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

Pursuant to Sub-rule 2 of Rule 25 of the Rules of Business 1973, the Ministry of Planning, Development and Reform has prepared Year Book for preceding financial year 2017-18. This Book contains/delineates and highlights the main activities, achievements and progress undertaken by various Wings and Sections of the Ministry during 2017-18. The Year Book also elaborates functions, organizational structure and overall overview of the Ministry. The activities are disaggregated into chapters which focus various programmes, targets and their actualisation during the period under review.

I feel honored to present the Book to those who might be interested in having an insight into the working of the Ministry and will serve as a useful document to different stakeholders including; planners, academicians, research scholars, etc. The Book also highlights working of the Ministry and its contribution to the socioeconomic development of the country. The Ministry aims at improving the socioeconomic development of Pakistan and bringing Pakistan among developed economies of the world. The Ministry works under the policy of the Government which is people oriented with an inclusive approach to take the country to a higher growth trajectory.

I take this opportunity to thank all the Economic and Technical Sections, Projects Wing and attached departments/ autonomous bodies for their contribution to this document. Contribution of Review Committee, Plan Coordination Section and Technical Team under the supervision of its Chief Dr. Hasan Muhammad Mohsan in finalizing the document is acknowledged and deserves special appreciation.

Any suggestions to further improve the document or performance of the Ministry will be highly welcomed.

Zafar Hasan
Secretary
Ministry of Planning, Development and Reform
Islamabad

Year Book 2017-18
# REVIEW COMMITTEE

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Image</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rai Nasir Ali Khan</td>
<td>JCE (Macro) Member</td>
<td></td>
</tr>
<tr>
<td>Dr. Muhammad Afzal</td>
<td>Chief (Employment &amp; Research Section) Member</td>
<td></td>
</tr>
<tr>
<td>Zafar-ul-Hassan</td>
<td>Chief (Macro Economic Section)</td>
<td></td>
</tr>
<tr>
<td>Dr. Imtiaz Ahmed</td>
<td>Chief (International Trade &amp; Finance Section) Member</td>
<td></td>
</tr>
<tr>
<td>Dr. Aamir Arshad</td>
<td>Chief (Food &amp; Agriculture Section) Member</td>
<td></td>
</tr>
<tr>
<td>Dr. Gul Muhammad Laghari</td>
<td>Chief (Science &amp; Technology Section) Member</td>
<td></td>
</tr>
<tr>
<td>Dr. Hassan Muhammad Mohsin</td>
<td>Chief (Plan Coordination Section) Member / Secretary</td>
<td></td>
</tr>
</tbody>
</table>
## TECHNICAL TEAM

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Saleem Mohsan</td>
<td>Deputy Chief (Plan Coordination Section) Editor</td>
</tr>
<tr>
<td>Muhammad Musaib Umair</td>
<td>Assistant Chief (Plan Coordination Section) Sub-Editor</td>
</tr>
<tr>
<td>Ijjal Hayder</td>
<td>Research Officer (Plan Coordination Section) Sub-Editor</td>
</tr>
<tr>
<td>Saqlain Bin Arif</td>
<td>Computer Operator (Jawaid Azfar Computer Center) Composer/Designer</td>
</tr>
</tbody>
</table>
INTRODUCTION

The Planning Commission acts as a think tank for economic planning of the country. Participatory and collaborative planning is undertaken by 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.
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 and to create employment and alleviate poverty etc.

The National Economic Council (NEC) approved the PSDP 2017-18 in its meeting held on 19-05-2017 with total outlay of Rs.2113 billion. The Federal component of the PSDP was Rs.1001 billion and Provincial ADP was Rs.1112 billion. The Foreign Aid Component of the Federal PSDP was Rs.162 billion and that of Provincial ADP was Rs.195 billion.

PSDP 2017-18 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 2017-18:

- Allocations to on-going projects which have reached at fairly advanced stage of completion should adequately be earmarked in order to complete such projects during the Fiscal Year 2017-18 on priority.

- Committed foreign project assistance was fully accommodated in case of foreign funded projects.
The projects under CPEC Initiative were adequately financed for timely completion.

Those projects may be undertaken which falls within the priority sectors and supporting seven pillars of the Vision 2025 and SDGs.

Programmes of the Special Areas (FATA, AJ&K and G-B) were adequately financed as per their development requirements.

Undertaking projects falling in the domain of provinces may be discouraged.

Sector-wise Budgeted allocations and releases of the federal PSDP 2017-18 with percentage shares are given below:

**Sector-Wise Allocation - Federal PSDP 2017-18**

(Rs. billion)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Allocation 2017-18</th>
<th>%age share</th>
<th>Releases 2017-18</th>
<th>%age Releases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure</td>
<td>580.0</td>
<td>66.9</td>
<td>556.9</td>
<td>96%</td>
</tr>
<tr>
<td>Social Sectors</td>
<td>147.0</td>
<td>17.0</td>
<td>88.4</td>
<td>60%</td>
</tr>
<tr>
<td>Science &amp; IT</td>
<td>10.0</td>
<td>1.2</td>
<td>8.3</td>
<td>83%</td>
</tr>
<tr>
<td>Governance</td>
<td>14.0</td>
<td>1.6</td>
<td>9.0</td>
<td>64%</td>
</tr>
<tr>
<td>Special Areas</td>
<td>61.5</td>
<td>7.1</td>
<td>61.0</td>
<td>99%</td>
</tr>
<tr>
<td>Production Sectors</td>
<td>6.0</td>
<td>0.7</td>
<td>3.0</td>
<td>50%</td>
</tr>
<tr>
<td>ERRA</td>
<td>7.5</td>
<td>0.9</td>
<td>6.9</td>
<td>92%</td>
</tr>
<tr>
<td>Special Federal Dev. Prog.</td>
<td>40.0</td>
<td>4.6</td>
<td>28.3</td>
<td>71%</td>
</tr>
<tr>
<td>Other Programmes (Security/ IDPs, PM's Youth &amp; GIDF*)</td>
<td>135.0</td>
<td>-</td>
<td>76.2</td>
<td>56%</td>
</tr>
<tr>
<td><strong>Total PSDP</strong></td>
<td><strong>1001.0</strong></td>
<td><strong>100.0</strong></td>
<td><strong>838.0</strong></td>
<td><strong>84%</strong></td>
</tr>
</tbody>
</table>

*Gas Infrastructure Development Fund

*Year Book 2017-18*
Release and Utilization of PSDP 2017-18

The overall release / disbursement of PSDP 2017-18 was recorded at Rs.838 billion (Rupee component: Rs.593 billion; Foreign Aid: Rs.245 billion) against the approved size of Rs.1001 billion (Rupee component: Rs.839 billion; Foreign Aid component: Rs.162 billion). Reported expenditure of three quarters i.e. July 2017- June 2018 is Rs.661 billion as per fiscal operations of the Finance Division.

Salient Features of PSDP 2017-18

- Infrastructure Sector was accorded priority with 67% share in overall allocations, amounting to Rs.580 billion in the federal PSDP 2017-18.

- Within infrastructure, the energy sector was given priority with an allocation of Rs.404 billion including Rs.317 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.411 billion.

- For better utilization and conservation of water resources for domestic use and irrigation purposes, Rs.38 billion were allocated for water sector projects.

- Financing projects falling in devolved social sectors is the responsibility of the Provincial Governments after 18th Constitutional Amendment. Substantial additional resources are transferred to provinces under 7th NFC Award.

- Federal government continued financing vertical programmes in Health and Population Welfare Sectors as per decision of CCI dated 28-04-2011. A total of Rs.117 billion were allocated for social sector projects (such as education, health, population welfare, etc.). In addition, Rs.30 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.10 billion during 2017-18.

- For better security, governance, institutional strengthening, capacity building and reforms programmes, Rs.14 billion were earmarked for Governance Sector.

- An allocation of Rs.6 billion was earmarked in the PSDP 2017-18 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 (Tribal Areas previously named as FATA, GB & AJ&K) were provided Rs.61.5 billion for financing of schemes under their respective ADPs 2017-18.

- For rehabilitation and reconstruction of Tribal Areas (previously named as FATA), Rs.90 billion were earmarked for TDPs and security enhancement in PSDP 2017-18.

- 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 three quarterly reviews of projects financed through PSDP 2017-18 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 complete the projects as scheduled. M/o PD&R during 2017-18 allowed re-appropriation of Rs.41 billion for 104 on-going projects within the size of PSDP 2017-18. 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 256 projects having total estimated cost of Rs.1.5 trillion were completed / substantially completed during 2017-18.
PILLAR-I
PUTTING PEOPLE FIRST:
DEVELOPING HUMAN AND SOCIAL CAPITAL
POPULATION & SOCIAL PLANNING

The Population and Social Planning Section works in liaison with the Ministry of National Health Services, Regulation and Coordination, Provincial Population Welfare Departments of provinces, Gilgit Baltistan and Azad Jammu & Kashmir. The Section prepares short, medium and long term national plans, reviews of policies and assists Federal Government on different policy issues pertaining to population and family planning. Moreover, technical appraisal of population sector projects is carried out.

Population and Family Planning remained included in top priorities of the Government due to very high population growth rate (2.4%) indicated in Population Census 2017. Though population is a provincial subject, yet advisory role of federal government in general and M/o PD&R in particular is required to meet the targets set under Agenda 2030/SDGs.

PSDP Allocations

The Federal Government earmarked an amount of Rs.8176 million for Population Welfare Programmes of Provinces and Special Areas in PSDP 2017-18. But the amount could not be utilized because of non-submission or late submission of PC-Is by provinces, AJ&K and GB. Only meagre amount of Rs.78.8 million was released and utilized by Population Welfare Department, FATA.

Major Activities

Some new projects of Population and Family Planning are under process of the approval and Pre-CDWP meetings of the Population Welfare Programme (2017-20) for AJK, GB and FATA were held under the Chair of Member (SS&D) in May 2018. The Population Welfare Departments of these Specials Areas were advised to make appropriate changes to improve the quality of PC-I’s accordingly.
The Ministry of PD&R, United Nations Population Fund (UNFPA) and United Nations Development Programme (UNDP) have started joint project to deal the population related SDGs effectively. The main objective of this project is to mainstream population dynamics across core national and provincial development plans and strategies as this is consistent with Agenda 2030 of SDGs and this will improve the general quality of development planning. This project will cover the following:

- Support in research and analysis including the impact of population growth and population dynamics on SDGs achievement in Pakistan.

- Technical support for integrating population priorities into SDGs frameworks, policy and planning processes and strategy developments across all sectors.

- Strengthening overall data ecosystem for SDGs and population including coordination, monitoring, reporting, capacity building, online data dissemination and effective use of integrated statistical frameworks for advancing sustainable development.

