properly addressed through effective implementation of development projects and programmes.

Planning Commission has established the Projects Wing having qualified personnel for monitoring and evaluation of the projects. The projects are selected on the basis of their strategic nature, near completion, national importance and foreign-aided projects. The performance trend shows monitoring of 300-450 projects and evaluation of 10 projects annually.

Major activities

Planning Commission through Projects Wing has adopted the result based monitoring of development projects. Project Wing has monitored 250 projects and evaluated 12 projects during 2016-17.

Evaluation Section of Projects Wing undertakes evaluation of development projects to assess their efficiency, effectiveness, impact and sustainability in relation to planned targets and objectives mentioned in PC-I. In 2016-17, a total of 12 projects have been evaluated against the target of 10 projects. The recommendation of the reports was shared with all stakeholders to be kept in mind in executing future projects.

Based on the monitoring of development projects during the 2016-17, major issues identified were; in-adequate funding; delay in civil works; delay in award of contract; delay in procurement; delay in land acquisition process; design issues; adverse Law and Order situation in project areas; delay in providing adequate security to foreign consultants and contractors; scope creeps; consultant related issues; lack of Project Management capacities; lack of PMU's and internal monitoring mechanism in mega projects.

Management Information System

In the endeavour to bring all the federal ministries online in the loop of Project Monitoring & Evaluation System (PMES), comprehensive training sessions on the use of PMES were conducted for the project directors, and the count of online ministries with regard to PMES is raised to 38 ministries /divisions. Formal refresher trainings on the use of PMES are being conducted throughout the year for Project Director / Officers for the federal ministries/divisions on their demands across the country. Moreover, the projects profiles of new and missing projects have been added in the database of PMES making a data repository of implementation data of more than 3000 PSDP projects.

In all, a repository of more than 3600 monitoring reports of PSDP projects monitoring conducted by Planning Commission and developed One-Pager projects' progress web application for executive reporting.

The MIS Section plays a significant role in data collection, compilation and verification for the presentations and reports presented by senior management of Ministry of Planning, Development & Reform to the Prime Minister's office, Public Accounts Committee and Senate and National Assembly standing committees on the implementation status of PSDP Projects. The Section is continuously providing helpdesk facility to around 2000 registered users of this software, regarding use of the software and data updation in PMES (releases, progress, expenditures etc.). Moreover, continuous network and hardware support is being provided to the officers / officials of the Projects Wing and PMES Software enhancement / improvement, PMES server support and backups are being maintained regularly.

PAKISTAN PLANNING AND MANAGEMENT INSTITUTE

Pakistan Planning & Management Institute (PPMI) was established through a project which was launched in 1986. The objectives of which were to increase awareness about the framework, methodologies, process and dimensions of economic and social planning at all levels (i.e. national, provincial, regional, area, district etc.); to improve and enhance expertise in project planning and management spread over distinct phase of project identification, formulation, appraisal, implementation, monitoring of progress and evaluation; to assess the requirement of training in management techniques and to improve the quality of project managers through courses on general management, financial management and project management. To meet the growing demand of Government and semi-Government agencies for in-service training of project planners and managers; to impart training in macro-level economic and social planning to planning staff; to impart post-entry training to new recruits in the Economists Group and Technical Sections of Planning Commission; and to develop course materials, guidelines and manuals. Since its inception the institute has been housed at the P&D Division, PIDE as well as the NFDC building. PPMI through a project and its subsequent phases has been able to construct own building for the institute and hostel for the training participants.

PPMI has been allocated Rs.20.318 million in its non-development side whereas Rs.11.710 million and Rs. 100.00 million has been allocated for its development project titled Up-Gradation of PPMI Phase-II (Construction of PPMI Complex) and PPMI a Centre of Excellence, respectively during 2016-17.

Major activities

PPMI organized 22 regular and 12 customized training courses from July 2016 to June 2017.

PPMI Centre of Excellence has been approved by the CDWP with the cost of Rs.340.6 million under this project PPMI has fabricated the

long standing incomplete PPMI facilities i.e. Training Halls, Auditorium, Dinning Area etc. PPMI is able to conduct and organize its activities in a befitting manner by completion of these facilities.

These facilities have been formally inaugurated by Honorable Mr. Ahsan Iqbal, Minister for Planning, Development and Reform accompanied by Mr. Shoaib Siddiqui, Secretary Planning on 22nd May 2017 and are fully operational since.

Targets and achievements regarding training courses during 2016-17 are as under:

No. of courses		No. of Participants	
Target	Achievement	Target	Achievement
22	Regular 22 Customized 12	1075	1561
	Total 34		

Detail of training courses and participants

S. No.	Course Name	Dates	No. of Participants
1	Project Preparation and Management in Public Sector	18-22 Jul, 2016	39
2	MS Project	27-29 Jul, 2016	45
3	Human Resource Management in Public Sector	09-12 Aug, 2016	52
4	Manual for Development (Customized)	17-19 Aug, 2016	27
5	Project Appraisal and Risk Management	23-26 Aug, 2016	42
6	Primavera (Project Management Software)	29-31 Aug, 2016	46
7	Project Planning, Monitoring, Evaluation and Development of Key Performance Indicators (KPIs)	19-30 Sep, 2016	80
8	Time Management	05-07 Oct, 2016	37
9	Contract Management	18-21 Oct, 2016	54

S. No.	Course Name	Dates	No. of Participants
10	Managing Legal Affairs/Issues in Government Departments	01-04 Nov, 2016	55
11	Methods for M&E	15-18 Nov, 2016	73
12	Introduction to Planning Process & Project Preparation in Public Sector in Pakistan Training Course For YDF M/o PD&R (Customized)	22-25 Nov, 2016	33
13	MS Project	28-30 Nov, 2016	48
14	Public Procurement Policies and PPRA Rules	06-09 Dec, 2016	70
15	Project Monitoring & Evaluation System (PMES) (3 rd batch) for Project Directors of Pakistan Railways (Cus)	13-14 Dec, 2016	18
16	Planning Process In Public Sector In Pakistan (Customized)	16 th Dec, 2016	11
17	Financial Management Procedures/Policies in Public Sector	20-23 Dec, 2016	64
18	Performance Management in Public Sector Organizations	03-06 Jan, 2017	64
19	Project Preparation and Management in Public Sector	16-20 Jan, 2017	81
20	Primavera (Project Management Software)	01-03 Feb, 2017	49
21	Human Resource Management in Public Sector	14-17 Feb, 2017	59
22	Project Monitoring & Evaluation System (PMES) Ministry of Water & Power (Customized)	22-23 Feb, 2017	27
23	Secretariat Rules, Regulation and Administration for JACC (Customized)	27 Feb – 3 Mar, 2017	18
24	Financial Management Procedures/Policies in Public Sector	07-10 Mar, 2017	63
25	Development of Key Performance Indicators (KPIs)	20-22 Mar, 2017	60

S. No.	Course Name	Dates	No. of Participants
26	Project Monitoring & Evaluation System (PMES) Ministry of Water & Power (Customized)	29-30 Mar, 2017	41
27	Methods for Monitoring & Evaluation	04-07 Apr, 2017	50
28	Understanding the Budget in collaboration with Finance Division (Customized)	12 -13 Apr, 2017	13
29	Project Management	18-21 Apr, 2017	58
30	Economic Data Analysis in collaboration with Finance Division (Customized)	25-26 Apr, 2017	9
31	Monetary Policy And Inflation in collaboration with Finance Division (Customized)	27 Apr, 2017	21
32	Project Planning, Monitoring, Evaluation and Development of Key Performance Indicators (KPIs)	2-12 May, 2017	59
33	Development Narrative Building (Customized)	25 th May, 2017	17
34	Orientation on Project Monitoring & Evaluation System (PMES) (Customized)	14 th June, 2017	78
Total number of participants			1561

PILLAR-IV
ENERGY, WATER AND FOOD SECURITY

ENERGY

Energy Wing coordinates with various organizations like Ministry of Petroleum and Natural Resources including its Directorates i.e. Director General (PC), Director General (Gas), Director General (Oil), and Director General (Minerals), GSP, OGDL and HDIP Ministry of Water and Power, PAEC, PPIB, SSGCL, SNGPL, Sindh Coal Authority, AEDB and energy sector related regulatory bodies i.e. OGRA, NEPRA and PNRA. The provincial issues relating to energy sector are also handled in the Energy Wing. The work being performed by various energy sector entities has to be coordinated and compiled for formulation of single energy sector policy and plans.

PSDP allocation for 2016-17

In addition to CPEC investments in power sector, an amount of Rs.405 billion was allocated to power sector projects of generation, transmission and distribution for Ministries of Water & Power and Kashmir Affairs & Gilgit-Balistan and Pakistan Atomic Energy Commission in 2016-17. A total of 3,874.2 MW against the 5,304.25 MW planned in 2016-17 were actualized. Energy Wing furnished material of Annual Plan 2017-18 and gave recommendations for PSDP 2017-18.

Major activities

The following projects were processed/technically appraised by Energy Wing for consideration/approval of CDWP/ECNEC in 2016-17:

- 110 Nos of Electrification Schemes in District Islamabad under PAK MDGs Community Development Programme
- Solar Electrification of Parliament House Building, Islamabad
- Provision of Solar Power Plants at F-9 Park, Islamabad
- Construction of 132 KV (AIS) Grid station Deep Sea Port Gwadar and allied 132 kV double circuit transmission line (11 km)

- 20 MW Hydro Power Project Hanzil
- Construction of 132 kV SDT Transmission Line for making Interconnecting arrangement between Grid Station Kharan & Mall Grid
- Interconnection of Isolated Makran Network at Basima via Nag grid station from Panjgoor Grid Station
- 30 MW Hydro Power Project Ghowari
- 7th Secondary Transmission Line and Grid Stations (GEPCO)
- Rehabilitation of Damaged 66kV Grid Station at Ghiljo Orakzai Agency
- National Tokamak Fusion Programme
- Establishment of 132 kV Grid Station along with Up-gradation of existing 33 kV Grid system to 132 kV in District Chitral
- Establishment of 48 MW Shounter Hydro Power Project
- Distribution Rehabilitation (Energy Loss Reduction) (SEPCO)
- Distribution Expansion (SEPCO)
- Evacuation of Power from 2×1100 MW K-2/K-3 Coastal Power Plant near Karachi
- Electrification works at different valleys of District Chitral
- Construction of New 132 kV Grid Stations and Transmission Lines (SEPCO) (STG)
- Upgradation / Extension of NTDC's Telecommunication and Scada system
- Advanced Metering Infrastructure (AMI) Project IESCO
- Advanced Metering Infrastructure (AMI) Project IESCO and LESCO
- 969 MW Neelum Jhelum Hydroelectric Project (3rd Revised PC-I)

- 500 kV HVAC Transmission Lines for Interconnection of HVDC with HVAC System at Matiari and Lahore
- Renewable Energy Development Sector Investment Programme (REDSIP) (2nd Revised PC-I)
- 220 kV Mirpur Khas Substation alongwith Associated Transmission Lines (PC-I)
- 40.8 MW Koto Hydropower Project, District Lower Dir (Revised PC-I)
- Evacuation of Power from 2x660 MW Thar Coal based SSRL/SECL Power Plant at Thar (PC-I)
- 7th Secondary Transmission Lines and Grid Stations (STG) LESCO
- 7th Secondary Transmission Lines and Grid Stations (STG) FESCO
- 26 MW Shagharthang Hydropower Project, District Skardu, (2nd Revised)
- Rehabilitation of Dargai Hydroelectric Power Station
- Rehabilitation and Capacity Enhancement of Kurram Garhi Hydro Power Station from 4 to 5 MW
- 220 kV Zero Point Grid Station at Islamabad (PC-I)
- 220 kV Punjab University Grid Station along with Associated Transmission Lines (PC-I)
- 1410 MW Tarbela 5th Extension Hydropower Project (Position Paper)
- Hiring of Consultants for Advanced Metering Infrastructure Project and Billing System for State-owned Distribution Utilities in Pakistan (PC-II)
- Hiring consultancy services for third party validation of Neelum Jhelum hydropower project (3rd Revised PC-I)

Energy Wing furnished views/comments on various summaries for the CCI, Cabinet and ECC. Detail is as under:

Council of Common Interests (CCI)

- Supply of Gas to Localities/Villages in 5 Km Radius of Gas producing Fields
- Implementation and amendments - Petroleum and Production policy, 2012

Cabinet

- Storage Development at Keamari and Connectivity of Ports
- Relaxation of Moratorium on New Gas Connections

Economic Coordination Committee (ECC)

- Second LNG Terminal at Port Qasim- Draft Operation and Services Agreement for Necessary Governmental Proposals
- Import of Liquefied Natural Gas (LNG) by Pakistan LNG Limited (PLL)
- Procedure for Sampling and Testing of Imported Petroleum Products
- Discontinuation of Publication of Lower Zakum Crude Oil Prices by Platts
- Addendum to the POL Products Supply Agreement between Pakistan State Oil (PSO) and Kuwait Petroleum Corporation (KPC)
- Introduction of 92 Research Octane Number (RON) Premium Motor Gasoline (Petrol)
- LPG Air Mix Projects
- Re-Allocation of Gas from Existing Fields
- Allocation of Additional Gas from Nashpa Field
- Transportation of ADHI Crude Oil on Competitive Basis