Other Activities

The Section is preparing a concept paper which focuses on integration of Health and Population Departments in AJ&K and GB to ensure better family planning services covering the maximum target population.
EDUCATION

Education is a life blood of nation and plays a critical role in the development. The developed nations like United States of America, United Kingdom, European Union countries and fast developing countries like China, Malaysia, Korea, India and Turkey have prioritized the education sector for attaining targets of development in all the sectors of society. These countries have excelled in the international community, promoted their education system weighing it as a matter of life and death. Education works as a fuel for the economic engine of a nation. Here it is worth mentioning that increase in literacy rate does not only serve the purpose, but it is the quality of all educational processes involved in the system that can produce a product which can compete at international level. Pakistan is very fortunate having enough natural resources and comparatively high proportion of its population comprises of youth. So instead of leaving it to turn it into youth bulge, we need to educate and train its youth properly to transform it in to a productive human resource particularly by educating in research and development so that natural resources could be utilized for economic growth and national development.

Sectoral Overview

As per available financial and human resources and given challenging environment, Government of Pakistan has been investing in the education sector to achieve the targets of Vision 2025 and Sustainable Development Goals by 2030. Pakistan has been facing very difficult issues and challenges including illiteracy, low access to education, high number of out of school children (OOSC), high dropout rate, low quality of education, shortage of science teachers and laboratories, urban-rural divide, shortage of female teachers, deficiency of trained teachers, poor governance, gender inequity, poverty, low level of awareness regarding education among parents and shortage of basic physical facilities in schools like water, sanitation, electricity, boundary walls and toilets etc. In the post 18th Constitutional Amendment scenario the provinces are responsible for provision of education up to matric level to children of 5 to 16 years
age group. Federal Government has to provide education in ICT, GB and AJ&K. Presently, National Education Policy, 2009 is under implementation however new Education Policy is under formulation process in the Ministry of Federal Education & Professional Training.

Achievements

Achievements of the various indicators are as under:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Achievements against targets by 2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>Gross Enrolment Ratio (GER)-Pre-Primary</td>
<td>89%</td>
</tr>
<tr>
<td>Gross Enrolment Ratio (GER)-Primary, classes: 1-5</td>
<td>104%</td>
</tr>
<tr>
<td>Gross Enrolment Ratio (GER)-Middle, classes: 6-8</td>
<td>59%</td>
</tr>
<tr>
<td>Gross Enrolment Ratio (GER)-Secondary, classes: 9-12</td>
<td>38%</td>
</tr>
<tr>
<td>Adjusted Net Enrolment Ratio (ANER)-Primary, classes: 1-5 *</td>
<td>83%</td>
</tr>
<tr>
<td>Adjusted Net Enrolment Ratio (ANER)-Middle, classes: 6-8</td>
<td>53%</td>
</tr>
<tr>
<td>Adjusted Net Enrolment Ratio (ANER)-Secondary, classes: 9-12</td>
<td>35%</td>
</tr>
<tr>
<td>Out of School Children (OOSC)- Primary to Secondary (1-12)</td>
<td>40%</td>
</tr>
<tr>
<td>Survival Rate to Grade-5</td>
<td>67%</td>
</tr>
<tr>
<td>Effective Transition Rate (ETR) - Primary to Middle</td>
<td>84%</td>
</tr>
<tr>
<td>Effective Transition Rate (ETR) - Middle to Secondary</td>
<td>94%</td>
</tr>
<tr>
<td>Literacy 10+ (**)</td>
<td>70%</td>
</tr>
<tr>
<td>Youth Literacy 15+ (**)</td>
<td>81%</td>
</tr>
</tbody>
</table>

* ANER - Total number of pupils of the official primary school age group who are enrolled at primary or secondary education, expressed as a percentage of the corresponding population.
** Pakistan Education Statistics 2015-16 (AEPAM, Islamabad)
PSDP Allocation

Federal Government allocation Rs.25,672.277 million as total estimated cost and Rs.7153.344 million as an allocation in the PSDP for the 2017-18 for the development programmes/projects which is 0.71% of the total PSDP allocation.

Major Activities

During 2017-18, the areas focused were literacy, curriculum, capacity building of teachers and education managers, Modernization & Standardization of Examination System, Establishment of Project Management Unit (PMU) for Prime Minister’s Education Reform Programme in ICT, Islamabad (PM Directive), Uplifting / Renovation / of schools and colleges, Establishment of schools and colleges and Mainstreaming of Madaris. Access and improving quality of education has been envisaged in Vision 2025 and 11th Five Year Plan (2013-18). During the period under reference the projects were under implementation to attain the targets of five-year plan and Vision 2025. A National Conference on Education Reforms was held in July, 2018 by Education Section under the chairmanship of Member (SS&D) Planning Commission. The education scholars and experts participated in the conference which are very fruitful and meaningful for policy experts of education sector in Pakistan to attain the educational goals.

For the pursuance of the reform components of the M/o PD&R, three meetings were convened by the Secretary, M/o PD&R to make institutional and policy reforms to the government for improvement in public sector working related to education sector.

Education Section participated in different meetings. Details are as under:

<table>
<thead>
<tr>
<th>Nature of meeting</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Development Working Party (DDWP)</td>
<td>02</td>
</tr>
<tr>
<td>Pre-CDWP</td>
<td>16</td>
</tr>
<tr>
<td>Central Development Working Party (CDWP) &amp; Concept</td>
<td>10</td>
</tr>
</tbody>
</table>

Year Book 2017-18
<table>
<thead>
<tr>
<th>Nature of meeting</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clearance</td>
<td>07</td>
</tr>
<tr>
<td>Post CDWP</td>
<td></td>
</tr>
<tr>
<td>Meetings in line ministries other than DDWP</td>
<td>12</td>
</tr>
<tr>
<td>Participated in the meetings of Parliament</td>
<td>05</td>
</tr>
<tr>
<td>Quarterly Review meetings of PSDP funded projects</td>
<td>04</td>
</tr>
<tr>
<td>Annual Plan Coordination Committee (APCC)</td>
<td>01</td>
</tr>
<tr>
<td>Preparation of PAC meeting</td>
<td>04</td>
</tr>
<tr>
<td>Public Accounts Committee (PAC)</td>
<td>02</td>
</tr>
<tr>
<td>Institutional and Policy reforms.</td>
<td>03</td>
</tr>
<tr>
<td>Pakistan Vision 2025- (Progress review)</td>
<td>04</td>
</tr>
</tbody>
</table>

**PSDP Projects**

A total of 11 projects i.e one project for ECNEC, 09 for CDWP and 01 for DDWP were examined, scrutinized and processed by this section for approval of competent forum during 2017-18.
HEALTH

A number of initiatives were undertaken and gains made in health sector to improve health status of the people and reduce burden of diseases in 2017-18. During 2017-18 particular emphasis was on prevention and control of communicable and non-communicable diseases and social protection schemes through health insurance.

Sustainable Development Goal in Health (SDG 3)

The Agenda 2030 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 2015-30. 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. SDGs 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. Health Section under Planning Commission/ Ministry of Planning, Development & Reform 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 was undertaken by Health Section which reviews the policy and strategy environment for accomplishment of this international agenda in the context of Pakistan.
Primary Healthcare

Federal government continued investment on devolved Vertical Health Programmes (VHPs) including Lady Health Workers Programme, Maternal, Neonatal and Child Health Programme, Expanded programme on Immunization, Hepatitis Prevention and Control, Tuberculosis, Malaria and HIV/ AIDS Control Programmes, Prevention and Control of Human Avian Influenza and Blindness Control Programmes. Total funding provided by the federal government for these programmes reached up to Rs.150 billion.

Provincial governments made significant efforts to improve provision and quality of health services at Basic Health Units (BHUs) and Rural Health Centres (RHCs) by equipping with material and human resources and making them operational on 24/7 basis in selected districts. As an innovative approach, a number of primary healthcare facilities have been contracted out to private concerns on PPP basis (People's Primary Healthcare Initiative).

An outreach initiative has been launched in the form of Mobile Health Units to serve the underserved and underprivileged population.

Health Human Resource & Infrastructure and Non-Communicable Diseases

Pakistan has double burden of diseases where Non-Communicable Diseases (NCDs) like Hypertension, Diabetes Mellitus, Cardiac Diseases and Stoke etc. account for almost 50 % of prevalent diseases. Overall progress in this domain include annual addition of 4500-5000 new doctors, 400-500 dentists, 3000-3500 nurses, 4500-5000 paramedics and 450-500 Traditional Birth Attendants. Investment in health over years have seen improvement in health facilities and healthcare providers. Number of public sector hospitals has increased to 1211, 5508 BHUs, 676 RHCs, and 5697 dispensaries. These facilities together with 208,007 doctors, 20463 dentists, and 103777 nurses bring the current ratio of One Doctor for 957 Persons, 9730 Persons per Dentist, and availability of One
Hospital Bed for 1580 Persons and shows that the number under each establishment is increasingly.

Cancer is considered as the deadliest form of NCDs and the number of cases are increasing alarmingly. 18 Atomic Energy Cancer Hospitals all over the country are providing diagnostic and treatment facilities to cancer patients. Two such facilities at Gujranwala and Gilgit have been constructed and made operational this year while construction of Kashmir Institute of Nuclear Medicine, Oncology and Radiotherapy (KINOR) and a Cancer Hospital Mardan shall start in current financial year. Strengthening and rehabilitation of KIRAN (Karachi), BINO (Bahawalpur), NORI (Islamabad), NIMRA (Jamshoro), and NORIN (Nawabshah) are underway. Construction of a state of the art Cancer Hospital at PIMS has been started and will likely to be completed in a period of three years.

A Centre of Neurosciences has been approved to be established at PIMS to cater to rising burden of neurological disorders in the country. Its construction work is in the offing.

Health Insurance

Prime Minister's National Health Programme is a social protection initiative by providing financial protection cover to the people living below US$2 per day. Under this programme, free of cost indoor treatment is provided to 3.2 million families in Punjab, Balochistan and FATA. The beneficiary family has cashless healthcare service package of Rs.0.3 million per year available in both public and private sector through a health card issued through a transparent mechanism. Thousands of poor patients have been benefitted from the treatment facilities including deliveries, cardiac surgeries, cancer and other major diseases in the best private and government hospitals without spending a single rupee. Currently more than 1,655,657 families have been enrolled in the programme, more than 56,000 families have been treated for various illnesses from 125 hospitals across the country.
Polio Eradication Initiative

Highest political commitment is being awarded to eradication of polio from the country. A substantial investment (US$ 658 Million) has been made in strengthening health service delivery for polio eradication. Thousands of health workers have been trained, hundreds of volunteers have been mobilized to support immunization campaigns. Cold chain equipment has been refurbished. Pakistan is currently in its final stages for ending polio.

A National Immunization Support Programme has been launched nationwide to fill up the existing gaps in the routine immunization system in terms of human resource, cold chain equipment, capacity building and monitoring & evaluation.

Civil Registration and Vital Statistics (CRVS)

Rapid and Comprehensive Assessments of existing CRVS system accomplished in 2012 and 2013 respectively. A national coordination mechanism in the form of National Steering and Coordination Committee established in 2014 under the Chair of Minister PD&R. During 2017-18, similar institutional set ups have been established in the provincial and area governments. In order to develop a national level strategic framework for acceleration and enhancement of CRVS in Pakistan, six thematic areas have been identified comprising of coverage and completeness of the system, enabling legal framework, death and cause of death reporting according to international standardized classification, infrastructure and resources.

A dedicated Technical Support Unit has been established in M/o PD&R to assist the Steering and Coordination Committee in discharging its duties.

Deworm Pakistan Initiative

Keeping in view high burden of soil transmitted helminths in the country, a deworm Pakistan initiative has been launched which in the

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first phase will be implemented in Islamabad Capital Territory (ICT) and later replicated in other parts of the country. World Health Organization (WHO) will provide free of cost treatment for this purpose.

Health Sector Funding

Cumulative health expenditures of federal and the provinces of the previous year’s performance reveals that total health expenditures during 2017-18 increased both in terms of growth and as percentage of GDP. It grew by 29.54 percent to stand at Rs.291.9 billion during 2016-17 against Rs.225.87 billion in 2015-16. Encouragingly, health expenditures surpassed the budget allocation of Rs.273.34 billion set for 2016-17. While in terms of GDP, health expenditure increased to 0.91 percent during 2016-17 from 0.77 recorded in 2015-16. 2017-18 witnessed a considerable increase in budget allocation for health expenditures showing 40.7 percent growth by allocating Rs.384.57 billion during 2017-18 compared with Rs.273.34 billion during year 2016-17.

Projects during 2017-18

A total of 57 (39 for CDWP/ ECNEC) and 18 for DDWP) projects in health sector were received in Health Section during 2017-18. These were examined/ scrutinized and processed for the competent approving forums.

Status of PSDP funded projects completed, substantially completed and partially completed is given below:

<table>
<thead>
<tr>
<th>Competed</th>
<th>Substantially Completed</th>
<th>Partially Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vertical Health Programmes (Devolved to the provincial govt.s.)</td>
<td>Establishment of Safe Blood Transfusion Services Project</td>
<td>Khyber Institute of Child Health &amp; Children Hospital (District Peshawar)</td>
</tr>
</tbody>
</table>

*Year Book 2017-18*
<table>
<thead>
<tr>
<th>Competed</th>
<th>Substantially Completed</th>
<th>Partially Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision of Equipments for 05 PAEC Cancer Hospitals (Bahawalpur, Lahore, Karachi and Islamabad)</td>
<td>Establishment of National Resource Centre of Traditional Medicine at NIH, Islamabad</td>
<td>Upgradation of Cancer Treatment Facility at Nishtar Hospital, Multan</td>
</tr>
<tr>
<td>Up-Gradation of X-Ray Machines in Radiology Department Islamabad Hospital, PIMS.</td>
<td>Extension of INOR, Abbottabad</td>
<td>Up-gradation of MINAR, Multan</td>
</tr>
<tr>
<td></td>
<td>Shaheed Benazir Bhutto Mother &amp; Child Health Care Centre, Nawabshah City (300 Bedded Hospital) (District Nawabshah)</td>
<td>Establishment of a Current GMP Sera Processing Laboratory for Capacity Enhancement, BDP, National Institute of Health, Islamabad.</td>
</tr>
<tr>
<td></td>
<td>Expanded Programme on Immunization (EPI), Islamabad</td>
<td>Up-gradation of CENAR, Quetta</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Common Unit to Manage Global Fund</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mir Waiz Muhammad Farooq Shaheed Medical College, Muzaffarabad</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MBBS Medical College Mirpur</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Establishment of Centre for Hematology Disorder at PIMS, Islamabad</td>
</tr>
</tbody>
</table>

Year Book 2017-18
LABOUR, EMPLOYMENT AND SKILL DEVELOPMENT

Vision of the Employment & Research (E&R) Section of the Ministry of PD&R is provision of decent employment opportunities for all, while mission of the section is to plan and design policy measures in consultation with the stakeholders to prepare a skilled, trained, efficient and globally competitive workforce with innovative capability and entrepreneurial spirit.

Employment & Research Section foresees labour market situation in the country and keeps a track record of performance against labour, employment and skill development parameters. Other functions of the Section are coordination with different organizations regarding employment issues and offering comments/views on policy issues relating to Employment and Human Resource Development, coordination with Pakistan Bureau of Statistics (PBS) and attending meetings pertaining to Labour Force Survey. Likewise, coordination and follow-up with ILO, Ministry of Overseas Pakistanis & Human Resource Development and other stakeholders with regard to employment/skills/export of manpower issues is an important activity of the Section.

E&R Section prepares chapter on Employment and Skill Development for Annual Plan, Five Year Plan and supplies material for Pakistan Economic Survey. In addition, the Section is mandated with coordination/ preparation/ execution of Research Programmes of this Ministry & Evaluation of research papers/ reports/ studies and dissemination of findings of research studies through seminars to relevant departments are also core activities of the Section.

Sectoral Overview

Labour force participation and Employment

After 2015, Labour Force Survey has not been conducted due to population census activities. However, on the basis of latest LFS
2014-15, overall participation rate has decreased from 32.88% in 2012-13 to 32.27% in 2014-15, showing 0.61 % decrease; male unemployment rate has decreased from 5.41% to 4.98% while female unemployment rate has decreased from 9.0% to 8.97% during the period concerned. Due to better financial discipline, consistency and continuity in economic policies, Pakistan’s economy has gained more strength during 2017-18. GDP grew by 5.8% in 2017-18, the highest rate since 2006-07. It also 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.

**Youth Employment**

Youth population (age 15-24) is estimated at 38.96 million and youth workforce is 15.39 million. Out of this 14.65 million are employed and 0.74 million are unemployed. Youth unemployment rate has increased from 10.35 per cent in 2013-14 to 11.3 per cent in 2014-15.

**Women Employment**

Pakistan has a Gender Development Index (GDI) ranking at 121 out of 155 in the 2015\(^1\). Female unemployment rate slightly increased from 8.74 percent to 8.97 percent during 2013-14 & 2014-15 contrary to contraction in unemployment at national level.

**Employment by Sector**

The share of agriculture-related employment has declined from more than 48 per cent in 1999 to 42.3 per cent by 2014-15. On the other hand, share of manufacturing sector shows gradual increase, as it increased from 13.3 % in 2012-13 to 14.2% in 2013-14 and 15.3 % in 2014-15. The services sector including construction and industrial sectors, were major contributors, which show increasing trends of employment. Due to increasing share of the manufacturing and

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\(^1\)The 2015 Human Development Report (HDR) by UNDP

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services sectors, and declining share of agriculture in employment, the labour market of Pakistan is experiencing structural changes in its composition.

**Employment Generation in CPEC Programme**

Investment under CPEC is expected to be around US $60 Billion. The early harvest projects under China Pakistan Economic Corridor (CPEC) have created more than 56,000 direct jobs for Pakistanis while the mid-term and long term projects under CPEC are poised to create hundreds of thousand employment opportunities in the country. Employment opportunities under CPEC would further go up as CPEC would generate massive jobs over the period of next 15 years.

**Major Activities**

- Prepared material for Economic Survey of Pakistan 2016-17.
- Prepared material for the Year Book 2016-17.
- Coordination with PBS and attended meetings pertaining to Labour Force Survey.
- Coordination and follow-up with ILO, Ministry of Overseas Pakistanis & Human Resource Development and others in context with employment/skills/export of manpower issues.
- Coordinated with JACC on its new system of digitized PC-Is from employment point of view.
- Submitted Rebuttals / Clarifications on employment position.
• Analysed/ Examined PC-1 forms from employment point of view and furnished comments to the concerned sections.

• Carried out the estimation of labour 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 analysed.

• 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.

• Revived the Research Programme of the Ministry through a project titled “Research/ Feasibility Studies and Workshops”.

Budgetary Allocation for the initiative/ project undertaken by the section

Budgetary allocation during 2017-18 for the project titled “Research/ Feasibility Studies and Workshops” was Rs.150 million against which Rs.30 million were released.

Contribution to the Vision 2025

The Section deals with the goal to increase female workforce participation rate from 24% to 45% which falls under Pillar-I of Vision 2025. The crude female workforce participation rate is 24.02% as per the latest available LFS 2014-15.
Workshops/ Conferences/ Events organized by the Section

A seminar on “Contemporary Employment issues and challenges” was conducted in collaboration with ILO, on 27th November, 2017 at M/o PD&R, Islamabad. During this Seminar, employment policy and promotion, vocational guidance & training, migrant workers, occupational safety & health and equality of opportunity & treatment were taken into account and tangible suggestions were made thereafter.

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. Under Round-I, 4 (four) Research studies were awarded to the consultants, however endeavours are on track to conduct research studies under 16 (sixteen) thematic areas through “Research/Feasibility Studies and Workshops Project” under Round-II.
MANPOWER

Any policy initiative that aims at socio-economic improvement of society through creation of jobs for unemployed youth, increase workforce productivity and alleviation of poverty cannot be materialized without technically trained manpower. Government is committed towards building an innovative society through knowledge, technology, and competition by realizing the vital need of investments in education and skill generation programme. The prime focus is on transforming general training into industry based training by bridging the demand-supply gap in skill development. For the purpose various Prime Minister’s programmes are under implementation focusing on preparation of skilled human resource for local & international labor market, primarily, national mega projects like China Pakistan Economic Corridor (CPEC) and other energy related project.

National Technical Vocational Commission (NAVTTC) under Prime Minister’s Youth Skill Development Programme and Ministry of IPC through National Internship Programme (NIP) are imparting training in almost 100 demand driven trades in following priority areas: Construction, Agriculture, (dairy & animal nutrition management), Horticulture, IT & Telecommunications, Electrics, Hospitality, Skill for women, Light engineering, Energy, Finance, Engineering, Paramedics, Services etc.

Major Activities

The Section works to provide guidance, support and promote conducive environment in public sector to implement training programmes for skills development in market oriented trades/courses to create young skilled and competent workforce and enhance socio-economic development of country. During 2017-18, 02 numbers of Prime Minister’s Youth Development schemes were presented/approved in ECNEC, 04 numbers of Pre-CDWP, 04 numbers of CDWP meetings and 02 number of DDWP meetings were attended. In addition, 12 numbers of concept clearance proposals for skill development were considered/approved in CCC/CDWP meetings.
During 2017-18 an amount of Rs.7,512 million was allocated to Ministry of Federal Education and Professional Training and Ministry of Inter Provincial Coordination for Prime Minister’s Youth Programmes and PSDP funded Project, out of which Rs.6,097.5 million have been utilized.

Financial and physical achievements of Prime Minister’s Youth Programme and other PSDP funded projects for 2017-18 are tabulated below:

<table>
<thead>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vocational Schools through Public Private partnerships (PSDP funded) completed</td>
<td>50.00</td>
<td>50.00</td>
<td>50.00</td>
<td>Establishme nt of 12 workshops</td>
<td>12 Workshops established through PPP</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Enrolment of 3000 students in 12 schools</td>
<td>2342 students enrolled in 12 schools</td>
</tr>
<tr>
<td>2</td>
<td>Prime Minister Youth Skill Development Programme (Phase-III) completed</td>
<td>2630.00</td>
<td>205.00</td>
<td>189.564</td>
<td>Technical training of 50,000 youth</td>
<td>48055 youth has been trained</td>
</tr>
<tr>
<td>3</td>
<td>Prime Minister Youth Skill Development Programme (Phase-IV) ongoing</td>
<td>6196.50</td>
<td>2,943.935</td>
<td>2,943.935</td>
<td>Technical training of 100,000 youth</td>
<td>50,000 youth has been trained so far.</td>
</tr>
<tr>
<td>4</td>
<td>Prime Minister’s Youth Training Scheme 2017 (Phase –II) ongoing</td>
<td>26,690.911</td>
<td>4,328.477</td>
<td>4,326.232</td>
<td>One year on job-internship for 50,000 youth</td>
<td>34,000 youth provided on job-internship</td>
</tr>
</tbody>
</table>
Other Achievements

- Establishment of 02 centers of excellence at Islamabad.