- Allocation of Gas from Tolang Field
- Allocation of Gas from Sofiya Field
- Allocation of Gas from OGDCL's Khamiso Discovery
- Allocation of Gas from Tolanj West Field
- LPG Air Mix Projects - (Change of Location)
- Review of the Oil Marketing Companies (OMC's) and Dealers Margins on Petroleum Products
- LPG Air Mix Projects-Sovereign Guarantee
- Approval of standard Implementation Agreement (IA) under policy framework for private sector Transmission Lines projects 2015 and project specific transmission services Agreement (TSA)
- Revision of interest rates on Foreign Relend Loan (FRL) and Cash Development Loan (CDL) for Neelum Jhelum HPP." for comments of Ministry of PD&R along with other stake holders
- Withholding tax on dividends for 660 kV HVDC transmission line from Matiari to Lahore - Policy Directive
- Subsidy for agricultural tube well consumers in Balochistan 2017-18

In addition, Energy Wing offered its technical input / comments on the following:

- Project Completion Report of the Project, namely "MPS-3 Taunsa-2 ISL Uranium Mining Project, Dera Ghazi Khan"
- Achievements gained from short term, long term and medium term development plans made and implemented during the last three years
- Mid Term Review of 11th Five Year Plan (2013-18)
- Implementation Framework for ECO Vision-2025
- Transportation of ADHI Crude Oil from ADHI Oil Field to ARL

- Concept Clearance Proposal - Technical Study to Assess the Commercial Potential of Coal in Harnai District, Balochistan, Pakistan
- Inter-Ministerial MoU on Iran – Pakistan – India Offshore Pipeline Project
- Strategic Review of National Policies - Oil Refining, Lubes, Marketing and Distribution Policy, 1997 (Internal review/assessment)
- Integrated Energy Planning (IEP) committee structure and steering committee guidance document
- National Action Plan – Sustainable Energy for All UNDP Report 2017
- Terms & Reference for Integrated Energy Planning (IEP) Institutional Assessment Consultant
- Inputs for the visit of Prime Minister to the State of Kuwait

Work in progress

Support for development of Integrated Energy Planning (IEP) is one of important component of current Pak-US collaboration in the Energy Sector. In this regard, an MOU by and between USAID-Pakistan and Planning Commission has been signed on 8th November, 2016. One of the main components of proposed area of cooperation is to increase the Government of Pakistan's ability to conduct IEP in a way that would be effective and appropriate for Pakistan.

WATER

Water is essential to meet the food need for country's growing population. The efficient use of water is an important requirement for sustainable agriculture growth and agriculture oriented activities to tap more benefits from this sector. Increases in agricultural production to meet the needs of a rising population, will require additional water. Based on population growth projections, by 2025 an estimated additional 10 MAF will be needed at the farm gate

Water Sector's Policies/strategies focus on bridging the widening gap between demand and supply. The major emphasis is on demand management and enhancing the water availability. The important mechanisms of the above mention strategy are to initiate market forces to convert water from social good to socio-economic good. The technical solution will be based on Integrated Water Resources Management (IWRM) approach, Harnessing flood flows for direct irrigation, ground water recharge and effective implementation monitoring system and comprehensive set of measures for the development and efficient management of water resources.

Major activities

During 2016-17, timely completion of on-going priority projects was focused to achieve the planned targets of Vision 2025 and 11th Five Year Plan. Financial resources of Rs.31.7 billion were allocated for the water sector's development projects/programs during the year 2016-17, out of which more than 24.7 billion (78%) are utilized by the end of June 2017. Following projects were at different stages of completion in 2016-17:

- Completion of 92% physical works of Kachhi Canal (Phase-I) in Balochistan & Raineer Canal in Sindh for irrigating 0.168 million acres (Phase-I)
- Completion of Gomal Zam Dam in FATA/K.P.K and Darawat Dam (near Hyderabad Sindh)

- About Rs. 1,000 million are expended for on-going works of Nai Gaj dam (near Dadu Sindh) to irrigate 28,800 acres of land and Power Generation of 4.20 MW
- Initiation of physical works on Kurram Tangi Dam (Phase-I) in North Waziristan Agency and Mohmand Dam in Mohmand Agency FATA
- To save the water losses of existing irrigation system, about Rs. 900 million are utilized for lining of small canals and minors in Punjab and Sindh during the 2016-17
- For the rehabilitation and improvement of existing irrigation canals in Punjab, Sindh & Khyber Pakhtunkhwa, an amount of Rs.1,100 million are utilized during the year 2016-17
- In Balochistan, Sindh, Punjab and Khyber Pakhtunkhwa about Rs. 7.436 billion are utilized during the 2016-17 on construction of new small/delay action dams and recharge dams. Province-wise detail is as under:
 - **Punjab** Rs. 550 million (Ghabir & Papin dam)
 - **Sindh** Rs. 500 million (Kohistan & Nagarparkar areas of Sindh)
 - **K.P.K** Rs. 1,450 million (Kundal/Sanam dam, Baran dam & 20 small dam in districts Nowshera, Kharak, Swabi, Haripur & Khohat
 - **Balochistan** Rs.4,936.37 million (Shadi Kaur, Bathozai, Const. of 100 small dams (Package-II&III), Basol dam, Mangi dam & others)

**Key physical targets & achievements for 2016-17 and
targets for 2017-18**

Item	Unit	Target 2016-17	Achievements 2016-2017		Target 2017-18
			Physical	%age	
Irrigation					
<ul style="list-style-type: none"> • Water Availability (additional) 	MAF	134.56	132.70 *	99	134.22
<ul style="list-style-type: none"> • Earthwork for dams & canals/irrigation System 	MCM	12.00	8.00	67	10.00
<ul style="list-style-type: none"> • Concrete work for dams / canal / irrigation System 	MCM	1.00	0.60	60	0.60
<ul style="list-style-type: none"> • Const. of delay action/ check & small dam 	Nos.	9	20 (9 New & 11 On-going)	100	12
Drainage & Reclamation					
a) Surface Drains (Earthwork) (Extension, rehab. & remodelling of drain)	MCM	4.00	Nil *		6.00
Flood Control Programme					
Under Normal Flood Programme (flood scheme)	No	10	8	80	7

(MAF: Million Acre Feet, MCM: Million Cubic Meters)

*Decrease in achievement is mostly due to decrease inflow at Rim station & rainfall.

FOOD AND AGRICULTURE

Agriculture provides food and fibre for personal consumption, inputs to various agro-based industries, output for exports and helps in poverty alleviation. It employs 42.3 percent of the country's total labour force. The sector contributed 19.5 percent to the national GDP (Economic Survey of Pakistan, 2016-17). Food Security, being the most important subject coming under purview of Pillar-IV of Vision 2025.

Sectoral overview

The agriculture sector achieved growth of 3.46 percent against the target of 3.5 percent and last year's meagre growth of 0.27 percent. This was possible by better harvesting of major crops through greater availability of agriculture inputs like water, agriculture credit and intensive fertilizers off take. The growth in crops was registered at 3.02 percent against the negative growth of 4.97 percent during the same period last year. Livestock accounts 58.33 percent share in the agriculture. It witnessed a growth of 3.43 percent compared to 3.36 percent during corresponding period last year. The Fishing sector contribution stands at 2.12 percent in agriculture value addition and recorded a growth of 1.23 percent compared to 3.25 percent growth of same period last year. Forestry sector having contribution of 2.33 percent in the agriculture value addition, witnessed a significant growth of 14.49 percent during 2016-17 due to higher timber production reported by Khyber Pakhtunkhwa.

Allocation for the Year 2016-17

In the Federal PSDP 2016-17, a sum of Rs.29,292.0 million was allocated to 79 schemes related to different Ministries / Divisions / Agencies for development of Food and Agriculture Sector. As the investment on development of water resource directly helps agriculture sector, therefore funds allocated to it are also presumed to be invested in the agriculture, which amounted to Rs.26,716.0 million. However, allocation of funds to the Ministry of National Food Security & Research (M/o NFS&R) remained low at Rs.1,520.0 million for its 20 ongoing and 06 new projects. The aggregate allocation of funds to the agriculture and allied sub-sectors by the provinces/regions in their

respective Annual Development Plans for the period 2016-17 was Rs.54,985.0 million.

Major activities

A brief overview of some of the major activities performed by the Section is as follows:

Strategic Review of National Policies

Planning Commission has started strategic review of National Policy Framework. Majority of sectoral policies lack inter sectoral coordination and have become irrelevant in changing economic scenarios. Therefore, review of such policies is necessary to make them relevant, effective and coherent. The Seven policies that will be reviewed in first round includes: Food & Agriculture Policy. A consolidated food policy document has been awaited since long from the federal government. The Section is coordinating with the M/o NFS&R to evolve an effective federal food policy that has due diligence of professionals which would ensure food security and agriculture transformation in Pakistan.

Mid-Term Review of 11th Five Year Plan

In this regard a chapter on “Food Security and Agriculture Development” was prepared and was forwarded for making it part of whole document. The review of the sector reminded that, no long term headways were made to undertake a structural reform in the sector such as strengthening of national agriculture research system and introducing agriculture market reforms. The process of changing and bringing new laws moved at snail pace and still there is nothing substantial on ground with regard to Seed Act, Plant Breeder Rights and NAPHIS. Private investment in the sector especially for new technologies has not been attracted because of non-conducive environment. If such situation of the sector is not corrected, it is less likely that the sector may recover in the near future and face the onslaught of climate change. Persistence of such situation for longer period of time will further deteriorate the situation of national food security, resilience of rural economy and high growth trajectory targeted in the Five Year Plan and Vision 2025.

National level meeting to deliberate on cotton crop failure in 2015-16

A national level meeting to deliberate on the factors of cotton crop (2015-16) failure and to suggest pragmatic solutions was organized. The meeting was chaired by the Honorable Federal Minister for Planning, Development & Reform and attended by the stakeholders including Secretary, M/o Textile Industry and other office bearers of the M/o Textile Industry, M/o Commerce, M/o Finance, Pakistan Bureau of Statistics, representative of Provincial Agriculture Research and Extension (Sindh and Punjab), cotton growers, representatives of farmers' associations, researchers, representative of State Bank of Pakistan, cotton processors, traders and private sector input suppliers. The meeting devised a number of recommendations, which were circulated among the stakeholders for implementation, especially by the public sector bodies.

International Cotton Advisory Committee

In the 75th plenary meeting of International Cotton Advisory Committee (ICAS), held in the week of 30 October, 2016 - 04 November, 2016 a presentation on the topic of "Public Policy for Cotton in Pakistan- An Overview" was made.

National Olive Plan for Developing Value Chain in Pakistan

The National Olive Plan is being developed to; refocus activities for long-term planning and improve coordination among ongoing projects. A high level meeting of the stakeholders in this regard was attended by the representatives from M/o NFS&R, PARC, PO DB, and Italian Mission wherein the National Action Plan was agreed.

Building partnership with development partners

Continuous consultations and meeting were held with international agencies working in Pakistan for development of food and agriculture sector. Important of them were FAO, WFP, IFAD, USAID, WB, UNIDO, AUSAID etc.

Sustainable Development Goals (SDGS)

Achieving the set of Sustainable Development Goals relevant to Food and Agriculture Sector in stipulated time, are thus, very important for ensuring the long term success of economy. In this regard

consultations were made with Food & Agriculture Organization (FAO) Mission for establishing SDGs monitoring system in Pakistan with regard to food and agriculture sector.

Subsidy on tube wells in Balochistan

Balochistan province has always been affected by the acute water shortage especially in summer season affecting major crops and horticulture. The Planning Commission recommended for providing “Subsidy on Tube wells in Balochistan. The scheme would reduce cost of production and enhance productivity of crops in the province.

National Animal Plant Health Inspection Services

To protect and promote investment in seed industry by local and international firms, Plant Breeders Rights bill has also been passed by the parliament. The plan has started the movement towards converting Pakistan into a large net exporter of food and high-value agriculture products, including halal food. To realize the potential, an authority is being established in Pakistan. To improve quality and safety of the food items and entry in high-end food markets an authority is being established by the name of National Animal Plant Health Inspection Services (NAPHIS) and NAPHIS Bill is under consideration of the Parliament for enactment.

Special request for renewal of running finance limits of cotton ginners

The production of cotton during 2015-16 drastically crashed by 28.96% at 9.917 million bales, which had its implications for all stakeholders including farmers, ginners, millers, exporters, importers etc. In the backdrop of this cotton crunch, the Pakistan Cotton Ginners Association (PCGA) requested for relief in payment of Running Finance facility available from the commercial banks. The issue raised by the PCGA was thoroughly examined. The Ministry of Planning, Development & Reform endorsed the concerns of the PCGA and sent to the State Bank of Pakistan for its consideration on merit.

DDWP Meetings

The following DDWP projects of M/o NFS&R were considered: Establishing Business Models through On-Farm Demonstration of Modern Packages for Calves Rearing National Surveillance Programme for Avian Influenza and Newcastle Disease in Pakistan; Up-gradation of Seed Certification Services in Balochistan; Establishing Online Linkage of Federal Seed Certification and Registration Department with WeBOC System of Pakistan Customs; Strengthening of Technical Information Support System of Department of Plant Protection by Linking Quarantine Outposts with WeBOC System of Pakistan Customs; Up-gradation and Accreditation of Seed Testing Laboratory, FSC&RD, Karachi; Investigation of Zoonotic Avian Pathogens for Improving Food Safety and Security; Establishment of Livestock Research Institute (LRI), Turbat, Balochistan and Aqua feed Production in Pakistan for Commercially Important Culturable Fishes.