- Accreditation of 1380 TVET Programmes/Discipline of 326 Institutes and 07 qualification awarding bodies (QABs) under TVET Reforms Support Programme.

- Development of CBT Qualifications for various levels of National Vocational Qualification Framework (NVQF), curriculum and teaching and learning material for NVQF qualifications teaching and learning Manuals (TLM) for demand driven trades under PM Youth Skill Development Programme, and implementation of National Vocational Qualifications Framework.

- Assessment of CBT qualifications, recognition of prior learning (RPL) and recognition of Current Competencies and implementation of 15 CBT qualifications in 56 Institutes across the country.

- Trained 500 Assessors for conducting formative and summative competency based assessment from across the country, 100 teachers for conducting CBT, 100 principals/managers, up scaled the capacity of institutes and up-gradation of labs/workshops.

- Establishment of 02 Sector Skill Councils in different industrial sectors for institutionalized of involvement of industry in TVET reform.

- 623 trainees and 26 master trainers of Refrigeration & Air Conditioning (RAC/HVACR) trade were provided specialized training.
• In addition, under NAVTTC-UNHCR Skill Development Programme (2017-18) almost 1800 trainees (Afghan refugees and Pakistani Nationals) are receiving training.

Work in Progress

• **Prime Minister Youth Training Scheme –Phase-III** (National Internship Programme 2015-18, at estimated cost of Rs.26,690.9 envisages on job internship of 50,000 unemployed educated youth in 100 demand driven trades/courses for better employment. Under this programme, all interns are being paid stipend of Rs.15000 per month.

• **Prime Minister Youth Skill Development Programme (Phase IV- 2017-19)**, at estimated cost of Rs.6196.5 million, aims to train 100,000 young aspirants in 75 demand driven market oriented trades/courses in various TVET institutions in collaboration with private sector all over the country.

• **Establishment of Polytechnic Institute for Boys at Skardu” (PSDP-funded)** at an estimated cost of Rs.601.996 million, aims at provision of 3 years post-Secondary Diploma Courses in civil, Electrical and Mechanical technologies with annual intake of 120 (40 each) dropout students per year with total 600 students in five years.

• **Establishing Center (s) of Excellence at National Training Bureau (NTB), National Institute of Science & Technical Education (NISTE), Islamabad and Training Facilities for Heavy Machinery Operators in 13 Districts across Pakistan** at estimated cost Rs.1801 million. The project involves training of youth in demand driven trades including construction, electrician, mason, plumbing, tile fixing etc. and particularly hospitality and hotel management.

• **National Talent Pool** has planned to develop 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.

- Training course for 300 Master Trainers of TVET system.
- Trade Testing & Certification of more than 10,000 skilled workers/institutional training.
- Training Courses in 18 different vocational trades for 1500 youth at NTB Campus (Technical Training Centre) including NAVTTC courses in 10 different marketable trades.
SUSTAINABLE DEVELOPMENT GOALS

The section was renamed from “Poverty Alleviation and Sustainable Development Goals” to “Sustainable Development Goals” in March 2018, however, poverty estimation and policy formulation for poverty alleviation remained as the principal functions of the Section. The mission of the section is to strive for a society where vulnerable and marginalized segments would be mainstreamed, protected and encouraged by revamping and expanding social protection systems and social safety nets. Poverty is one of the major global challenges being faced and its eradication is crucial to ensure sustainable development of the economy. No poverty being the first goal of the SDGs is the core function of the section, thus, most initiatives undertaken are for alleviation of poverty.

Major Activities

Social Sector Seminar Series

The Poverty Section and SDGs unit started a social sector seminar series. The purpose of these lectures is to bridge gap between academia and policymakers and to have discussion on various areas that come under the umbrella of SDGs. In 2017-18, twelve seminars were organized; “Generating Employment in CPEC related Road Infrastructure Projects”, “Revisiting the Poverty Debate in Pakistan – Forensics and the Way Forward” were a few of lectures that were organized by the section and the unit. These seminars were attended by officers from the ministry as well as other ministries along with subject experts from various organizations.

Capacity Building Workshops on Poverty

During 2017-18, three training workshops were organized by the SDGs Section. The purpose of these workshops was to enhance capacity of the stakeholders to estimate poverty, which in turn ensures transparency and credibility of poverty statistics. Taking into account the objective of capacity building exercise, the first training was
organized in August 2017. It was on the functional tool i.e. Stata software and participants from academia, federal, provincial and area governments were invited for training.

The second phase of training (October, 2017) was designed to teach poverty estimation methodology based upon Cost of Basic Need (CBN) approach. This phase covered the topics of data cleaning, data validation, compilation of consumption aggregate, estimation of poverty line and different measures of poverty like headcount, poverty gap and poverty severity.

A 5-days training workshop on multidimensional poverty, in collaboration with UNDP and Pakistan Bureau of Statistics, was organized in the month of March. The purpose of the training was to understand and use techniques to measure and interpret multidimensional poverty and guide policies for Goal 1 on 'No Poverty'. The aim of the training was to provide a conceptual and technical understanding to measure multidimensional poverty using Alkire Foster method. The training contextualized the MPI framework for Pakistan, highlighted the importance of MPI measures for policymaking.

**Contribution towards 12th Five Year Plan (2018-23)**

The SDGs Section provided two important chapters for the 12th Five Year Plan namely *Social Inclusion and Protection* and *Sustainable Development Goals*.

**National Poverty Report**

The Section prepared the National Poverty Report under the guidance of Poverty Estimation Committee – comprising of poverty experts from different fields. The report presents the national poverty number, along with its disaggregation at rural-urban level. The method of estimation of poverty is described in an easy and understandable way. The process of estimation of poverty this year included: (i) a training programme on poverty estimation with the help of World Bank in which academia, relevant provincial departments and line ministries
participated, (ii) a poverty estimation committee was formulated comprising representatives of academia, free-lance researchers, Federal Bureau of Statistics and BISP, (iii) the SDGs Section of Planning Commission provided their assistance in estimating the poverty and leading the whole process from beginning till the end. The report also addresses a few data issues that have been highlighted at different forums and were causing confusion during poverty debate along with a discussion on trends in poverty gap and severity.

**Progress on SDGs**

Planning Commission launched “National Initiative on SDGs” project in collaboration with UNDP under which units have been set up at federal and provincial level.

- **National SDGs Framework and Prioritization of Goals:** SDGs unit assisted in the development of SDGs prioritization tool and prioritized National goals & targets. National SDGs Framework was developed which was approved by the National Economic Council (NEC) on March 07, 2018. Technical report on the framework has also been finalized. Framework and guidelines have been shared with the provinces to support them in designing provincial frameworks.

- **Data Reporting Gaps:** An extensive study titled “Data Reporting Gaps” was undertaken by the SDGs section and unit; the final report was launched on 9th July, 2018, in which all major stakeholders from federal and provinces participated and learned about the data eco-system of Pakistan besides the efforts needed to ensure availability of data on SDGs indicators. Provincial Consultations on “Data Reporting Gaps” completed besides having incessant coordination with federal ministries and departments on data related challenges and their potential role regarding data provision for SDGs monitoring.

- **Categorization of Targets and Indicators:** The SDGs’ Targets as well as Indicators have been categorized in terms of their status
as Outcome, Means of Implementation (MOI) and Processes & Institutions (P&I). This exercise would eventually help in maintaining the SDG online data portal.

- Online Dashboard Portal: SDGs online dashboard portal titled “SDGs Pulse” is in process of designing and development which will be completed by end of 4th quarter of 2017-18.

- Inception Workshop on SDGs: National and Provincial baseline setting exercise is complete internally and a concept note was developed to organize a “Inception National Workshop on SDGs discuss standards and definitions of the indicators, level of efforts to get data, preferred data source used in baseline setting and to address methodological issues.
SOCIAL WELFARE AND WOMEN DEVELOPMENT

The 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 people 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 & priorities, local needs and international commitments.

Major Activities

During 2017-18, many initiatives have been taken for the welfare, rehabilitation and realization of the rights of vulnerable segments of the society. To promote innovative ideas through business plans competitions leading to the solution of social issues/problems, Ministry of PD&R established a Center for Social Entrepreneurship at a cost of Rs.178.43 million. During 2017-18, Rs.40 million were allocated and Rs.16 million have been utilized. Business Plan competitions were organized in various universities and an amount of Rs.0.30 million were distributed among 06 start ups in the universities. The Center envisaged to provide opportunities to the youth, women, and students having innovative ideas for solution of the social problems. 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. The Center organized a national dialogue for “Secure & Dignified Old Age for All Older People Inclusive Social Protection Framework for Pakistan” involving all the key stakeholders.
Gender & Women Development

During 2017-18, many initiatives for women development and empowerment have been taken. The participation of women in the development process of Pakistan is a priority area for the democratically elected Government. Pakistan is committed to meet the SDGs and the Goal-5 i.e. Gender Equality; Ending all forms of discrimination against women and girls. The government has internalized SDGs as National Goals.

Women’s employment is encouraged, and the government has announced a 10 percent quota for women in public sector employment; Punjab raised this to 15 percent and Sindh to 25 percent. Punjab has lifted the ban on recruitments and 25,000 posts for women have been created at different tiers, and 70 percent of jobs in primary education have been earmarked for women. Punjab Fair Representation of Women Act 2014 ensures 33 percent representation of women on all boards of statutory bodies, public sector companies, etc.

Under the Federal PSDP 2017-18 an amount of Rs.20 million was allocated for implementation of projects of human rights. Around Rs.20 million is estimated to be utilized during the year for the establishment of a “Helpline for Legal Advice on violation of human rights” by the Ministry of Human Rights. Prime Minister directed to ensure 50% participation of women in PM’s Youth Loan Schemes for the empowerment of women. Benazir Income Support Programme (BISP), a flagship social protection programme of the government is designed to provide social assistance to women. BISP also gives interest free financial assistance to the female beneficiaries under their Waseel-e-Haq (Micro-Finance) programme to start their own business. Only the women can be the recipient and solo proprietor of the business but they can authorize any member of their family to run the business on their behalf.
MASS MEDIA, CULTURE, SPORTS,
TOURISM AND YOUTH

The Mass Media & CSTY section is responsible for formulation and implementation of plans and strategies for public sector media development, preservation / conservation cultural heritage, strengthening / increasing the number of sports facilities and youth development through entrepreneurship and skill development. During the 2017-18, the Section examined and processed new development projects of 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 Sports Board (PSB), Pakistan National Council of Arts (PNCA), Pakistan Academy of Letters (PAL), Quaid-e-Azam Mazar Management Board, Department of Archeology & Museum (DOAM), National Book Foundation (NBF), National Library of Pakistan and Development Communication Project etc. Development projects costing Rs.8657.307 million were processed for consideration of the competent fora.

During 2017-18, the cumulative revised allocation for the development portfolio of Mass Media and CSTY sectors was Rs.3118.6 million against which an amount of Rs.1085.6 million was released and utilized.

Major Activities

The Section performed the following major activities during 2017-18:

- Mass Media & CSTY Section contributed to organization of the Summit & Expo held from 17th-19th August, 2017 in connection with Pakistan’s 70th Years Independence Celebrations. Chief, Mass Media & CSTY Section was member of Core Committee constituted under the Chairmanship of Secretary, M/o PD&R for successful organization of the summit and expo. Moreover, this section arranged anchor persons, 3-member band group
and 16 dancers for performance on this occasion in collaboration with M/o Information Broadcasting & National Heritage, Pakistan Television Corporation (PTVC) and Pakistan National Council of Arts (PNCA).

- The Section prepared two separate chapters on “Mas Media & Culture” and “Sports, Tourism & Youth” for Annual Plan 2018-19 and 12th Five Year Plan 2018-23.

- Mass Media & CSTY Section has been the Secretariat of Finance Committee for evaluation of Advertisement Printing and Production works Bills. The section arranged meetings of the committee, recorded minutes and also processed bills for payment.

**Appraisal of Projects**

During 2017-18, the Section examined, processed and prepared working papers of about 30 CDWP and DDWP level projects. Major projects include PTV Terrestrial Digitalization DTMB Demonstration Project, Strengthening of Sports Infrastructure, Construction of Boxing Gymnasium at Karachi and Quetta (Revised), Rehabilitation of Medium Wave Services from Muzaffarabad, Installation of 100 KWMW Digital Transmitter at Mirpur, Establishment of Sautul Quran FM Network – Phase-II and Replacement of synthetic hockey turf at six cities viz. Islamabad, Faisalabad, Wah Cantt, Peshawar, Quetta and Abbottabad etc. Officers of the section held a series of meetings with Sponsors and Executing agencies throughout the year to review each and every on-going project included in PSDP 2017-18 and new projects during the processing/approval phase.
Other Activities

The detail of other activities performed by the Section during 2017-18 is given below:

- Mass Media & CSTY Section proposed reforms of Pakistan Television Corporation (PTVC) and Pakistan Broadcasting Corporation (PBC) / Radio Pakistan which are attached departments of Ministry of Information, Broadcasting & National Heritage. These reforms suggested way forward for achieving self-sufficiency by these organizations.

- More than seventy (70) Pre-CDWP, Post-CDWP, DDWP meetings, IDWP, PSDP Review, Standing Committee of National Assembly and Senate, APCC and Library Committee meetings and miscellaneous internal meetings were attended in 2017-18.

- A major initiative under institutional and policy reform, the Section prepared a Performance Contract for the year 2018-19 which was signed by Chief Mass Media & CSTY and Secretary, M/o Planning Development & Reform.

- Proposals or re-appropriation from various projects were examined and recommendations were given accordingly.

- The Sponsors and Executing Agencies were provided guidance, advices and suggestions at the PC-I and PC-II preparation stages. Moreover, they were also helped in removing bottlenecks in project implementation and resolving various issues in on-going projects.

- Funds have been examined on various on-going projects and recommendations were given accordingly.
PILLAR-II
ACHIEVING SUSTAINED, INDIGENOUS AND
INCLUSIVE GROWTH
PERFORMANCE OF THE ECONOMY

Macroeconomic Section has been mandated to monitor macroeconomic indicators with a view to assess macroeconomic performance of the country and to assess policy decisions for sustained and inclusive economic growth.

Overview of Economic Performance during 2017-18

Pakistan’s economy maintained an upward momentum during 2017-18 with GDP growth rate of 5.79 percent, highest growth achieved in 13 years. Growth achieved during past year came on the back of strong performances in industrial and services sector, registering growth of 5.8 percent and 6.5 percent. Significantly exceeding sectoral growth rates achieved in previous year (i.e. 5.4 percent & 6.4 percent). Growth in Industry was highest in 10 years, whereas growth in agriculture achieved during past year (3.8 percent versus 2 percent achieved in 2016-17) was highest in 13 years and also exceeded the growth target of 3.5 percent set in preceding year.

Investment is prerequisite for achieving robust growth. Total Investment in Pakistan as percentage of GDP managed to grow by 0.3 percentage points, from 16.1 percent in 2016-17 to 16.4 percent in 2017-18. The growth in total investment remained modest and came mainly on the back of strong growth in Public Investment fostered by CPEC and other infrastructure, energy and social programmes; whereas growth in Private Investment remained below par and registered growth of 9.8%. Inflation for June to July in 2017-18, remained at 3.92 percent, 0.24 percentage points lower than inflation in previous year, showing reduced burden on consumer in form of low prices. After remaining at multi-decade low of 5.75 percent, policy rate in the second half of the 2017-18 was changed twice, indicating active response from central bank to changing local and global economic conditions. In January the policy rate was increased to 6 percent, and then increased again by 0.5 percentage points to end the fiscal year at policy rate of 6.5 percent.
Major Activities

The Section drafted chapter on Annual Plan 2017-18 where it provided review of economy for the preceding year and outlook for the coming year. It also worked on chapter on macroeconomic framework for 12th Five Year Plan. Growth projections, for economy as whole and for its various subsectors and other major components, which are central to annual as well as five year plans, were made using “macroeconomic projection framework”.

Macroeconomic Section monitored and regularly published a report on macroeconomic indicators every Monday highlighting a weekly position of major 43 indicators reflecting various aspects of state of economy. It regularly published a monthly report reviewing the economy and providing future outlook of the economy, replied to queries made by National Assembly/senate regarding state of economy and Vision 2025, prepared working paper for Annual Plan Coordination Committee (APCC) and summary for National Economic Council (NEC).

Macroeconomic Section organized a seminar on “accelerating growth for job generation”. Seminar was well received, and was attended by senior officers of many major ministries and stakeholders and prominent experts. Speakers invited for the seminar were Dr. Ishrat Hussain, Mr. Saud Bangash of Pakistan Business Council, and Dr. Sabur Ghayur, Chairman of Center for Labour Advocacy and Dialogue (CLAD).

Work in Progress

Currently, Macroeconomic Section is working on Construction of database that formally records the ever-changing position of major macroeconomic indicators with weekly, monthly, quarterly and annual frequencies. Exercise also involves compiling historical data going back to 10 years. Purported objective of generating database is to
trace historical trends and undertake more rigorous and objective economic analysis of the economy.

Besides preparing briefs for Monetary and Fiscal Policy Coordination Board, Macroeconomic Section also prepared “quarterly macroeconomic outlook” for Pakistan’s economy.

Macroeconomic Section organized the strategic review of National Economic Policies as directed by NEC; seven policies were reviewed in first round of appraisal.
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 2017-18, the Section completed a number of regular and special assignments.

Major Activities

- Prepared monthly reports on review of FBR’s tax collection, inflation including regional comparison, monetary developments and capital market developments.
- Prepared quarterly reports on review of consolidated fiscal developments.
- Represented the Ministry of PD&R in meetings of National Price Monitoring Committee (NPMC).
- Prepared working papers for meetings of Fiscal and Monetary Policies Coordination Board.
- Prepared material for working paper for Annual Plan Coordination Committee (APCC) and for summary for National Economic Council (NEC).
- Prepared material for Year Book 2016-17.
- Prepared comments on summaries for Council of Common Interests (CCI) and Economic Coordination Committee (ECC) of the Cabinet.
- Prepared material for evaluation of 11th Five Year Plan 2013-18 relating to its chapter on “Fiscal, Monetary and Capital Market Developments”.

Year Book 2017-18
• Completed other miscellaneous assignments which related to institutional and policy reforms, progress on relevant goal of Pakistan Vision 2025, ECO Annual Economic Reports 2016 and 2017, presentations to Secretary PD&R, research topic for National Defence University, brief on sectional assignments and job descriptions of officers, and material for newsletters of Planning Commission, etc.

Sectoral Overview

Fiscal Developments

During 2017-18, total revenue stood at Rs.5,228 billion, which registered a growth of 5.9 percent over total revenue of Rs.4,936.7 billion during 2016-17. Tax revenue stood at Rs.4,467.2 billion, recording a growth of 12.5 percent over the previous year. The FBR’s tax collection stood at Rs.3,842.1 billion with a growth of 14.1 percent. Non-tax revenue stood at Rs.760.9 billion, posting a decline of 21.4 percent.

Total expenditure during 2017-18 stood at Rs.7,488.4 billion, which registered a growth of 10.1 percent over total expenditure of Rs.6,800.5 billion during the previous year. Current expenditure grew by 12.6 percent whereas development expenditure declined by 6.5 percent due to a decline of 7.7 percent in expenditure through Public Sector Development Programme (PSDP). Federal PSDP spending fell by 20.6 percent while provincial ADP spending increased by 3.3 percent.

Fiscal deficit was registered at Rs.2,260.4 billion (6.6 percent of GDP) during 2017-18 as compared to Rs.1,863.8 billion (5.8 percent of GDP) during the previous year.

Monetary Developments

Broad money (M2) expanded by Rs.1,416 billion (9.7 percent) during 2017-18 as against its expansion of Rs.1,756 billion (13.7 percent) during 2016-17. This expansion reflects the contractionary monetary
policy whereby the record low policy rate of 5.75 percent was kept unchanged during first half of 2017-18. However, it was gradually increased to 6 percent in January 2018 and 6.50 percent in May 2018. Net Foreign Assets (NFA) of the banking system contracted by 134.8 percent (Rs.811 billion) in 2017-18 as against their contraction of 40.2 percent (Rs.406 billion) in 2016-17. This contraction was due to the current account deficit generated by growing imports and sharp increase in international oil prices. Net Domestic Assets (NDA) of the banking system increased by 15.9 percent (Rs.2,228 billion) as compared to their growth of 18.3 percent (Rs.2,162 billion) in 2016-17.

**Inflation**

Average CPI stood at 3.9 percent during 2017-18 as compared to 4.2 percent in 2016-17 and against the target of 6.0 percent for 2017-18. Average CPI remained at moderate level mainly due to low food inflation. Adequate stocks of wheat and sugar and smooth supply of perishables helped to maintain the food inflation at low level. Average WPI stood at 3.5 percent in 2017-18 as compared to 4.0 percent in 2016-17 while average SPI (for all income groups combined) declined from 1.8 percent in 2016-17 to 1.6 percent in 2017-18.