Comments on summaries for ECC

To manage surpluses in wheat and sugar several times the issues were referred to ECC. The summaries were thoroughly examined to firm up view point of M/o PD&R in the ECC meetings.

Chapter for Annual Plan 2017-18

Annual Plan is an important road map that guides the development process of all sectors of the economy in a harmonious manner. The same was prepared keeping in view the fact that agriculture sector that provides food for dietary consumption and also raw material for many industries, needs to be taken care of, through a well thought mechanism.

New initiatives:

Improving Smallholder Dairy & Beef Profitability by Enhancing Farm Production and Value Chain Management

The Planning Commission endorsed approval of the above project. The overall project goal is to improve the profitability of smallholder dairy farms in Punjab and Sindh through on-farm efficiency gains and development of dairy and beef market opportunities. The project will be

implemented by University of Melbourne and Charles Sturt University, Australia with an allocation of AUD\$ 3,000,000. The Pakistani counterparts are University of Veterinary and Animal Sciences, Lahore as primary collaborator with financial contribution of AUD\$ 225,000.

Risk Based Control of Foot & Mouth Disease in Pakistan

The above project approved by Planning Commission will be implemented all over the country. The projects aims at improving livelihood through control of Foot and Mouth Disease that affects milk (50-70%) and meat production & reducing the burden of clinical FMD in the livestock sector in Pakistan.

Pakistan Agribusiness and Agro-Food Industry Development Programme (PAAID) - UNIDO

A way forward in terms of Pakistan agribusiness and agro-food industry development programme has also been agreed at Concept Clearance Committee. The proposal costing (US\$ 3.02 Million), aims at development of selected sectors along the value chain and initiating, piloting various fruits, livestock and fish products for reducing their post harvest losses, and adding value through processing, packaging, certification and branding and for creating an enabling environment to flourish agribusiness sector in the region for tapping potential of export markets.

Sustainable Livestock Development for Rural Sindh (Revised)

The revised version of the above mentioned project was processed. The main objective of the project is to promote agricultural growth to alleviate poverty in rural Sindh by improving productivity and quality standard of milk and meat in employment friendly manner. The appropriate technologies and management for livestock development would be established through on-farm application at the pilot farms with gender consideration.

Capacity Building of the Public Sector for Formulating Evidence Based Agriculture and Food Security Policy

Effective policy formulation in any line ensures considerable success chances. In this regard a project proposal entitled "Capacity Building of the Public Sector for Formulating Evidence Based Agriculture and

Food Security Policy” has been drafted for Korean assistance through Economic Affairs Division (EAD).

Important schemes

Some of the important schemes being dealt by the section include i.e. Establishment of Horticulture Research Institute, Khuzdar Balochistan; Establishment of Livestock Research Institute, Turbat, Balochistan; Up-gradation & Establishment of Animal Quarantine Stations in Pakistan; National Pesticides Residues Monitoring System in Pakistan (PARC); Promotion of Olive Cultivation on Commercial Scale in Pakistan; Rehabilitation and Strengthening of Summer Agricultural Research Station of PARC; Strengthening / Up-gradation of Agriculture and Livestock Research System of Arid Zone Research Institute, Umerkot, Sindh; Risk Based Control of Foot & Mouth Disease in Pakistan; Agriculture Information Portal; Strengthening of NIBGE Faisalabad and NIA Tandojam.

Centre for Rural Economy

The project, “Establishment of Centre for Rural Economy (CRE)” at Planning Commission, being dealt by the section, is another effective step of present government. The Centre would effectively prove as a hub for uplifting the socio economic conditions of rural community who are strongly associated with agriculture sector. Follow up activities were continued regarding the project.

Cluster Development Based Agriculture Transformation Plan Vision 2025

The project being dealt by the section is focused on feasibility study / PC-II on the scheme “Value Addition in Agriculture – Cluster Development Approach”. The main emphasis is being given for establishment of solid background to promote use of modern production and processing technologies in selected clusters to develop production and supply chain linkages among public, private and development partners; to establish small value added industries at selected cluster; to improve fair return to farm through establishing new market linkages and to develop a cadre of service providers for sustainable development of farm to business clusters.

NUTRITION

Nutrition directly impacts human resource development, productivity and ultimately the national growth and prosperity. Nutritional inadequacy results in malnutrition which is a multi-sectoral and complex phenomenon. Keeping in view the importance of nutrition, Pakistan Vision 2025 aligned nutrition targets with Sustainable Development Goals (SDGs) specifically SDG 2, World Health Assembly Targets and Decade of Action on Nutrition 2016-25. Under the umbrella of Global Scaling Up Nutrition (SUN) Movement, SUN Secretariat has been housed in Nutrition Section of Ministry of Planning, Development & Reform. SUN Units and SDGs Cell have been also established in Planning & Development Departments of the provinces. Nutrition Section serves as a focal point and provides coordination and collaboration for all nutrition related activities.

The food availability during 2016-17 remained satisfactory to meet the overall national requirements by providing 2485 calories per day per person through major food items. The cost of food basket is estimated every month for the provision of 2150 calories and 60 grams protein per person per day by utilizing Pakistan Bureau of Statistics data.

Major activities

Nutrition is a development indicator and marker for achieving SDGs. A number of activities are under implementation and summarized below:

- In Sindh, Nutrition Support Programme costing Rs.4.5 billion is under implementation while three new projects namely; Saaf Suthro Sindh, Nutrition Sensitive Agriculture and Accelerated Action Plan for Reduction of Stunting and Malnutrition have been approved for implementation. Sindh Government has started to allocate one billion rupees every year to overcome stunting in the province
- In Baluchistan, Nutrition Programme for Mothers and Children (BNPMC) costing Rs.1.5 billion have started implementation. Baluchistan Government is finalizing multi-sectoral nutrition specific and sensitive interventions Programme costing Rs.1.5 billion

- In Punjab, Health Integrated Reforms Programme (Integrated Reproductive Maternal New Born & Child Health (IRMNCH) & Nutrition) costing Rs.13 billion having 4th component as nutrition with specific allocation of Rs. 4 billion; Stunting Prevention Nutrition Programme at a cost of Rs.7 billion and WASH Programme at a cost of Rs.9 billion in southern 11 districts of Punjab are going to be implemented
- In Khyber Pakhtunkhwa (KP), three programmes are being implemented namely: Health Integrated Reforms Programme having 4th component as nutrition at a cost of Rs.1.6 billion out of Rs.14.1 billion; Special Initiative for Susta Atta/ Ghee Package at a cost of Rs.2.45 billion and Primary Education School Feeding Programme of Rs.97.6 million have been started
- Pakistan Multi-sectoral Nutrition Strategy (PMNS) has been finalized by adopting bottom-up approach to overcome malnutrition which is in line with the Vision 2025, WHA Targets and SDG goals etc.
- The inception phase of massive programme for fortification of staple foods supported by DFID is under way. The programme targets 1082 flour mills to fortify wheat flour with Iron, Folic Acid, Zinc & Vitamin B12 while adding Vitamin A & D to oil/ ghee through 100 mills in 5 years to overcome micronutrient deficiencies
- The work on revision of Food Composition Table (FCT) and Dietary Guidelines (DG) for Pakistan is in hand for provision of information on foods & diet to the general public. DGs are being finalized for launch
- Ministry of National Food Security & Research with the support of Harvest Plus succeeded to have biofortified wheat variety "Zincol 2016" 12 thousand metric tonnes seed for the next year crop to overcome hidden hunger

Following research studies have been completed with the collaboration of development partners coordinated and supervised by Nutrition Section:

- Nutrition in the Cities study, based on national datasets like National Nutrition Survey (NNS) 2011 determines the influencing variables of under nutrition in children below 5 years age
- Cost of the Diet Analysis (CoD), a standardized tool used to calculate the cheapest possible cost of a locally available diet that satisfies all nutritional requirements of a household or individual. It is estimated that the affordability of nutritious diet by urban, rural dwellings and seasonality
- Economic Consequences of Under nutrition in Pakistan using computer modeling for four processes with 15 nutritional indicators documented in national datasets estimated that not attending these indicators leads to annual loss of \$7.6 billion which is almost 3% of GDP
- Fill the Nutrient Gap (FNG) analysis was carried out using secondary data to strengthen nutrition situation and decision making on interventions to respond to identified nutrient gaps and improve nutrient intake for key target groups. The FNG serves as portfolio of short term nutrition interventions identified to overcome malnutrition
- Scaling Up Nutrition (SUN) Movement units has been established in each P&D Department to facilitate and coordinate multi-sectoral nutrition interventions. A number of consultative meetings, workshops, teleconferences, advocacy and awareness sessions were held with the support of SUN Networks. Almost 110 parliamentarians and 125 media persons were oriented to enhance political support and spearhead nutrition as part of behavior change communication campaigns

New initiatives

- Early Childhood Development (ECD) activity has been initiated and high level taskforce has been formed to provide guidance for policy/strategic framework, planning, coordination, exchange of information. The ECD specifically targets for the most critical period of 1000 days (from conception to 2 year age) and carrying it forward up to 8 years to develop full physical and

mental potential of child. It involves comprehensive behavior change communication and other allied activities

- A feasibility study for production, marketing and promotion of Specclay Nutritious Food (SNF) to children and Pregnant and Lactating Women (PLW) through public private partnership has been planned
- Ministry of National Health Services, Regulation & Coordination (MNHSR&C) has prepared a two years project “Federal Nutrition Programme” with a cost of Rs.216 million, for one district each in AJK, FATA, GB and ICT targeting children, adolescent girls, pregnant and lactating women
- National Food Fortification Strategy has been launched and will be implemented by Federal Fortification Alliance, MNHSR&C. This will facilitate implementation of DFID funded £46 million programme targeting 1082 mills for fortification of wheat flour and 100 edible oil/ghee mills

Work in progress

Nutrition Section of Ministry of Planning, Development & Reform is preparing a five year project namely, “Pakistan Nutrition Programme” covering Nutrition Awareness, Behavior Change Communication and Institutional Strengthening to overcome malnutrition in the country.

ENVIRONMENT AND CLIMATE CHANGE

Environment & Climate Change Section is striving for the main goal of sustainable development in the country. In the last decade the environmental considerations have grown in value and intensity. Although, at present, Pakistan stands 135th with 0.8% on the list of global GHG (Green House Gases) emission producers, but, it is the 7th most vulnerable country. Sharp decrease in use of less polluting fuel, air pollution is still on the rise. Deforestation and desertification due to human activity has set the country further behind the rest of the world. Depletion of biodiversity coupled with land degradation and the lack of waste management, urban land use planning and zoning, have resulted in serious imbalance on the ecological front.

Outdated and non sustainable agricultural practices, far below the international standards have caused groundwater depletion, hindered crop output, drastic soil erosion in turn contributing to health related problems. Diminishing water resources, speedy glacial melt, loss of water tables and other water resources are causing unmanageable flux of water at present, and will cause less availability of water in future. The storage of water needs to be the prime consideration in the near future.

The Environment & Climate Change Section is in the process of implementing existing laws related to conservation and sustainable resource. The government is involved in formulating action plans for the implementation of sanitation policy, environment policy and drinking water policy. Forest Policy has been furnished and is in the process for approval from the cabinet.

Allocation and expenditure during 2016-17

There has been increase number of projects under Ministry of Climate Change in PSDP 2014-15 only 03 numbers of projects were included and an amount of Rs. 25.103 million was allocated. In PSDP 2016-17 expenditure incurred was Rs 602.708 million against 04 projects.

Major activities

Environment & Climate Change Section work is increasing day by day. The Prime Minister's Green Pakistan Programme and its branches have been approved and are under implementation which will greatly enhance Pakistan's image internationally. The expenditure incurred up to June 2015 against this allocation was a mere Rs. 3.606 million, but in PSDP 2016-17 has witnessed a sharp increase due to Prime Minister Green Pakistan Programme. The allocation for 2017-2018 for 06 schemes is Rs 815 million and total cost of projects is Rs 4,712/- million. In addition to PSDP funded Projects Pakistan has won funding under Global Climate Change Fund for Glacier Lake Outburst amounting to \$37 million. The table below reflects project details included in PSDP 2017-18 and New Schemes.

Some of the major achievements in the field of environment sector at Federal and Provincial level are listed as under:

(Rs. million)		
S.No.	Name of Project	Estimated Cost
1	Establishment of Geomatic Centre project	48.885
2	Green Pakistan Programme – Revival of Forestry Resources in Pakistan	3652.142
3	Green Pakistan Programme – Revival of Wildlife Resources in Pakistan	1065.187
4	Sustainable Land Management project to combat desertification of Pakistan SLMP-II	105.430
5	Construction of Wall of Zoo-cum-Botanical Garden	90.052
6	Strengthening Zoological Survey of Pakistan undertaking immediate inventory of endangered wildlife species and habitats across Pakistan	76.730
7	“Establishment of Pakistan Glacier Monitoring Network	892.481
8	Glacier Lake outburst Flood in Northern Areas GCF funding	3920.188
	Total:	9851.095

The projects and policies etc relating to the Section have been formulated keeping in mind the goals of Vision 2025. 11th five year plan was submitted in line with the government policies and recently the evaluation of the 11th five year plan has been conducted.

As the devastations caused by global Climate Change come into focus, the world is putting together efforts to suppress the disastrous effects of Climate Change; we need to tap the resources being allocated on the international level to combats Climate Change at the national level. In this regard the government is already undertaking various programs and projects and other areas for sustainable development are also being looked at from various ministries/ departments. Sustainable Land Management Program in assistance with UNDP is being implemented. Development of reverse linkages between Pak MET Department and Marmara Research Centre Turkey is under way which will provide the PMD with enhanced support and capacity building in seismic research and development. Other projects with focus on Climate Change are also in the pipe line.

Environment & Climate Change Section appraised all the Projects relating to Climate Change. 200 projects were assessed on environmental considerations

More than 20 Pre and post CDWP meetings were attended and 4 DDWP meetings were attended.

All major workshops and seminars were attended and a seminar on rare birds and animals of Pakistan is under process which will be organized in the near future.

Importance of climate change

Almost all kinds of climate change in Pakistan are directly or indirectly related to water endangering the human security. Both hydrological extremes i.e. floods and droughts have posed threat to human security in the country. The devastating floods of 2010, 2011, 2012 and 2014 caused a loss of 2,887 lives. Around 7.8 million people became homeless for a stretched period of time. Similarly, the drought conditions in dry areas of Sindh Province, particularly in Thar region, claimed more than 200 lives, mostly children, in a short period of

about three months. The human losses caused by avalanches, land sliding and other forms of climate change phenomena like Karachi heat waves are in addition to that.

Climate change has become a global issue as Green House Gas (GHG) Emissions have continued to increase over 1970 to 2010 and annual GHG emissions grew on average by 1 giga tonne of CO₂. This growth in GHG emissions is expected to persist driven by growth in global population and economic activities.

Climate change is projected to have negative effects on the sustainable development and all dimensions of security including human security, food security and economic security of most developing countries of Asia/Pacific, Pakistan being the most affected by the scenario.

National & international achievements

- Signing of Paris Agreement on 22nd April 2016. It is an agreement within the framework of the United Nations Framework Convention on Climate Change (UNFCCC) dealing with greenhouse gases emissions mitigation, adaptation and finance
- Pakistan has submitted Intended Nationally Determined Contributions (INDCs) is in the final stage of being launched. Pakistan has submitted its Intended
- National Climate Change Policy Implementation Committee has been activated to oversee the progress of implementation of policy recommendations at federal and provincial levels. A Framework has also been developed to facilitate implementation process
- Green Pakistan Programme has been launched with the specific objective to ensure implementation of Paris Agreement. This includes both mitigation and adaptation initiatives like promotion of forestation, renewable energy etc. along with awareness

- Climate Public Expenditure and Institutional Review Study has been completed and it reflects 8% expenditure is incurred through public funds excluding private section investment
- Ministry of Climate change has taken initiative on legislation side
- Establishment of a Climate Change Council under the chairmanship of PM
- Establishment of Climate Change Authority, which will be a professional body responsible to mainstream climate change in all development sectors
- Setting-up Climate Change Fund

Future considerations

It is a matter of fact that growing economy of Pakistan needs solutions that are not only environment smart but also development smart. Pakistan must be considerate of vibrant adaptation and mitigation measures which may include;

- Development of climate smart varieties of crops which may adapt to drought and saline conditions accordingly
- Construction of water reservoirs on war footing basis and to protect the existing and newly constructed reservoirs from pollution
- Flood plain zoning in the country enabling government to adopt improved and specified measures for each zone
- Improvement of community resilience against climatic swings as proved vital by the Japanese model considering community the central player and affected of impacts of climate change
- Comprehensive disaster fighting capability on the basis of Master Plans and Contingent Plans
- Inclusive and meaningful research in the relevant areas like glaciology, ice hydrology, tsunamis, impact of climate change of coastal agriculture and development of adaptive crop varieties

- It is need of the hour to shift from non-renewable energy to renewable energy. The Greenhouse Gases are the major source of climate change and environmental degradation
- Air quality of all major cities shall continuously be monitored and disseminate to general public
- All major cities will install sewage treatment plants. The treated water will be used for agriculture and horticulture purposes
- Cleaner Production techniques will be adopted by industry to minimize pollution generation. Federal and Provincial Governments will ensure that at least 70% industrial wastewater be treated by 2025 before discharge into water bodies
- Wastewater Discharge limits shall be imposed on industry to conserve water and reduce pollution load
- Provincial Cleaner Production Centres will be established to promote waste minimization, recycling and waste exchange
- Environmental Engineering Industry shall be recognized and encouraged to manufacture treatment plants locally. Pakistan needs Emerging Environmental Engineers who would design and implement environmental friendly systems, which are cost effective and energy efficient
- Integrated solid waste management system shall be promoted
- Forest cover in the country may be gradually increased to attain a reasonable level of these resources for ecological, water and other socio-economic development needs
- Cloth bags, paper bags and biodegradable plastic bags will only be allowed

NATIONAL FERTILIZER DEVELOPMENT CENTRE

National Fertilizer Development Centre (NFDC) is a multi disciplinary section, which was setup by Government of Pakistan with the assistance of FAO in 1977-78 and was placed under Planning and Development Division. After six years of successful accomplishments in the field of fertilizer use development, it was made a regular section of the Planning and Development Division in January, 1984. The mandate of NFDC is to study all issues of fertilizer sector especially research and development with a view to develop policy advices and to assist in implementation. In this regard, the Centre collects, analyses and compiles fertilizer related information and disseminates among various stakeholders at national and international level. NFDC published monthly and annual fertilizer review reports (13 issues) regularly. These reports are very useful for future research and policy formulation. NFDC is the sole organization at Federal level having experts on different aspects of fertilizer. The Centre extends full technical support to Ministries, public and private sector on different aspects of fertilizer as and when required.

Major activities

The annual review of the fertilizer sector is prepared as a part of the Centre's regular activity. The review covers the financial year (July to June) and also includes two cropping seasons i.e. Kharif and Rabi. The review for financial year 2015-16 was published in December, 2016 while work on Annual Fertilizer Review 2016-17 is in progress. The review presents extensive details of supply / demand situation, domestic production, import and off take at national, provincial and district level along with domestic and international price trend etc.

Fertilizer demand forecasting is the core activity of NFDC, and this is to be done on short as well as on long-term basis. Under short-term approach, monthly and seasonal fertilizer demand estimates are prepared, while on long term basis annual estimates are prepared. Under short term approach, the monthly fertilizer demand estimates up to Kharif (September) 2017 have been prepared, while on long term basis, annual estimates up to 2022 have been made.

NFDC during the period under review, prepared and submitted regular briefs on fertilizer industry, production capacity, export and import requirement and supply / demand situation of fertilizer for Ministry of National Food Security and Research.

NFDC has provided information/technical assistance to various organizations like Pakistan Standard and Quality Control Authority (PSQCA), Agricultural Policy Institute (API) and Pakistan Central Cotton Committee (PCCC), Ministry of Commerce, Ministry of Textile Industry, Ministry of NFS&R, Ministry of Industries and production etc. NFDC supplied data on fertilizer offtake, imports, production, subsidy and foreign exchange requirements for imports to different international organizations like: Food and Agriculture Organization (FAO) of United Nations, International Fertilizer Industry Association (IFA), Paris, World Phosphate Institute (IMPHOS), World Bank, etc. A meeting of the Senate Standing Committee on National Food Security and Research to devise mechanism for implementation of fertilizer subsidy during fiscal year 2016-17 was attended by NFDC and apprised about fertilizer availability and price situation during Rabi and Kharif seasons.

NFDC actively participated in the meeting of Fertilizer Review Committee (FRC) held in Ministry of Industries and Production on 21st June, 2017 and shared fertilizer data on offtake, import and prices etc. NFDC contributed in Federal Committee on Agriculture (FCA) meeting held on 20th April, 2017 regarding fertilizer supply / demand situation during coming Kharif season 2017.

NFDC gave technical inputs to the Government in taking following policy measures to provide fertilizers at affordable prices:

- The government had allocated Rs.27 billion of cash subsidy on fertilizer sales in Fiscal Year budget 2016-17 but it was discontinued as the entire amount was consumed. Later on, Honorable Prime Minister of Pakistan Mr. Mian Muhammad Nawaz Sharif has directed that cash subsidy on fertilizer would be continued till the end of Fiscal Year 2016-17.
- In March 2017, to support the domestic fertilizer industry the Government allowed the export of 600,000 tonnes of urea fertilizer upto 31st October 2017 without the subsidy.

**PILLAR-V
PRIVATE SECTOR AND ENTREPRENEURSHIP LED
GROWTH**

INDUSTRIES, COMMERCE AND MINERAL

Industries & Commerce Section deals with development related activities and policies of four Federal Ministries and their allied departments/ organizations, which are Ministry of Industries & Production (MoIP); Ministry of Textile Industry; Ministry of Commerce; Ministry of Petroleum & Natural Resources; Pakistan Industrial Development Corporation (PIDC); National Productivity Organization (NPO); Small and Medium Enterprises Development Authority (SMEDA); Technology Up-gradation and Skills Development Company (TUSDEC); Geological Survey of Pakistan (GSP); Survey of Pakistan; Pakistan Tobacco Board (PTB); Engineering Development Board (EDB), etc. Any development project of the above mentioned entities, whether it is of DDWP, CDWP, or DWP level is examined and processed by this Section. The Section also provides necessary input in different development related policies. Broadly speaking, Industries & Commerce Section deals with Manufacturing, Commerce and Mineral related activities.

Sectoral Overview

Pakistan's manufacturing sector has rebounded with encouraging performance due to improved energy supply and better law & order situation. In fiscal year 2016-17, growth rate of industrial sector was 5.02 per cent, manufacturing sector 5.27 per cent, LSM 5.69 per cent, while SME grew at the rate of 8.18 per cent. Comparing growth rates of manufacturing and LSM sectors with previous year of 2015-16 where it was 5.0 per cent and 4.7 per cent respectively, it shows positive signs. The main growing industries in 2016-17 were textile, automobile, food, beverages & tobacco, pharmaceuticals, fertilizers, electronics, paper & board, iron & steel products, and non-metallic mineral products.

Allocation for the Year 2016-17

In PSDP 2016-17, Rs.1159.52 million were allocated for 15 development projects of Industries & Production Division, and Rs.150.00 million were allocated for one development project of Textile Industry Division.

Ministry of Commerce has been allocated an amount of Rs 796.86 million in the year 2016-17. The projects executed in financial year 2016-17 include (i) "Purchase of Equipments, Furnishing, Curriculum Development and Training of Pakistan Institute of Fashion Design" Lahore; (ii) "Restructuring of Pakistan Institute of Trade and Development" which is near to completion and (iii) "Expo Centre Peshawar." The project titled "Expo Centre Peshawar" was provided with additional amount of Rs 300.00 million through re-appropriation for quick take off.

For Mineral Sector, an amount of Rs 444.51 million was allocated for two development projects namely (i) "Acquisition of Four Drilling Rigs for Geological Survey of Pakistan, and (ii) "Exploration and Evaluation Of Metallic Minerals, in Uthal and Bela areas, District Lasbela, Balochistan" in financial year 2016-17.

Major activities

- Four projects of MoIP were completed which are (i) Foundry Services Centre, Lahore; (ii) Development Projects of Pakistan Gems and Jewellery Development Company; (iii) Establishment of Gems and Jewellery Development Company, Azad Jammu Kashmir; and (iv) Establishment of CFC for Silk Cluster at Mingora, Swat
- Three revised projects of Industries & Production Division were processed and approved from CDWP. Another important project of MoIP titled "Infrastructure Development of Export Processing Zone, Gwadar" was examined and submitted to CDWP
- Prepared PC-I of the project titled "Pakistan Productivity, Quality Innovative Initiative" which was approved by CDWP on March 09, 2017
- Examined and analyzed six PC-Is of DDWP level of MoIP
- Arranged/ attended six pre-CDWP, six CDWP, four post-CDWP, three DWP, and two DDWP meetings
- Examined and analyzed two development projects of Textile Industry Division and were processed at CDWP level

- Finalized PSDP of MoIP and M/o Textile Industry for 2017-18
- Prepared Annual Plan 2017-18 regarding manufacturing sector
- Prepared a Template of Business Plan for development projects and was duly approved by Secretary, PD&R
- Allocated Rs 0.74 million for the Section's project titled "Cluster Development Based Industrial Transformational Plan –V2025"
- Prepared Mid Term Review of 11th Five Year Plan (2013-18) regarding Commerce & Mineral Sector
- Provided material containing details of human & physical items of development projects under Ministry of PD&R.
- Prepared Comments on strengthening and up-gradation of Karachi Laboratory Complex (KLC) HDIP, Karachi
- Prepared proposal for prime Minister's visit to state of Kuwait
- Prepared consolidated feedback for Ministry of Commerce for Mid Term Review of Strategic Trade Policy Framework (STPF) 2015-18
- Prepared proposal for "Inter-Ministerial Meeting to Prepare for the Visit of Prime Minister to Kazakhstan"
- Prepared Year Book material 2015-16 for Commerce & Mineral Sector
- Prepared material for Annual Plan 2017-18 regarding Commerce & Mineral Sector
- Prepared Working Paper for the Project titled "Procurement of 3 No, Latest Printing Machines for Modernization of Survey of Pakistan"
- Prepared minutes of two pre-CDWP meetings
- Prepared Cash & Work Plan for the project titled "Feasibility Study on Cluster Development Based Mineral Transformation Plan V-2025"
- Prepared comments on National Mineral Policy

- Prepared material for investment opportunities in Mineral Sector
- Prepared Comments on project titled “Rock Salt Potential Block Delineation in Salt Range, Punjab (PC-II)”
- Prepared Working paper for the project titled “Geo-Technical Appraisal & Assessment of Known Minerals Prospects (GAAKMP) of Gilgit-Baltistan Region”
- Prepared Working paper for the project titled “Acquisition of 5 Drilling Rigs for the Geological Survey of Pakistan (Revised PC-I)”
- Prepared minutes of one CDWP meeting regarding project titled “Acquisition of 5 Drilling Rigs for GSP”

Work in progress

Vision 2025 has suggested a cluster based development model to transform industry sector. For this purpose a new project namely “Cluster Development Based Industrial Transformational Plan –V2025” was approved by CDWP on March 30, 2016 with the aim to identify important clusters, improve their productivity, value-addition in their products, creating job opportunities and enhancing exports. The project’s work is in progress and it will immensely help the manufacturing sector through targeted interventions. Another important project of this Section would also start in financial year 2017-18 which is titled “Pakistan Productivity, Quality Innovative Initiative” and approved by CDWP on March 09, 2017.