**Stock Market**

Pakistan Stock Exchange recorded an overall oscillating trend. The KSE-100 Index witnessed a declining trend till end October, 2017, rising tendency till March, 2018 and then downward till end June, 2018. The decline may be attributed to uncertain political environment. However, due to its potential, the market responded positively to every optimistic indication. As of July 1, 2017, the market capitalization was Rs.9.19 trillion whereas it declined to Rs.8.67 trillion by the end of June, 2018. It was 25.2 percent of GDP by end June, 2018, well below the developed stock markets (50 percent) which indicates the potential scope for further improvement.
PHYSICAL PLANNING AND HOUSING

Physical Planning & Housing Section is providing assistance to federal ministries as well as provincial and local government to ensure 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.

The PP&H Section formulates national plans, policies, strategies, besides, programming and budgeting of the programmes / projects relating to water supply, sanitation, urban development, urban renewal, slum up-gradation, housing, and development of Islamabad Capital Territory. In addition, PP&H Section carry-out technical appraisal of sectoral projects; submitted by Federal Ministries/ Divisions/Organizations and Provincial Governments for the consideration by Departmental Development Working Parties, Central Development Working Party and Executive Committee for National Economic Council.

Sectoral Overview

The process of urbanization and economic development in Pakistan has been mutually interdependent. As per population Census 2017, the urbanization has increased from 32.52% to 36.38 % during 1998 to 2017. Resultantly, the challenge of accommodating such a massive number of people in urban areas with adequate shelter, municipal services and recreation facilities has become more due to resource constraints. The urban planning and development is a provincial issue, however, considering the immense contribution of cities in national economic development Government of Pakistan is focusing to addressing the challenges of urbanization and suggest areas for reforms. The Vision 2025 aims at transforming our urban areas into creative, eco-friendly sustainable cities through improved city governance, effective urban planning, development of modern &
sustainable urban infrastructure to make urbanization an important driver of growth.

PSDP Allocation

During 2017-18, an amount of Rs.43.5 billion was allocated to different federal ministries and line departments for implementation of physical planning & housing sector programmes / projects. Major allocations were made to water supply and sanitation, construction of government offices, residential buildings, and housing projects. Provincial governments had also allocated substantial amount for the execution of projects relating to the sector, that is, Punjab Rs.73.9 billion, Sindh Rs.7.069 billion, Khyber Pakhtunkhwa Rs.18.16 billion, Balochistan Rs.7.21 billion and Azad Jammu and Kashmir Rs.1.52 billion.

Major Activities

In order to achieve objectives of the Vision 2025, various federal ministries and provincial departments prepared programmes/ projects for consideration by the Departmental Development Working Parties, Central Development Working Party and Executive Committee for National Economic Council. During 2017-18, PP&H Section arranged / participated in more than 300 meetings of Pre-CDWP, Post-CDWP and Policies / Projects’ Review, besides, 13 meetings of Central Development Working Party; 52 meetings of Departmental Development Working Party. In addition, PP&H Section also prepared sectoral chapters for inclusion Annual Plan, Public Sector Development Plan, Budget Speech, besides, providing technical assistance to various ministries / departments pertaining for preparation of programmes / project documents, besides, other implementation issues. Some important projects considered by the DDWP/CDWP/ECNEC include:

- Gwadar Smart City Master
- Gwadar Smart Environmental Sanitation System and Landfill Project
• 5-MGD Reverse Osmosis Sea Water Desalination Plant, Gwadar

• New Secretariat Block at F-5, Islamabad

• Necessary Facilities of Fresh Water Treatment, Water Supply and Distribution

• Water Distribution Network for RCB/CCB based on Khanpur Dam Water Source (Phase-III)

• Construction of Office & Residential Facilities for Frontier Corps Balochistan

• Construction of Office & Residential Facilities for FC Khyber Pakhtunkhwa

• Construction of Office & Residential Accommodation for GB Scouts

• Construction of ANF Police Station Sust

• R.O Plant (0.2 MGD), Business Complex, Gwadar

• Greater Karachi Water Supply Scheme (K-IV) Phase-II

• Greater Karachi Sewerage Plan (S-III)

• Construction of Regional Tax Office at Islamabad
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 facilitate informed decision-making in selection / approval of viable projects for socio-economic development of the country.

Major Activities

During the period from July, 2017 to June, 2018, Cost-Benefit Analyses of around 400 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 2016-17, 300 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. The Section also participated as a member in about 13 CDWP’s meetings and 238 pre/post CDWP meetings.
PUBLIC INVESTMENT AUTHORIZATION

The PIA Section is the main gateway for development projects in M/o PD&R and 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 Planning Commission for processing through the CDWP/ECNEC and circulate these schemes to the concerned technical sections of PC 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 are carried out by this Section. Follow-up of the CDWP and ECNEC decisions and issuance of authorization letters of the approved projects also falls within the domain.

The PIA Section also looks after policy and procedural matters pertaining to processing of development projects, sanctioning powers of various development for as and to render advices to ministries, divisions and provincial governments for smooth implementation of development procedure.

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 period from 1st April, 2017 to 31st March, 2018, 14 meetings of CDWP were held wherein 372 projects were considered. Out of which 218 projects were approved and 72 projects costing more than Rs.3 billion were recommended for consideration / approval of ECNEC being competent development forum for such projects. The
estimated cost of the approved projects was Rs.266.425 billion which was rationalized to Rs.244.649 billion.

During the period, 9 meetings of the ECNEC were held which considered 93 projects and approved 85 projects with the total financial outlay of Rs.1525.645 billion against submitted cost of Rs.1750.434 billion. The sector wise break up of approved projects by the CDWP and ECNEC is as under:

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

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Sector</th>
<th>No.</th>
<th>Estimated Cost (Rs Million)</th>
<th>Approved Cost (Rs Million)</th>
<th>No.</th>
<th>Estimated Cost (Rs Million)</th>
<th>Approved Cost (Rs Million)</th>
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<tr>
<td>1</td>
<td>Agriculture &amp; Food</td>
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<td>165.515</td>
<td>1,231.245</td>
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<td>-</td>
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<td>2</td>
<td>Culture Sport &amp; Tourism</td>
<td>06</td>
<td>6,938.525</td>
<td>6,788.869</td>
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<td>-</td>
<td>-</td>
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<tr>
<td>3</td>
<td>Devolution &amp; Area Dev.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>01</td>
<td>4,765.780</td>
<td>4,765.780</td>
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<td>1,071.907</td>
<td>01</td>
<td>3,570.00</td>
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<tr>
<td>5</td>
<td>Energy</td>
<td>10</td>
<td>14,887.439</td>
<td>13,051.676</td>
<td>14</td>
<td>169,287.09</td>
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<td>Environment</td>
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<td>293.052</td>
<td>01</td>
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<td>02</td>
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<td>Information Technology</td>
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<td>Industries &amp; Commerce</td>
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<td>1,476.468</td>
<td>01</td>
<td>5,775.00</td>
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<td>13</td>
<td>Manpower</td>
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<td>680.569</td>
<td>02</td>
<td>32,887.41</td>
<td>32,887.41</td>
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*Year Book 2017-18*
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Sector</th>
<th>Schemes approved by CDWP</th>
<th>Schemes approved by ECNEC</th>
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<tr>
<td></td>
<td></td>
<td>No.</td>
<td>Estimated Cost</td>
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<td>14</td>
<td>Physical Planning &amp; Housing</td>
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<td>Science &amp; Technology</td>
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<td>Transport &amp; Communications</td>
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<td>17</td>
<td>Water Resources</td>
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<td>14,732.555</td>
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<tr>
<td></td>
<td>Total</td>
<td>218*</td>
<td>266,425.277</td>
</tr>
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</table>

*includes new as well as revised projects.
**all ECNEC projects were approved at the recommendation of CDWP.

Besides the above, forty-four (44) concept clearance proposals were considered and accorded approval by the CDWP/Concept Clearance Committee during the same period. The proposals were received from different sponsoring agencies including Federal as well as Provincial Governments seeking foreign assistance through Economic Affairs Division to engage the development partners for project financing.
EXTERNAL SECTOR

International Trade & Finance Section deals with formulation of short, medium and long term plans/strategies in respect of balance of payments, external sector and export development. Moreover, projections and analysis for exports, imports, remittances, foreign direct investment and other components of balance of payments are also taken care of.

Sectoral Overview

Exports

Our exports (fob) during 2017-18 has rebounded and are recorded at US$ 24.8 billion which is 12.6 percent higher as compared to US$ 22 billion during 2016-17. The uptick in economic growth of our major exports destinations generated demand for our exports coupled with better domestic economic growth has boosted supply side and exportable surplus that enhanced our exports. The various other factors like Prime Minister's Exports Facilitation Package, increase in commodity prices in international market like cotton and rice, the depreciation of Pak Rupee and improved energy supply, better law & order situation, restored investors’ confidence boosted our exports.

Imports

Imports during 2017-18 are recorded at US$ 55.85 billion which is higher by 14.7 percent than US$ 48.68 billion registered in 2016-17. The rising imports can be attributed to high growth trajectory, CPEC and other developmental activities, the import of machinery with higher volumes i.e. machinery group imports increased by 20%, increase in the crude oil prices from 46.9 $ per barrel in July 17 to 74 $ per barrel in June 2018 leading to petroleum group imports growth of 25 percent, metal group imports growth of 30.3 percent and transport group growth of 21.3 percent. During 2017-18, additional imports of over US$ 7 billion have been recorded with food group contributing 1.1%, machinery group 18%, transport group 7.9%,
petroleum group 37.1%, agri. & other chemical 16.6% and metal group 15.5%.

**Trade Balance**

The deficit on trade in goods has widened by 16.5% during 2017-18 and stood at US$ 31.1 billion compared to US$ 26.7 billion during 2016-17. The faster increase in imports of 14.7% compared to an increase of 12.6% in exports has swollen the trade deficit.

**Workers’ Remittances**

Over the years workers' remittances have remained mainstay of our external sector. During 2017-18, workers' remittances rebounded and stood at US$ 19.6 billion, showing growth of 1.4 percent.

**Current Account Balance**

The current account deficit during 2017-18 has widened by 42.6 percent to US$ 17.99 billion as compared to US$ 12.62 billion in the previous year. The deficit on trade in goods has widened by 16.5% during 2017-18 and stood at US$ 31.1 billion compared to US$ 26.7 billion during 2016-17. The faster increase in imports of 14.7% compared to an increase of 12.6% in exports has swollen the trade deficit.

**Capital and Financial Accounts**

**Foreign Direct Investment**

Foreign Direct Investment (FDI) is an important source of non-debt creating foreign inflows. However, it almost remained stagnant at US$2.77 billion during the last two years. Amid the rising current account deficit and stagnancy in FDI, government has floated bonds of US$ 2.5 billion during 2017-18.
Foreign Economic Assistance

The foreign economic assistance disbursement during 2017-18 are recorded at US$ 8.4 billion from bilateral, multilateral and other agencies compared to disbursement of US$ 9.41 billion in 2016-17.

Foreign Exchange Reserves and Exchange Rate

The widening current account deficit amid insufficient financial inflows to finance the CA deficit, put pressure on SBP’s liquid foreign exchange reserves that declined by US$ 6.4 billion and Pak rupee recorded depreciation of over 10%.