This Section has provided substantial in-put to New Textile Policy 2014-19 which is under active implementation for boosting-up textile sector, particularly its exports. Similarly work on “China Pakistan Economic Corridor (CPEC)” is also progressing on fast track and Industrial Parks/ Special Economic Zones (SEZs) have been identified by provinces which will create new economic opportunities and will boost up our industrial growth.

Work is in progress on a new project i.e. “Cluster Development Based Mineral Transformation Plan – V2025” which has a cost of Rs. 62.21 million and aims to improve productivity in the mines and mineral sector, enhance exports, increase value addition and create jobs.

PILLAR-VI
DEVELOPING COMPETITIVE KNOWLEDGE
ECONOMY THROUGH VALUE-ADDITION

INFORMATION AND COMMUNICATION TECHNOLOGY

The Section technically appraises PC-Is and PC-IIs of ICT Sector related schemes submitted by the Sponsoring Ministries for consideration / approval of the CDWP and ECNEC. For this purpose, working papers / Summaries for Pre-CDWP / CDWP / ECNEC meetings are prepared. In addition to this, the ICT Section prepares technical comments for ICT component of the projects sent by other sections of Planning Commission for inclusion in working papers for CDWP; processes projects for Concept Clearance and Cash /Work Plans submitted by Ministries/ Agencies.

Sectoral overview

The future is rapidly unfolding, specially making Information and Communication Technology (ICT) the linchpin of all future development. Technologies like big data, artificial intelligence, augmented reality and Internet of Things (IoT) are rapidly finding their way into enterprises, both business and government. Such innovative approaches are changing the landscape of work and life dramatically.

Within the next few years, many existing ways of doing things will cease to be carried out and replaced by newer forms of work. In such an emerging situation, the economic development and growth envisioned for 2025 requires ICT to be at the forefront. For this, Pakistan needs to reform accordingly its overall approach to keep itself synchronized with global growth.

According to PTA, Telecommunication sector in Pakistan continues it march forward and has reached tele-density of 72% as of June, 2017. The auction of one 4G license during this year has usher into further competition and add value for the customers. The broadband services are now getting into greater demand, thus enabling new products and services being launched in the country.

Analysis

The ICT Section provides analysis and identifies trends, technologies and issues related to introduction of information and communication technologies in order to increase efficiency, productivity and economic development at large. It gathers /compiles and analyzes data related to national / international ICT indicators.

Formulation of policies, plans and programmes

The ICT Section formulizes policies, programmes, annual plans, 5-year plans and perspective plans in consultation with all the stakeholders and experts to accelerate ICT development. It reviews development programs, strategies and policies being implemented in ICT sector. It coordinates/ liaise with various ICT industry stakeholders for promotion of ICT sector.

Major activities

- During the year, 13 projects were processed for consideration / approval of CDWP. The ICT Section participated in 7 DDWP Meetings of various Ministries including Ministry of IT, National Telecommunication Corporation etc.
- In PSDP 2016-17, Rs.3,500 million were allocated for ICT sector. The emphasis remained on providing strong foundation for the future. Some of the major projects executed in the ICT sector during 2016-17 were Replication of E-Office in the federal ministries; Machine Readable Passport and Machine Readable Visa Project (MRP/MRV) Phase-III; Construction of Cross-Border Optical Fibre Cable for Alternative International Connectivity; Provision of the GSM facilities in Neelum district of the AJ&K; Provision of the GSM facilities in Neelum district of the GB; Automation of Central Directorate of National Savings (CDNS) Islamabad; Land Records Management and Information System Project; and Technical Training Institute in GB
- Annual Plan 2017-18 was prepared in consultation with relevant Ministries and with ICT Industry and Academia

- The Section participated in various Workshops/ Conferences organized by Ministry of IT i.e. Pakistan First National Incubation Center, National Datacenter for Pakistan, Technology Park in Islamabad etc.
- The Section facilitated meetings with local ICT Industry. The meetings were held under the chairmanship of the Honorable Minister to further review and improve the ICT sector
- Review of PSDP 2016-17 was conducted. Moreover, PSDP-2017-18 was prepared in consultation with various Ministries/ Divisions i.e. Information Technology, Establishment, Interior, Defence and Finance

SCIENCE AND TECHNOLOGY

Science and Technology Section of Ministry of Planning, Development & Reform (M/o PD&R) is in proximity with various stakeholders; plays its role in economic development through development of entrepreneur culture, better industry-academia cooperation and knowledge focused investment for economic development of the country. Pronounced attention has been paid to Higher Education and S&T sectors to boost the knowledge and demand-driven economic development in the country.

Sectoral overview

Science and Technology (S&T) is a cross-sectoral subject in nature that encompasses all sectors of economy through research and knowledge based development. The concept of knowledge and technology based development integrates two important sectors of economy including Higher Education and Science & Technology. The main stakeholder and line ministry in this sector is Ministry of Science and Technology (MoST) and Research and Development (R&D) Organizations under its administrative control. MoST programmes are mainly implemented by the 15 institutions/ organization working under its administrative control. However, the objects of the sector, programmes and projects are not restricted to a single ministry instead, projects from other R&D Organizations like Pakistan Meteorological Department (PMD), Survey of Pakistan (Defense Division), Ministry of Inter-Provincial Coordination, Pakistan Nuclear Regulatory Authority (PNRA), Pakistan Atomic Energy Commission (PAEC), NESCOM, SUPARCO, are being funded under the umbrella of S&T sector.

An amount of Rs.21.486 billion was allocated for the execution of 122 development projects (83 on-going and 39 un-approved projects) of the Universities and HEC under PSDP 2016-17. Out of total allocated budget, 5.426 billion rupees were proposed to be spent to new schemes while rest of the amount of 16.059 billion rupees were allocated for completion of ongoing projects. Later on, the allocation was enhanced to Rs.27.905 billion by adding Rs.5.448 billion for PM's Laptop Scheme, Rs. 0.560 billion for Award of 3000 scholarships to

Afghan Students scheme and Rs. 0.010 billion for Afghan Scholarship Programme (ASP) -LUMS.

In 2016-17, MoST emphasized on promotion of demand driven research, innovation and commercialization of intellectual output of R&D Organizations of MoST with the goal to enable them to play an effective role in socioeconomic/ industrial development of Pakistan. During 2016-17, an allocation of Rs.1.776 billion was made to MoST against 24 on-going projects and 3 new schemes. Out of this, Rs.1.577 billion released resulting in the successful completion of 10 projects out of aforesaid 24 on-going projects.

Major activities

During 2016-17, the S&T Section remained actively involved in processing working papers and summaries of the development projects through relevant forums, providing policy feedback and allocation/ re-appropriation of funds for various projects sponsored through Federal PSDP in the field of Higher Education and S&T. The Section has represented M/o PD&R in DDWP meetings. The section remained actively involved in provision of information and data for incorporation in Vision 2025, 11th Five Year Plan, Annual Plan 2017-18 etc. regarding the HEC and S&T sectors of the economy. Although, financial share of HEC and S&T sector in country's overall PSDP is very low but share in terms of number of ongoing and new schemes remained around 16 percent of total PSDP during the reported period which ultimately determined the work load of the S&T Section at Ministry of Planning, Development and Reform.

The 5 projects of MoST, were approved by CDWP. Moreover, 3 projects of S&T and Higher Education Sector were referred to ECNEC by CDWP and thereby approved in 2016-17.

S&T Section carried out some important assignments during 2016-17 which are enlisted as under:

- Attended meetings and provided input on CCI Committee constituted under the chairmanship of Minister for Planning, Development & Reform for matters pertaining to Higher Education

- Provided inputs in consultative meetings at various consultative meetings held in HEC and MoST regarding matters like Establishing Technology Parks, ISO Certification Incentive Programme for SMEs under Pakistan Productivity Quality and Innovation (PPQI) Initiative, Human Resource Development (HRD) Initiatives of HEC, Short Term Foreign Faculty Hiring Programme and Monitoring & Evaluation (M&E) meetings of Universities etc.
- Attended meetings, provided input and recording minutes of Cabinet Committee on HR & Technology
- Attended meetings and provided input to Steering Committee of PM's Laptop Scheme
- Attended Steering Committee and Executive Committee meetings of Science Talent Farming Scheme and provide feedback
- Attended meetings of various governing bodies of HEC and S&T related R&D organizations
- Attended National Assembly and Senate Standing Committee Meetings and provided input as well as respond to the queries raised by Honorable members of the Parliament

Work in progress

To make educated youth more productive, Enterprise Resource Planning System and I.T Training for 100,000 youth is an important initiative of the Government. Other new initiatives include national business development programme for SMEs, establishment of National Centre in Robotics and Automation, Cyber Security, Big Data & Cloud Computing, Human Nutrition, Centre of Excellence in Artificial Intelligence, Centre of Excellence in Mathematics at PIEAS, Islamabad, Financial Inclusion and National Science and Technology Park and climate friendly projects.

PAKISTAN INSTITUTE OF DEVELOPMENT ECONOMICS

PIDE as a think tank, has been actively involved in supporting policy-oriented research to assist the government in framing economic policies on key issues. Pakistan's economy is faced with multiple challenges which demand coherent policy responses based on rigorous empirical research and scholarly dialogue. PIDE's research output generates cutting-edge knowledge to inform economic policies, as well as stimulates further interest and debate on key development issues. Along with research activities, PIDE has also earned an excellent repute as a second to none degree awarding institution in the disciplines of economics and social sciences.

Research activities

Being the premier research institute of the country, PIDE has always promoted the culture of free inquiry in research and remained committed to maintain excellence in its research. Scholars at PIDE ensure that every study should be thoroughly peer-reviewed through seminars and through the process of international refereeing by involving the leading academic experts in the respective fields. In 2016-17, PIDE maintained its tradition of informing policy across many research domains including governance, trade, institutions, globalization, environmental economics, health economics and regional connectivity. PIDE's Research Divisions have produced very significant research through the years. A few recent achievements include; FATA Development Indicators, Impact of Climate Change on Agriculture and Food Security in Pakistan: Adaptation, Options and Strategies etc.

In addition to providing a firm academic basis to economic policy-making, its research also provides a window through which the outside world can view the nature and direction of economic research in Pakistan. PIDE scholars also carry out research under intra-institutional or collaborative arrangements with several national and international organisations like the World Bank, Korean Development Institute (KDI), South Asia Network for Development and Environmental Economics (SANDEE), Institute of Business

Administration (IBA), Pakistan Institute of Parliamentary Services (PIPS), Sindh Madressat-ul-Islam (SMIO) etc.

The outcome of research endeavors at PIDE comes in the form of books, working papers, monographs, journal articles, and research reports for academia and learned audience. Most of the PIDE's publications can be easily accessed from its website i.e. www.pide.org.pk. PIDE's publications are also available at international databases like JSTORE, EBSCO, Proquest etc.

Publications

Six issues of the Pakistan Development Review, PIDE's flagship peer-reviewed x-category journal were published and disseminated among quarters concerned.

Working papers

PIDE has published around 20 working papers during the year covering the topics of industrial development, foreign aid policy, environmental ecology and socio-economic development. These working papers are available on PIDE's website.

Nurturing Mind Seminar Series

PIDE arranged more than 40 seminars during the year covering various topics. The platform of Nurturing Mind Seminar provides opportunity to in-house and external scholars to present their ideas and research studies and get instant feedback from senior and prominent experts in the field.

Teaching activities

PIDE is nationally and internationally recognized premier institute of learning and research in the fields of development and economics. PIDE has started its PhD Programme in economics in 2001. The motive was to build the indigenous pool of trained economists to assist in analyzing the complex economic and social issues confronting the country. Since its inception, the PhD Programme has been gaining strength and PIDE has produced thirty (30) PhDs who are working at the highly reputable national and international organizations such as

State Bank of Pakistan, Planning Commission, World Bank, Quaid-e-Azam University and IMF, among others.