In order to reduce current account deficit at sustainable level, we need to strengthen our efforts/measures to promote expansion/rebound in exports and to contain imports along with exploring new avenues for manpower exports for further increase in workers’ remittances.

Major Activities

- Worked out detail analysis of monthly, quarterly, biannual and annually review of exports, imports, remittances and foreign exchange reserves.

- Prepared briefs/presentations/talking points for high ups on external sector.

- ITF Section, Ministry of Planning, Development and Reform successfully organized 28th ECO Regional Planning Council (RPC) Meeting in Islamabad on 11-14 December 2017. In this regard, various activities were performed:
  - Coordinated the preparatory work of 28th RPC with ECO Secretariat, Permanent Mission of Pakistan at Tehran, Ministry of foreign Affairs and line Ministries.
- Coordinated and arranged preparatory meetings with line Ministries.
- Made logistics arrangements for 80 foreign delegates and extended full hospitality and facilitation to make the event successful.
- Carried out consultations with external sector dealing Ministries/Divisions/Organizations like M/o Commerce & Textile, Finance Division, Board of Investment, Economic Affairs Division, Ministry of Human Resource and Overseas Pakistanis and State Bank of Pakistan
- Based on input received from external sector agencies, prepared estimates of various core component of BoP for fiscal year 2017-18 and forecasts for 2018-19.
- Prepared working paper material on balance of payments for Agenda Item – I of Annual Plan Coordination Committee (APCC) and National Economic Council meetings.
- Drafted Chapter on Balance of Payments for 12th Five Year Plan (2018-23).
- Prepared a report on Export Promotion.
- Prepared various briefs / position papers on bilateral / multilateral issues / JMCs including material for Pakistan delegations attending meetings of UN-ESCAP, ADB, ECO, EU, SAARC, World Bank, IMF, China-Pak Economic Corridor and WTO.
- Participated in various inter-ministerial meetings on bilateral/multilateral/regional matters.
• Offered input/advice to Sections of M/o PD&R and the line Ministries/Divisions/Agencies on matters relating to international trade and finance.

• Drafted PC-I on “Promoting Public Private Partnerships in Public Sector Development Portfolio”.

• Drafted PC-I on “Capacity Building of Officers of Economists Group and Technical Sections, M/o PD&R”.

• Prepared analysis of GSP Plus Status of Pakistan, Potential of Food Exports to China etc.

• This Section is also looking after project titled “Support & Monitoring of High Impact New Initiatives Vision 2025”.

• Carried out regular liaison with concerned sections and Ministries / Divisions / agencies to review the progress on Pakistan Vision 2025 Goals.

• Arranged meetings to review progress made on goals of Pakistan Vision 2025 Goals and subsequent follow up action on the decisions.
PLAN COORDINATION

During 2017-18, the Plan-Coordination Section performed following activities:

Major Activities

Annual Plan Coordination Committee (APCC)

To finalize the proposed Annual Plan 2018-19, and PSDP 2018-19 along with the progress review of the PSDP 2017-18, the Annual Plan Coordination Committee (APCC) meeting was arranged by this Section on the 16th April, 2018. 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)

This Section forwarded agenda of the NEC meetings. Summaries on the agenda items were also forwarded to the Cabinet Division for further approval by the NEC.

Formulation of Annual Plan 2018-19

The Economic and Technical sections of the Ministry prepared and processed their respective chapters on economic and technical issues to include in Annual Plan 2018-19 for further approval of the National Economic Council (NEC) in its meeting held on 2018. In this regard, this 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 2018-19 was got published and 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 2016-17**

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 2016-17. After its approval, the Book was published and circulated among the quarters concerned.

**Senior Management Committee (SMC)/ Management Committee (MC)**

The PC Section was assigned to coordinate and organize meetings of SMC/MC 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/MC. SMC/MC meetings were organized during 2017-18. 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.

**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 2017-18 was provided to the Ministry of Finance.
- Organized meetings on “Restructuring of Ministry of Planning, Development and Reform”.

*Year Book 2017-18*
• 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 2017-18 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.

• IPC meetings – five Inter-Provincial Coordination Committee Meetings were held.
SPECIAL AREAS DEVELOPMENT

Special Areas i.e. Azad Jammu & Kashmir (AJ&K), Gilgit-Baltistan (GB) and Federally Administered Tribal Areas (FATA) are blessed with plenty of natural & human economic potentials which provide a base to accelerated development. Federal government in collaboration with local administration of these areas, is making its efforts to fully utilize these potentials and bring these less developed areas at par with other parts of the country.

During the 2017-18, projects were implemented in special areas for development of various sectors, i.e. education, health, infrastructure, tourism, physical planning & housing, skill development and other sectors. These projects are aimed at improving the living standard in special areas.

Sectoral Overview

During 2017-18, an amount of Rs.62.54 billion was allocated for Less Developed Special Areas. Out of total allocation, an amount of Rs.61.5 billion was earmarked as block allocation for development activities in three Special Areas, whereas an amount of Rs.1.04 billion was set aside for projects reflected under Ministry of Interior & Narcotics Control. Details of allocation & utilization for various agencies are given below:

<table>
<thead>
<tr>
<th>Areas</th>
<th>Allocation</th>
<th>Utilization</th>
<th>% of utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>FATA Block Allocation</td>
<td>24.50</td>
<td>24.50</td>
<td>100</td>
</tr>
<tr>
<td>AJ&amp;K Block Allocation</td>
<td>22.00</td>
<td>22.00</td>
<td>100</td>
</tr>
<tr>
<td>Gilgit-Baltistan Block Allocation</td>
<td>15.00</td>
<td>15.00</td>
<td>100</td>
</tr>
<tr>
<td>Interior Division (for area development)</td>
<td>1.00</td>
<td>1.00</td>
<td>100</td>
</tr>
<tr>
<td>Other Programmes (NCD)</td>
<td>0.04*</td>
<td>0.033*</td>
<td>81</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>62.54</strong></td>
<td><strong>62.53</strong></td>
<td><strong>99.9</strong></td>
</tr>
</tbody>
</table>

* Allocation & releases for rupee component

Source: Public Sector Development Programme (PSDP) 2017-18
Physical target achieved against block allocation in Special areas are described below:

**Azad Jammu & Kashmir (AJK):** In AJ&K, ADP 154 development projects were completed through block allocation. Through these development activities 100 km of rural, 125 km double lane and 478 km link roads, 500 irrigation channels repaired/constructed. 10 tourist resorts, 2 sports stadiums, 1 polytechnic institutes have been constructed/established. Electricity connections were provided to 6700 consumers. Skills training were imparted to 600 individuals including 300 women. A total of 121 educational buildings have been constructed/ upgraded and IT labs were established in 200 middle and high/higher secondary schools.

**Federally Administered Tribal Areas (FATA):** In FATA ADP, allocated amount has been distributed amongst 15 different sectors spread over 7 Agencies and 6 Frontier Regions. During the CFY 354 schemes under various sectors are fully funded for completion. For early completion of development projects in FATA 70% funds of FATA ADP had been allocated to 709 ongoing schemes and remaining 30% funds were provided to 394 new schemes. 187 projects of education sector, 122 health, 105 Public Health Engineering, 158 Communication, 71 Housing, 28 power, 53 rural development and 76 projects in irrigation sector has been executed through block allocation of FATA. FATA Administration has also been facing the challenge of reconstruction and rehabilitation of Temporarily Displaced Persons (TDPs), which remained priority during 2017-18. Rs.90 billion was allocated for rehabilitation of TDPs in PSDP.

**Gilgit Baltistan (GB):** 350 development projects in various sectors were completed, which includes construction of 225 Km new shingled roads, 30 Km metalled roads, 3 RCC bridges, 6 Water Supply schemes and construction of 40 KM irrigation channels. In education sector, labs & libraries facilities have been provided in 20 colleges and 123 Secondary /Higher Secondary Schools. Further 547 scholarships awarded to medical and engineering Students. In health sector 60 dispensaries and 7 hospitals have been established/ upgraded. During the year 8 number of power projects having a capacity of 3.6 MW
have been completed and added in the system to overcome the power shortage.

In addition to block allocation, 3 Area Development projects are being implemented under Narcotics Control Division (NCD). These schemes aim to eliminate poppy cultivation and other illicit trades in remote areas, through making these areas accessible to local administration. Under these projects, 35 km rural roads, 10 irrigation schemes, 14 water supply schemes have been constructed and agricultural inputs have been distributed among the farmers.

**Major Activities**

During 2017-18, 2 Pre-CDWP meetings were arranged by the section to discuss development projects before presenting at CDWP forum. Material/presentation for 6 meetings of Senate Functional Committee on Problems of Less Developed Areas was prepared and presented, and 2 queries of National assembly regarding development process in less developed areas were replied. Annual Plan chapter on “Balanced Development, Focus on Less Developed Regions” was prepared. The material for PSDP 2018-19 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 involves interaction of public, private, corporate sectors, and civil society. It shares responsibility for management of sound development by addressing the issues of transparency, openness, accountability, rule of law, participation, and predictability. It is not limited to a single sector or a single stakeholder but is rather a cross cutting, requiring uniform strategies and joint actions of multiple stakeholders. Governance provides the system in which people have access to justice and the writ of law is enforced. It is critical to the successful achievement of the strategic thrust, policies, programmes, targets of the government, and is prerequisite for economic growth and development. As growth generates income, good governance trickles this effect down to the masses, particularly to the poor. Responsibility of the State is to create conducive political, legal and economic environment for building individual capabilities and encourage private initiatives. While the market is expected to create opportunities for people, role of civil society is to facilitate. Furthermore, effective political and administrative institutions/structures and a robust civil society are essential to promote democratic governance as these institutions facilitate peoples’ participation in economic, social, and political activities. Good public policies are central to well-functioning economies. Better policies on innovation, combined with high-quality regulations and a more efficient public administration, can help for creating jobs, boost economic growth and support development.

The Vision 2025 provides a realistic and sound framework for meeting the challenges faced by the government. It provides a strategic direction to the economy and transforms Pakistan into next Asian Tiger. The Vision also recognizes democratic governance, institutional reform and modernization of public sector as one of the seven pillars of development and growth framework. The governance reform agenda emphasis on new paradigm i.e. improving governance, strengthening institutions, fostering markets and initiating reforms in the areas of performance evaluation, service delivery, civil service, judicial, systems and procedures, tax administration, procurement,
financial management, police, e-governance, open government, enforcing property rights, and Public Sector Enterprises. This is being done by building consensus on major national issues and bringing a real change in institutions, political culture and socio-economic conditions in the country. Therefore, development activities under the governance sector revolve around knowledge management, organizational restructuring, institutional reforms, judicial reforms, law & order, professional development, and service delivery as these factors are critical for sustainable development and alleviation of poverty.