In 2006, the PIDE was granted degree-awarding status by the Government of Pakistan through the Presidential Ordinance. Later, in 2010, the PIDE was granted the status of a degree-awarding institute vide an Act of Parliament. The Department of Economics is the leading teaching department of PIDE enjoying a world-class reputation. PIDE's greatest asset is its highly accomplished faculty with a majority holding Ph.Ds. from renowned universities of the world. The Faculty won international recognition in recent years as according to the latest ranking by REPEC, six of the top ten economists of Pakistan are based at PIDE.

The PhD Programme at PIDE has been developed to educate and train economists within Pakistan. Given the existing asymmetrical situation, where only a small percentage of the entire population has access to higher education, the PhD Programme, is aimed at imparting full range of knowledge, awareness, and expertise in Economics to meet the challenges of new millennium, as well as equipping students with the analytical tools necessary for policy-oriented research. Other than the department of Economics, PIDE offers higher education opportunities in the disciplines of Econometrics and Statistics, Economics and Finance, Business Studies, Environmental Economics, Development Studies, Public Policy etc. Moreover, the institute also offers evening classes so that working professionals may also benefit from the programmes being offered by PIDE.

List of graduated students

During the year 2016-17, about 97 M.Phil and 06 PhDs were produced in different disciplines.

Summary of enrolled students in Fall 2017

A total number of 317 students have been enrolled in different disciplines both in morning and evening programmes.

Annual conference on the theme of CPEC and Regional Integration

The PIDE, The Pakistan Society of Development Economics (PSDE) in collaboration with the Ministry of Planning Development and Reform organized an annual conference on December 13-15, 2016. The theme of the conference was China-Pakistan Economic Corridor and Regional Integration. The forum of this conference provided an opportunity to policy makers, researchers and students to discuss various aspects of the CPEC as explained below in different sub-themes:

- Sub-theme I: The Chinese Economy
- Sub-theme II: Domestic and Regional Political Economy
- Sub-theme III: Role of Connectivity and Infrastructure Development in Regional Integration
- Sub-theme IV: Dynamics of Labor Markets with CPEC
- Sub-theme V: Role of Productivity, Quality, & Innovation in making CPEC work for Pakistan
- Sub-theme VI: Industrial and Urban Development in Pakistan and Trade Integration with China in the Long-Term
- Sub-theme VII: Socio-Economic Impacts of CPEC
- Sub-theme VIII: Domestic Reform, Development and CPEC
- Sub-theme IX: Role of FDI in Sustainable Development for Pakistan
- Sub-theme X: Energy Sector and CPEC
- Sub-theme XI: Challenges in the Agriculture Sector and the Role of CPEC
- Sub-theme XII: Role of CPEC in Promoting Linkages with Central Asia
- Sub-theme XIII: Industrial Cities under CPEC - Global Experiences Of Chinese Investments

JAWAID AZFAR COMPUTER CENTRE (JACC)

Jawaid Azfar Computer Centre (JACC) was established in 1983. Core functions of the Centre are: catering for the computing requirements of Ministry of Planning, Development & Reform (M/o PD&R); maintenance of Local Area Network, Wide Area Network and computer hardware; software development; creation and maintenance of website of M/o PD&R; training of officers/staff in I.T; IT support in the preparation of presentations for Deputy Chairman, Secretary, Members; technical assistance to various sections of M/o PD&R; formatting, composing and designing of Five Year Plan, Annual Plan and Year Book; internet / email issues; technical inputs for procurement of IT equipments; printing, binding, lamination, copying; video conferencing; paperless governance / environment.

Up-gradation of JACC Project

To achieve the objectives of JACC, a project titled “Up-gradation of JACC” started in August 2006 and is being managed by JACC to date. The aim of this project is to develop and strengthen the I.T. capacity within Planning Commission so that the impact of policies and utilization of allocated resources may be effectively gauged in an improved way. The capacity so developed will assist in implementing the computer-based softwares / tools for effective monitoring the implementation of policies and projects by automating and re-engineering project approval, appraisal, budgeting (PSDP), monitoring processes, electronic communication, website improvement, training of officers / staff and I.T. plan formulation work.

Major activities

- Hiring of IT Professionals & Staff
- Development of PC-I Automation System
- Revamped and maintaining of Planning Commission Website (www.pc.gov.pk)
- Development of Vision 2025 website
- Development of CPEC website (www.cpec.gov.pk)

- Conducted approx. 10 video conferences
- Training of E-Office application (57 sections and senior management offices)
- Automating the workflow of Admin (e-filing)
- Providing Internet facility at all offices of MoPD&R and also in seminars / conferences
- Coordinating and liaising with Internet Service Provider (ISP) for smooth operations of Broadband connections
- Maintenance and trouble-shooting of LAN & WAN at P-Block, PPMI Complex & Shalimar Plaza
- Managing and monitoring of network traffic and usage patterns. Also, managing adjustment of traffic to give optimum results
- Configuration and administration of the servers, routers, switches, firewalls, etc
- Attended customer complaints related to hardware equipment installed at different locations approximately 500 PCs, 300 printers, scanners, multimedia projectors & devices, conference systems
- Composing, designing & formatting of Annual Plan 2017-18, Year Book 2015-16
- Composing & designing of Banners, Titles, etc.
- Composing, editing, formatting & displaying presentations given by Planning Commission/PD&R to Prime Minister, National Assembly & Senate Standing Committees, ECNEC, NEC and other high official forums during 2016-17
- IT arrangements/multimedia support in all meetings at Auditorium and Committee Rooms of M/o of Planning, Development & Reform during 2016-17
- Coordinated in 13 CDWP & 08 ECNEC, APPC, 05 SMC meetings and all meetings held on daily basis in P-Block

- Audio recording and audio editing of all CDWP meetings during 2016-17
- 10,000 (Approx.) data entries for recruitment of officers/officials in the M/o PD&R and projects
- Scanning and printing of official documents of M/o PD&R
- Procurement of hardware

Budgetary allocation

JACC has been allocated Rs.24.553 million in its Non-Development side whereas Rs.60.0 million for its development project titled Up-Gradation of JACC 2016-17.

Work in progress

- E-Office implementation
- WiFi setup in P-block
- Up-gradation of Network
- Procurement of 150 PCs, 30 scanners, 03 multimedia projectors, Audio conference system, Video Conferencing System

**PILLAR-VII
MODERNISING TRANSPORTATION
INFRASTRUCTURE AND GREATER REGIONAL
CONNECTIVITY**

TRANSPORT AND LOGISTICS

Pakistan is gifted with a strategic location, which is well-suited to serve as a hub of commercial activity. Transport contributes about 10 per cent to the GDP, accounts for over 6 per cent of employment, and consumes 35 per cent of the total energy annually.

The Vision 2025 set the target of raising the road-density to a level of 0.45 kilometre per square km by 2018, which will increase the existing road national network from about 2,60,000 km to 3,58,000 km. Major upgrade in the railway system includes: increasing speed from 95 km per hour to 140-160 km per hour, doubling of tracks on main line sections, increasing line capacity with a modern signalling system, establishing North-South and East-West corridors and developing linkages through road and rail to the Central Asian states, China, and other neighbouring countries and development of a separate freight corridor on the railway tracks. The Vision emphasises participation of the private sector as a growth-driver.

In the aviation sector, the New National Aviation Policy, aimed at provision of equal opportunities to all airlines and operators, enhance competition, benefit passengers and provide more employment opportunities.

Road transportation is the backbone of Pakistan's transport system, which accounts for 96 per cent of all passengers and freight traffic. This highlights the current minimal participation of the Pakistan Railways in Pakistan's passenger and freight transport.

Pakistan has a coastline of over 1,000 km and an offshore exclusive economic zone, covering an area of 2,40,000 square kilometre, remains unexplored. Two major ports i.e. Karachi Port and Port Qasim, handle 95 per cent of all international trade. The Gwadar Port has been built as a leading one in the region to serve as a gateway for the China-Pakistan Economic Corridor (CPEC).

Recognising importance of transport in economy and besides making large investments to improve road, rail, air and ports infrastructure, the government has planned to focus on supporting trade and logistics services. Through initiative of the CPEC, the Economic Trade Corridor

will be developed to connect Gwadar with Khunjrab upto Kashgar, and creating further east and west linkages besides developing economic trade centres and zones at potential locations.

Review of PSDP 2016-17

The sector was allocated Rs.259.2 billion in the PSDP 2016-17 claiming 32 percent share of the PSDP. This huge amount was allocated in the transport and communication sector, especially to accommodate the transport sector projects under the China-Pakistan Economic Corridor (CPEC) and other new initiatives of regional connectivity. Against this, expenditure of Rs.286.809 billion was incurred giving an overall expenditure of 111 per cent (**Annex-C**). The salient features of implementation are given below:

Pakistan Railways

Against an allocation of Rs.41.0 billion, an expenditure of Rs.50.5 billion was incurred during 2016-17, giving utilization of 123 per cent. The excess expenditure was due the fact that the funds amounting to Rs.14.0 billion had been utilized which were released during the previous year (2015-16) and were available in the non-lapsable PSDP account of Ministry of Railways.

During 2016-17, the main thrust was at the improvement of existing infrastructure, signalling system, and procurement and manufacture of rolling stock like locomotives, coaches, and bogie wagons. The projects, which reached at an advanced stage of completion, include: doubling of track on Khanewal-Raiwind Section (246 km), rehabilitation and improvement of track from Karachi to Khanpur, improvement of signalling system between Lodhran – Khanewal – Shadara Bagh, rehabilitation of overage 27 HGMU-30 DE Locos, procurement of high-capacity bogie wagons and 40 power vans, procurement/ manufacture of 58 DE locomotives, rehabilitation, upgradation and conversion of 400 passenger coaches, procurement/ manufacture of 75 New Diesel Electric Locomotives, acquisition of land for railway container yard, station and railway line from sea port upto Coastal Highway at Gwadar.

The ongoing projects include, procurement/ manufacture of 780 high capacity bogie (hopper) wagons and 20 brake vans for coal transportation, doubling/ improvement of existing track from Port Qasim to Bin Qasim Station (CPEC).

The projects approved & launched during the year include: preliminary design study of up-gradation/ rehabilitation of Main Line (ML-1) & construction of New Dry Port/ cargo handling facility at Havelian (Baldher), District Haripur, Feasibility Study for New Rail Link from Islamabad – Murree – Muzaffarabad.

During the year; Pakistan Railways has started e-ticketing facility supported through a mobile application where customer can buy train tickets on-line. The e-ticketing facility is now available on Green Line Train and on railcar services from Lahore to Rawalpindi section. The e-ticketing facility will be expanded to other railway services soon.

Ports and shipping

Against an allocation of Rs.11.6 billion, an expenditure of Rs.4.3 billion was incurred by the end of the Fiscal Year, showing an utilisation of about 37 per cent. During the year, work completed on construction of Mehran Highway (Phase-III) from Port Qasim road to Steel Mill road Karachi, work continued on development & construction of port allied structures in Mula Band Area Gwadar and coal conveying system from Pakistan International Bulk Terminal (PITB) to railway network at Port Qasim. Regarding the project for construction of Eastbay Expressway Gwadar (CPEC), the agreement for interest free loan has been signed; bidding process resumed and the Chinese side has instructed the nominated Chinese Companies to submit their bids to GPA for evaluation and selection of one company for early ground-breaking.

Ministry of Communications

Under Ministry of Communications, the entire allocation of Rs.5.3 billion for projects of organizations under the Ministry other than NHA; was incurred as per following detail:

The entire allocation of Rs.0.257 billion was incurred during 2016-17 on National Highway & Motorway Police (NH&MP) which includes, construction of the Central Police Office Islamabad and completion of construction of complex for NH&MP at Rahim Yar Khan. The entire allocation of Rs.0.023 billion was incurred on completion of the project for construction Technology Training Institute (CTTI) viz. "Enhancement of Training Capabilities of the CTTI (Phase-IV) Islamabad". The entire allocation of Rs.5.0 billion was incurred on the project of Green Line Bus Transit Project, Karachi.

National Highway Authority (NHA)

During the year, funds were utilised to gear up the slow moving ongoing projects, especially for Gwadar links and regional connectivity, and provided funds for those projects, which were near completion.

Against an allocation of Rs.188.0 billion, an expenditure of Rs.218.0 billion was incurred during 2016-17 giving a utilization of 116 per cent. The over expenditure is due to excess foreign funding under CPEC for early harvest on-going projects. Salient projects and their status are given in the following paras:

Among the ongoing projects, works continued on the construction of Faisalabad-Khanewal Expressway Phase-II (184-km), bridge over the River Indus linking N-5 with N-55 at Nishtar Ghat, Peshawar Northern Bypass (34 km), Khuzdar-Shahdaddock-Ratodero (Khor-Quba Saeed Khan 143 km) (M-8), Burhan-Havelian-Manshera Expressway, National Highway Development Sector Project (NHDSP) – revised for improvement and construction of 687 km of roads under the ADB financing, Kalat-Quetta-Chaman N-25 (247 km), Kolpur Bypass N-65, Lowari Tunnel and access roads, Bewata-Khajuri-Waigum Rud N-70 (132 km), construction of the Amri-Qazi Ahmed Bridge over the River Indus at Qazi Ahmed Amri, and construction of Bridge across River Chenab linking Shorkot & Garh Mahraja.