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

**Major Activities**

The government has undertaken number of initiatives to improve governance indicators. An amount of Rs.6.75 billion was allocated in PSDP 2017-18 for the governance sector development schemes against which an amount of Rs.5.9 billion was utilized. There were 48 ongoing and new projects/schemes with the cost of Rs.88.327 billion in the Governance Sector. During the year, 18 projects were processed/presented including 8 new projects with DDWP, CDWP and ECNEC, and 20 pre-CDWP meetings were arranged. Working papers/Minutes of the DDWPs, Pre-CDWPs, CDWP and post-CDWP were prepared. The details of some key initiatives of Section are as under:

- Summary containing proposals on Civil Service Reform was prepared and a comprehensive presentation to the Prime Minister was made on reform.
• To encourage participation of youth in national mainstream especially from less privileged regions, upper age limit for CSS Examination was increased from 28 years to 30 years.

• The course duration for Senior Management Course (SMC) has been reduced to 16 weeks from 20 weeks and National Management Course (NMC) duration has been reduced from 22 weeks to 18 weeks.

• Promotion criterion has been revised by enhancing weightage of Training Evaluation Report (TERs) from 15% to 35%.

• Survey around critical public services to measure performance of government has been completed.

• Training Need Assessment of NSPP has been initiated and is under process.

• For capacity building of Civil Servants, BCURE training programme for NSPP courses (i.e. MCMC, SMC and NMC) has been reintroduced/launched.

• Executive Leadership and Management training for 100 officers was conducted to enhance capacity of different Ministries/Divisions.

• Management Position Scales and Project Pay Scales have been revised.

• Performance Contracts of eleven Ministries/Divisions were prepared.

• Performance Contracts of the MoPDR Sections have been signed between Secretary, MoPDR and Sections heads.

• Draft Chapter on 12th Five Year Plan was prepared and preliminary consultative meetings with key stakeholders were
undertaken. In addition, review of 11\textsuperscript{th} Plan was also undertaken.

- Three Provincial Consultative Workshops on Civil Service Reforms were arranged in provincial capitals including Karachi, Gilgit and Muzaffarabad which were attended by the Ministers, Chief Secretary, Secretaries and other Senior Officers of the provincial governments.

- Model Police Stations project sponsored by Ministry of Interior is under implementation. Facilitation centres have been established to provide police services out of police stations.

- Federal Ombudsman’s Grievance system was strengthened in the Ministry to address complaints against maladministration effectively.

- The concept clearance proposal titled “Own Source Revenue Generation under Revenue Generation and Resource Management Programme” sponsored by Finance Department, Government of Khyber Pakhtunkhwa was approved by the CCC.

- A project titled “Enhancing Public Private Partnership (PPP) in Punjab Programme” was initiated to promote public private partnership. The programme will help in sustaining economic growth, generate higher economic activities and social up-lifting of the people through enhanced public sector delivery.

- Two days workshop on “Development of Pakistan Productivity, Quality & Innovation” was organized in collaboration with National Productivity Organization.

- Hiring of fourth batch of forty (40) Young Fellows was completed under the project titled “Young Development fellows Programme”
PROJECTS WING

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

Planning Commission has established Projects Wings having qualified personnel for monitoring and evaluation of the projects / Programmes. Projects are selected on the basis of their strategic nature, i.e. near to completion, national importance, sick and foreign funded projects.

Major Activities

Planning Commission through the Project Wings has adapted the result based monitoring of development projects / programmes. The Wing has monitored more than 3000 projects during the last five years. However, during 2017-18, 220 development projects for monitoring are selected for monitoring. Out of these 125 projects have been monitored, Sector wise detailed progress of the monitored projects is as follows:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Projects to be monitored (Target)</th>
<th>Projects Monitored (Achievement)</th>
<th>Allocation of Projects Monitored (Rs. million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infra</td>
<td>125</td>
<td>69</td>
<td>Rs.197,684.35</td>
</tr>
<tr>
<td>Social</td>
<td>63</td>
<td>36</td>
<td>Rs.11,438.00</td>
</tr>
<tr>
<td>Other</td>
<td>32</td>
<td>20</td>
<td>Rs.26,496.37</td>
</tr>
<tr>
<td>Total</td>
<td>220</td>
<td>125</td>
<td>Rs.235,618.72</td>
</tr>
</tbody>
</table>
Based on monitoring following issues have been identified:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Issue</th>
<th>Number of Projects</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Delay in Civil Works</td>
<td>33</td>
<td>26.40%</td>
</tr>
<tr>
<td>2</td>
<td>Management Capacity</td>
<td>28</td>
<td>22.40%</td>
</tr>
<tr>
<td>3</td>
<td>Inadequate Release of Funds</td>
<td>24</td>
<td>19.20%</td>
</tr>
<tr>
<td>4</td>
<td>Delay in Procurement</td>
<td>9</td>
<td>7.20%</td>
</tr>
<tr>
<td>5</td>
<td>Law &amp; Order Issue</td>
<td>7</td>
<td>5.60%</td>
</tr>
<tr>
<td>6</td>
<td>Lack of Coordination between Federal and Provincial Governments</td>
<td>6</td>
<td>4.80%</td>
</tr>
<tr>
<td>7</td>
<td>Other Issues</td>
<td>6</td>
<td>4.80%</td>
</tr>
<tr>
<td>8</td>
<td>Delay in land Acquisition</td>
<td>5</td>
<td>4.00%</td>
</tr>
<tr>
<td>9</td>
<td>Delay in recruitment</td>
<td>3</td>
<td>2.40%</td>
</tr>
<tr>
<td>10</td>
<td>Delay in Tendering</td>
<td>2</td>
<td>2.40%</td>
</tr>
<tr>
<td>11</td>
<td>Projects with no major issue</td>
<td>2</td>
<td>1.60%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>125</strong></td>
<td></td>
</tr>
</tbody>
</table>

Above bottle necks can be removed by implanting integrated Result Based Monitoring (RMB)

**Other Activities**

Upon the directives of CDWP / Deputy Chairman / Secretary MoPD&R, special monitoring of the following projects was carried out:

- Thakot to Havelian 118 KM (Land) (Phase-I) (CPEC)
- Gwadar - Turbat - Hoshab Section (200Km) of Gwadar-Ratodero Road (892 Km) M-8 including Khuzdar- Shahdadkot-Ratodero (143 km) (Gwadar, Turbat, Khuzdar in Balochistan and Kamber, Shahdadkot & Larkana in Sindh)
• 6th STG FESCO, LESCO and MEPCO (not included in PSDP 2017-18)

• Necessary Facilities of Fresh Water Treatment, Water Supply and Distribution Gwadar (CPEC)

Evaluation of Development Projects

Evaluation Section of the Wing undertakes evaluation of development projects to assess their efficiency, effectiveness, impact and sustainability in relation to the planned targets and objectives mentioned in PC-1. During the year 2017-18, against a target of 10 projects, six projects having total cost of Rs.10,727.852 million were evaluated. The recommendations of the reports shared with all stakeholders will be kept in mind in executing future projects.

Management Information System (MIS)

Project Monitoring and Evaluation System (PMES) Operations

• **Training Session:** PMES trainings to all Ministries have been re-conducted and it is a regular feature for newly appointed Project Directors of PSDP projects. In this connection, 11 full time trainings Session were conducted for ministries including Railways, HEC and Maritimes.

• **In House Training:** In house training on use of PMES to the visiting Project director’s / Focal Persons of PSDP Projects. Approximately more than 40 trainings have been conducted in 2017-18.

• **Data Updation:** As per the direction of Prime Minister Office project wing is continuously notifying the Project Directors and Focal Persons (via email, letters and SMS) of all ongoing projects to get the information updation in PMES regularly. So
far around 400 projects’ progresses were updated in PMES and project profiles.

- **Data Entry:**
  - 233 new Project Profiles were received entered in PMES
  - Alteration in existing Project Profiles
  - Entry of Monitoring Reports on the request of Monitoring Officers / CMO

- **Coordination within Projects Wing:** Help Desk: MIS staff provides help services and guidance to all PMES’s user throughout the year via telephonic calls, emails and written correspondences. The main objective is to motivate PMES’s users to interact with the system more frequently and efficiently.

- **SMS Notification:** A dedicated module was developed by MIS Section to send automatically notifications to Project Directors for data updation in PMES and One Pager. The module is self-capable to identify the missing progress for any specific project and send a reminder SMS to Project Directors for progress updation of current month. Similarly, the same module is also equipped to send ministry wise status to Focal Person of their ministry.

- **PMES Software Modification:** MIS Section has altered few interfaces of PMES as per requirements. Using existing GUI, MIS Section has managed to develop a new tracking module within PMES to handle Project Profiles’ documentation of every single project. This module is useful for tracking documentation like, Admin Approval, Authorization Letter, Project Profile and PC-1 copy of any specific project.
Dashboard/ One Pager Module

MIS Section has developed and deployed One Pager and Online Dashboard for PSDP projects. Following three different interactive dashboards are accessible to top level management:

- Ministry Wise
- Section Wise
- Province Wise

PMES Server Maintenance

- Hardware maintenance, trouble shooting, management and configuration
- Application configuration and management, troubleshooting report server, exceptions creation and removal of other application bugs
- Database server backup (regular activities)

Projects Wing Support

- Network Support to Projects Wing like, Router, switches (Regular activities)
- Smooth and regular Internet availability to Projects Wing
- Domain proxy server maintenance and management on regular base
- DHCP Server installation configuration and management
- Operating System, MS office and other software installation and troubleshooting of more than 50 times every month
• Hardware support and maintenance in-house trouble shooting of more than 50 times

• Hardware repairing of more than 20 items (CPU's 7, printer 7, HDD, Laptops, Domain server)

• Help Desk support to Projects Wing in OS, Software, Hardware, PMES access and data entry on regular basis approximately 15 daily tasks.
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 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 PD&R Division, PIDE as well as the NFDC building. PPMI through a project and its subsequent phases has been able to construct facilities comprising of an institute building and a hostel building.

Major Activities

PPMI organized twenty-two (27) regular and twelve (8) customized training courses from July 2017 to June 2018.
Target and Achievement regarding training courses during 2017-18 are as under:

<table>
<thead>
<tr>
<th>Period</th>
<th>Target No. of Courses</th>
<th>Achievement No. of courses</th>
<th>Target No. of Participants</th>
<th>Achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2017 to June 2018</td>
<td>27</td>
<td>27 Regular 27 Customized 08 Total</td>
<td>1100</td>
<td>1736</td>
</tr>
</tbody>
</table>

Detail of training courses and participants

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Course Name</th>
<th>Dates</th>
<th>No. of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Public Procurement Rules (Customized)</td>
<td>10-11 July, 2017</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>Project Preparation and Management in Public Sector</td>
<td>17-21 July, 2017</td>
<td>73</td>
</tr>
<tr>
<td>3</td>
<td>Baluchistan Journalists Training Workshop (Customized)</td>
<td>26 July, 2017</td>
<td>31</td>
</tr>
<tr>
<td>4</td>
<td>MS Project</td>
<td>26-28 July, 2017</td>
<td>51</td>
</tr>
<tr>
<td>5</td>
<td>Human Resource Management in Public Sector</td>
<td>08-11 August, 2017</td>
<td>67</td>
</tr>
<tr>
<td>6</td>
<td>Project Appraisal and Risk Management</td>
<td>22-25 August, 2017</td>
<td>56</td>
</tr>
<tr>
<td>7</td>
<td>PC-I and PC-II