The projects approved & launched during the CFY include: construction of 06-Lane Highway From Kala Shah Kaku to Lahore Ring Road (18.3 km) including Bridge over River Ravi (Lahore Eastern Bypass), Dualization & Improvement of Indus Highway (N-55) Sarai –

Gambilla to Kohat (128 km) from 2-Lane to 4-Lane, construction of Lahore – Sialkot Motorway (91 km) on BOT Basis and construction of 4-lane Lahore – Sialkot Motorway (LSM) link via Narang Mandi to Narowal (73.5 km).

Progress on NHA Projects under CPEC

During the year, projects approved and launched under the CPEC include: i) construction of Lahore-Abdul Hakim-Khanewal Section (276 km) of PKM, (ii) construction of Multan-Sukkur Section (392 km), (iii) Construction of Havelian-Thakot Section (118 km) including acquisition of land, and v) acquisition of 100 m wide ROW for Hakla / Burhan to D.I. Khan / Yarik as 4-lane motorway (285 km), improvement & widening of N-45 (130 km). The project of Gwadar – Sorab (650 km) section has been completed and has operationalize the western route.

Work is underway on the projects of: Hazara Motorway project (Burhan to Havelian Section; 59 km) which is being financed by the Federal Government through ADB loan to the extent of 92.5 per cent of total cost. The next section from Havelian to Mansehra (39 km) of Havelian to Thakot (118 km) having 4-lane and remaining portion upto Thakot as 2-lane will be constructed under CPEC as early harvest project.

In November, 2016, a trade convoy, organised by the Governments of Pakistan & China, successfully passed through the western route for the first time from the North to the South. In this way; Gwadar Port has also marked its first export of massive containers to overseas destinations showing successful shipment of Chinese cargo from Gwadar Port.

Pakistan Maritime Security Agency (PMSA)

Against the allocation of Rs.0.597 billion, an expenditure of Rs.0.158 billion was incurred on the continuation of procurement/ construction of six Marine Patrol Vessels (MPV). During the year, 04 MPV have been constructed before schedule.

Aviation Division

Against an allocation of Rs.2.45 billion, an expenditure of Rs.0.794 billion was incurred on Civil Aviation Authority (CAA) on their projects of land acquisition for the establishment of basic aerodrome facilities at Mansehra and New Gwadar International Airport (NGIA). Work on construction of NGIA will start soon under CPEC, as development of Gwadar port is directly linked with the up-gradation of airport facilities. The entire allocation of Rs.0.8 billion is expected to be incurred on the projects of Airport Security Force (ASF).

Defence Production Division

Against an allocation of Rs.2.3 billion, an expenditure of Rs.1.168 billion was incurred on the project of Karachi Shipyard and Engineering Works (KS&EW) viz. 'Installation of new Ship Lift and Transfer System with lifting capacity up to 7,781 tonnes'. Physical progress of civil works is 72% and the EPC contract for the shiplift & transfer system (equipment) is being finalized. During the CFY revision of the project was approved at Rs.9.56 billion.

Finance Division (Provincial Road Infrastructure Projects)

Against the total allocation of Rs.2.397 billion, an expenditure of Rs.1.021 billion (43 per cent) was incurred for completion of ongoing works of various provincial road projects co-financed by the Federal Government, these are sponsored by the Finance Division.

Housing and Works Division (Provincial Road Infrastructure Projects)

The entire allocation of Rs.3.545 billion was incurred for completion of the ongoing works of various provincial & Federal road projects; the provincial road projects co-financed by the Federal Government, these are sponsored by the Housing and Works Division. During the year the project for dualization & improvement of Mandra – Chakwal Road (64 km) was approved at revised cost of Rs.9.33 billion. Similarly, the project for dualization & improvement of Sohawa – Chakwal road (66.4 km) was approved at revised cost of Rs.8.76 billion. During the year, work continued on construction of Musa Khel-Taunsa road (35 km) to be linked with Zhob.

Kashmir Affairs and Gilgit Baltistan Division (Provincial Road Infrastructure Projects)

The entire allocation of Rs.1.2 billion was incurred on continuation of works of construction of Rathua Haryam Bridge, Athmuqam Keran Bypass Road and Nuasehri Laswa Bypass road sponsored by this Division.

Planning, Development & Reform Division

The revision of the project titled “Integrated Transport Infrastructure Planning & Management Unit” was approved at a cost of Rs.0.203 billion. The project is yet to be launched.

Progress on the New Initiatives during 2016-17

Under the new two initiatives i.e. CPEC & Urban Mass Transit System in the T&L Sector; significant progress has been made which is given below:

China-Pakistan Economic Corridor (CPEC)

In the 6th JCC meeting held in Beijing on 29th December 2016, size of proposed investment under CPEC has been increased from \$46 billion to \$54 billion (i.e. approx Rs.5,700 billion). In the meeting following additional projects were approved:

- Keti Bunder Sea Port Development Project
- Naukundi – Mashkhel – Panjgur Road Project connecting with M-8 & N-85
- Chitral CPEC link road from Gilgit, Shandor, Chitral to Chakdara
- Mirpur – Muzaffarabad – Mansehra Road Construction for connectivity with CPEC route
- KKH Thakot-Raikot N-35 remaining portion (136 Km)
- Khuzdar – Basima Road N-30 (110 Km); that links Gwadar with Khuzdar
- Up- gradation of D.I Khan-Zhob, N-50 Phase-I (210 Km)

- Pakistan Railways Main Line (ML-1) project from Peshawar to Karachi

The JCC agreed to initiate preparatory work including joint technical and commercial feasibility study for the following two projects:

- Expansion of existing multi-purpose terminal including breakwater and capital dredging of Gwadar Port, and
- East Bay Expressway-II

Urban Mass Transit System

Rail based mass transit projects were approved for all the provincial capitals under which Peshawar Circular Railway, Quetta Circular Railway, Karachi Circular Railway (KCR) and Lahore Metro Train (Orange Line) projects were included in the CPEC framework.

The project of the Lahore Orange Line Metro Train is under implementation stage, and is scheduled for completion in 2018. The project of the Green Line for Karachi (length 27.45 km) at the cost of Rs.24,600 million, fully funded by the federal government, is under implementation stage and is scheduled for completion by December, 2018.

During the year, the new project of construction of Infrastructure and allied Works for Metro Bus Services connecting already constructed Metro bus station at Peshawar Morr to New Islamabad International Airport (25.6 km) has been approved and work on the project has been initiated on the project.

The project of revival of Karachi Circular Railway (43.2 km) is expected to be approved at a cost of Rs.276,381 million equivalent to US\$2.6 billion under CPEC financing. The project of Peshawar Sustainable Bus Rapid Transit Corridor (25.8 km) has been approved at a cost of Rs.56,800 million through ADB loan financing (85%).

Major activities

The T&C Section remained involved in the technical appraisal/ evaluation and approval of schemes throughout the year through

CDWP and ECNEC including conducting Pre and Post CDWP and ECNEC meetings. The number of projects processed is as under:

Year	Projects got approved by the CDWP	Schemes got approved by the ECNEC
2016-17	43	25

The information regarding self financed projects processed for approval during the financial year at the DDWP and Executive Board of NHA is given below:

DDWP Forum	Organization/ Department	Represented by	Number of meetings and number of schemes processed for approval
CDA DWP	Capital Development Authority (CDA)	Chief (T&C) or Deputy Chief on his behalf	Only 1 meeting was held with 5 schemes were considered
DDWP (Aviation Division)	Aviation Division	-do-	4 meetings were held and more than 15 schemes were considered
DDWP (Railways)	Railways Division	-do-	Only 1 meeting was held with 5 schemes considered
DDWP (Ports & Shipping)	Ports & Shipping Division	-do-	2 meetings were held with 4 schemes considered
DDWP (Housing & Works)	Ministry of Housing & Works	-do-	5 meetings were held and more than 200 schemes were considered
NHA Executive Board/ Member Infrastructure	National Highway Authority (NHA)	Member Infrastructure	Prepared brief alongwith observations on the schemes/ projects
CAA Executive Board	Civil Aviation Authority (CAA)	Secretary PD&R	-do-
National Logistic Board	National Logistic Cell	Minister PD&R	3 meetings were held for which; Prepared briefs on the agenda items and validation of minutes of meeting

Furthermore, senior officers of the T&C Section attended/ coordinated meetings of the Special Committee constituted by ECC on reforms of Pakistan International Airlines Company Limited (PIACL) under the chairmanship of the then Minister for Planning, Development & Reform.

The senior officers of T&C Section actively participated in the programmes & activities of the project titled: "Pakistan: Enabling Economic Corridors through Sustainable Transport Sector Development" which was approved by the Asian Development Board (ADB) on 17 November 2015 as client of the proposed Technical Assistant. The project is aimed at development of National Transport Policy and Master Plan and its adoption, multimodal transport facilitated within Pakistan and with its neighboring countries, National road safety improvement Programme and to make functional the National road asset management system. During the CFY, regarding the instant project, two meetings of steering committee, two meetings of Technical Working Group (TWG) and one workshop have been held.

Miscellaneous activities

The detail of miscellaneous activities performed by the section during year 2016-17 is given below:

- The senior officers of T&C Section remain active part of the Joint Coordination Committee (JCC) meetings and Joint Working Group meetings held in Pakistan and China
- Special monitoring and review meetings of CPEC projects were actively attended by the T&C Section
- The officers remain involved in the in the preparation phase of PSDP 2017-18 and also quarterly and midyear reviews of PSDP 2016-17
- The officers remain involved in the National Assembly and Senate Standing Committee Meetings and the meetings of the Minister with foreign delegations on Infrastructure related matters

- Monitoring of priority projects of Federal Government were conducted including Metro Bus Rawalpindi-Islamabad, the New Islamabad International Airport (NIIA) and Sohawa / Mandra Chakwal Road

NATIONAL LOGISTICS CELL

National Logistics Cell (NLC) is a Government owned and controlled “Strategies & Crisis management Organization”, which is affiliated with Ministry of Planning, Development & Reform, Government of Pakistan. NLC works under the overall framework of the National Logistics Board (NLB) headed by Minister for Planning, Development & Reform and performs Crisis Management tasks during emergencies and natural calamities. NLC does not get budgetary support from the Government and undertakes certain businesses for self sustenance. Established in 1978, NLC has emerged as a market leader in transportation, construction, dry ports and border terminal management, efficient toll revenue collection and skill development of the human resource. The organization generously carries out voluntary projects in the Corporate Social Responsibility (CSR) domain and has constructed free schools, playgrounds and roads for the welfare of public at large.

Freight Service

The pioneer Strategic Business Unit (SBU), specializes in safe transportation and speedy delivery of essential commodities to the length and breadth of the country. Its operations are extended in transportation of crude oil, palm oil, fertilizer, wheat and other multiple segments of dry cargo. As a part of long term Fleet up-gradation and replacement Plan, Freight Service inducted 100 Hino FM2P Prime Movers in 2016-17 while contract agreement has been finalized with Hino Pak for purchase of another 75 Prime Movers. Similarly 50 x 52 KL bowzers and 100 x 50 ton trailers have been inducted during 2016-17. Focusing on potential opportunities being offered through CPEC, trials for induction of MAN vehicles have been completed for prospective induction in the fleet. Liquid Cargo service of NLC has the distinction of transporting more than 55% of the crude oil production of Pakistan. White oil business with PSO has started in this year which may prove as major breakthrough towards substantial improvements in countering the ever looming threat by the tanker mafia. In the dry cargo operations, a total of 477,753 tons of goods were transported in 2016-17. Punjab Food, FFBL and Unilever Pak were the major sources of revenue for dry cargo vehicles in this year. Efforts are at

hand to engage more clients from corporate sector with better service delivery. Water Service segment is also successfully operating in Karachi having capacity of providing 324,000 gallons at one time. Clean drinking water is provided to strategic installations besides domestic and commercial consumers. NLC Freight Service acts as counter weight against tankers and truckers mafia and keeps required equilibrium in the national logistics cycle.

Engineers NLC

Engineers NLC enjoy unblemished credibility in the construction sector of Pakistan. The flawless performance and meticulous implementation of international best practices in the field of engineering, makes NLC Engineers the preferred choice of clients from public and private sectors. The outfit has proven record of providing most practical and economical solutions to construction of complex mega structures. NLC Engineers is working on scores of mega projects in urban centres as well as inaccessible and remote areas of Pakistan. NLC Engineers completed following projects during 2016-17:

Projects completed by NLC Engineers in 2016-17

S.No.	Name of Project	Completion
a.	Sibi-Rakhni Road Project	Aug 2016
b.	Improvement of Jhal Khanuana Chowk Faisalabad	Dec 2016
c.	Infrastructure Development DHA Ph-VIII (Package-II) Lahore	Jan 2017
d.	Infrastructure Development DHA Ph-VIII (Package-III) Lahore	Jun 2017
e.	Campsite Solar Park & Building Roof Top DHA City Karachi	Apr 2017
f.	Flyover on Katcha Jail Road Lahore	May 2017
g.	Khujuri-Bewata Road Project, Balochistan	Mar 2017
h.	Rehabilitation of Road from Bansra Gali to Lawrence College, Murree	Mar 2017
j.	Rehabilitation of Road from Lower Topa to Patriyata Top, Murree	Apr 2017
k.	Rehabilitation of Airport Road from Noor Khan Air Base Chowk to Karal Chowk, Rawalpindi	Mar 2017
l.	Sowan Bridge on Jand – Mianwali Road	Jun 2017
m.	Military Hospital Project	Mar 2017

Dry Ports & Border Terminals

NLC manages a network of modern Dry Ports in all economic hubs of Pakistan alongwith Border Terminals at Wagha, Chaman, Jamrud and Torkham. Following is the brief performance appraisal of the SBU in 2016-17:

S.No.	Dry Port / Border Terminal	No of Containers/ Vehicles
a.	Dry Port, Lahore	10,375
b.	Wagha Border Terminal, Lahore	56,065
c.	Torkham Border Terminal	195,757
d.	Dry Port NLC, Quetta	10,690
e.	Dry Port Section, Karachi	2977
f.	LCS, Hyderabad	66
g.	Chaman Border Terminal	8033
h.	Khyber Border Terminal, Jamrud	140,893

Applied Technologies Institutes (ATIN)

Established in 2006 with a view to contribute towards Government's efforts to promote skilled human resource capital, the ATINs are offering marketable technical/ vocational courses to students and have so far trained over 50,000 students. ATIN campuses at Mandra and Dina are ideally located for facilitating youth from Northern Punjab and Kashmir whereas ATIN campus at Amangrah (Nowshera) is offering training facilities to students from KPK and FATA. In Sindh, campus of ATIN at Khairpur Mir's has recently been established to facilitate youth of province. Similarly, to impart technical training to the youth of GB, an ATIN is being raised at Gilgit with the assistance of GB Government. ATINs have enhanced capacity of training to 4700 students with lodging and boarding facilities for over 2500 students. These are self-sustaining institutes which not only generate revenue but also provide job opportunities to over 200 individuals. Over 5000 students were trained during the year 2016-17 by ATINs. Presently, over 1000 students are under training at four locations.

Tolling Project

NLC tolling is operating manual and ETTM toll plazas through open bidding along National Highways since 1999 and has been successful

in bringing innovation and transparency in this sector. NLC is one of the highest toll collector for NHA and has collected an amount of Rs. 51.1 billion since start of tolling operation in 1999 to 30th June, 2017. The management has made tremendous efforts to collect annual revenue of Rs.5.3 billion in 2016-17, which is one of the highest revenue in the history of tolling business. This landmark reflects dedication and commitment to the task and zero tolerance to corruption. Presently NLC is operating 23 toll plazas on major national highways which are fully equipped with CCTV camera system supported by Network Video Recorders.

NLC Express Freight Train (NEFT)

Ten GMU-30 Locomotives were handed over to Pakistan Railways under Wet Lease Contract Agreement signed on 14th November, 2014 for a period of twelve years. These locomotives are successfully undertaking freight operations. As per contract agreement, NLC is responsible for provision of mechanically fit locomotives alongwith necessary crew for cargo service. All the operational activities and marketing business are being carried out by Pakistan Railways. Both the organizations are extending full support to each other within parameters of the Agreement. The actual operation which commenced with effect from June 2015 has so far completed a total of 240 trips, earning revenue to the tune of Rs.207.35 million during 2015-16. NEFT is devising strategy to explore new business avenues especially those related to CPEC project in coordination with Pakistan Railways in future.

Vehicle Assembly Plant

To serve the logistics and transportation requirements of the ongoing China Pakistan Economic Corridor (CPEC) Project and give boost to transport sector of the country, National Logistics Cell (NLC) is considering to establish truck assembly and manufacturing plant of leading international brand at Karachi Port. NLC is currently engaged in hectic negotiations with leading truck manufacturing company MAN Germany to devise modalities for setting-up assembly plants which will give huge incentive to the trucking sector in Pakistan. The proposed brand is known for cutting-edge technologies, fuel efficiency and high quality of products, suited for all kinds of terrain and climatic

conditions. The plant will produce prime movers and rigid trucks at competitive price with existing brands in the market. Due to its multi-pronged roles, vast capacity and relevant experience in bulk cargo handling spanning over about four decades, NLC is ideally placed to play key role in running large-scale transportation operations related to CPEC. The volume of cargo is expected to grow manifold in wake of the game changer CPEC project which will essentially require a robust logistics system. The envisaged truck assembly plant will not only help to upgrade the existing fleet of heavy vehicles but will afford a more reliable transportation alternative to the private sector fleet operators.

Drivers Emergency & Rest Areas (DERA) Project

During 2016-17, a number of research studies regarding establishment of international standard rest areas were conducted by NLC. According to findings of these studies, there is a definite lack of proper facilities for the public in general and drivers in particular along national highways which absorb 60% to 70% of the traffic even in areas where motorway exists. The volume of traffic is estimated to grow even further as physical work on CPEC progresses. Presently, there are no specified in-transit parking and waiting areas of trucks, as a consequence of which the periphery and all major cities are cluttered and choked with a growing expanse of disorganized parking and waiting areas. There is also deficiency of adequate repair/recovery facilities particularly heavy recovery astride national highways. NLC has prepared a comprehensive plan to set up international standard rest areas astride our national highways by the name of Driver Emergency and Rest Areas. Each of these state of the art rest areas is designed to provide most latest and quality facilities as well as services. The philosophy behind the project is to provide safe, comfortable and pleasant environment at these rest stops, thus turning the fatigued travelling into a pleasure trip for all the commuters. Opportunities such as these would also attract local and foreign logistics and cargo fleet operators / investors.

NLC Tracking Solutions (NTS)

NLC started vehicle tracking of its own fleet in 2004 and was assigned task of NATO/ ISAF asset/ container tracking/ monitoring service in

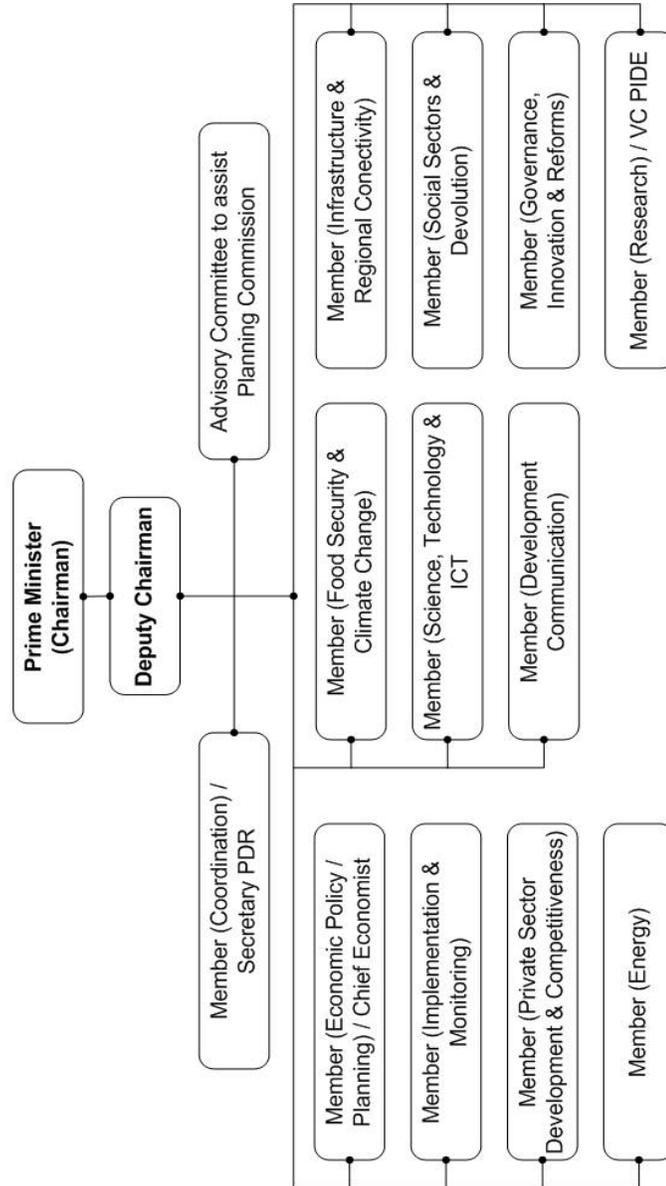
2013. As the organization gained expertise in vehicle & asset tracking operation, it was decided to launch its own tracking company by the name NLC Tracking Solutions (NTS). Keeping in view inherent strengths like country wide presence and security aspects coupled with its brand name, NLC was able to capture rapidly growing tracking business in Pakistan. NLC acquired Commercial Tracking License from PTA and also participated in one of mega country wide tracking project namely Safe Environment Transportation Project (STEP) initiated by Federal Board of Revenue (FBR). FBR after detailed technical & financial evaluation recommended NLC for award of project. NTS undertakes STEP, commercial tracking, NATO/ISAF tracking and tracking of its own fleet.

CPEC Logistics International Forum (CLIF)

NLC has positioned itself to lead the way in developing CPEC Logistics. NLC aims to share the emerging opportunities with private sector companies by taking the first step to developing stronger trade and logistics linkages with China and rest of the world. To realize objective, NLC held the CPEC Logistics International Forum (CLIF) on 12-13 July, 2017 where renowned experts from China and Pakistan held threadbare discussions on themes related to CPEC, namely "Trade Potentials", "Transportation & Cross Border Movement" and "Logistics Industry Collaboration". The event was attended by large number of foreign delegates and stakeholders from logistics, commerce and industrial sectors of Pakistan and China. Chief of Army Staff General Qamar Javed Bajwa was the chief guest on day one of the CLIF. On day two, Minister for Planning, Development and Reform addressed the forum. To consolidate the gains of CLIF, NLC is establishing a CPEC Logistic Centre (CLC) which will work as a think tank / chamber for the logistics industries of both Pakistan and China on permanent basis. With the planning for CPEC well under way, NLC is moving into the implementation stage. CPEC related logistics infrastructure projects by NLC include Multimodal Logistics Parks, Warehouses, Trucking Stations and Vocational Training Schools. NLC is moving forward with the spirit of sharing the Emerging Opportunities on the Road of Prosperity and Peace and to remain in step with tomorrow.

Annex-A

**Planning Commission
(Organogram)**



Annex-B**Sections of the Ministry of Planning, Development and Reform****I. Administration Wing****II. Economic sections**

- Economic Appraisal Section
- Employment and Research Section
- International Trade and Finance Section
- Macroeconomic Section
- Money, Price and Fiscal Policy Section
- Plan Coordination Section
- Poverty Alleviation Section
- Public Investment Authorisation Section
- Public Investment Programming Section

III. Technical Sections

- Agriculture and Food Section
- Devolution and Area Development Section
- Education Section
- Governance Section
- Health Section
- Industries and Commerce Section
- Manpower Section
- Mass Media, Culture, Sports, Tourism and Youth Section
- Nutrition Section
- Physical Planning and Housing Section
- Population and Social Planning Section

- Printing and Publication Section
- Science and Technology Section
- Social Welfare Section
- Transport and Communication Section
- Water Resources Section
- Drawing Section

IV. Wings

- Energy Wing
- Projects Wing

V. Attached cells, departments and autonomous bodies

- National Fertilizer Development Centre (NFDC)
- Pakistan Planning and Management Institute (PPMI)
- Pakistan Institute of Development Economics (PIDE)
- National Logistics Cell (NLC)
- Afghan Cell
- Jawaid Azfar Computer Centre (JACC)

Annex-C**Transport & Communications**

(Rs. million)

No.	Executing Agency	PSDP Allocation For 2016-17	Estimated Expenditure during 2016-17	Expenditure in %age of PSDP Allocation
1	Ministry of Communications	193,285	223,262	116%
1(a)	National Highway Authority (NHA)	188,000	218,000	116%
1(b)	Green Line Bus Transit Project, Karachi	5,000	5,000	100%
1(c)	National HW & Motorway Police (NH&MP)	257	257	100%
1(d)	National Transport Research Centre (NTRC)	5	5	100%
1(e)	Construction Technology Training Institute (CTTI)	23	23	100%
2	Pakistan Railways	41,000	50,500	123%
3	Ministry of Ports & Shipping	11,580	4,339	37%
4	Aviation Division			
4(a)	Civil Aviation Authority (CAA)	2,450	794	32%
4(b)	ASF (Construction of barracks accommodation at NIIA Islamabad & other ASF projects)	800	800	100%
5	Defence Division			
	Construction of 6 Marine Patrol Vessels for Pakistan Maritime Security Agency (PMSA)	597	158	26%
6	Defence Production Division			
	Shiplift & Transfer System & infrastructure upgradation project of KSEW	2,300	1,168	51%
7	Finance Division (Provincial Roads)	2,397	1,021	43%
8	Housing & Works Division (Provincial Roads)	3,545	3,545	100%
9	AJK & GB Division			
9(a)	AJK (Const. Of Rathua Haryam Bridge, Athmuqam - Keran Bypass Road and Nauseri - Laswa Bypass Road, AJ&K)	1,200	1,200	100%
9(b)	GB (Upgradation of road from RCC bridge Kanadas to Naltar Airforce base via Nomal)	0	0	
	Total	259,154	286,809	111%

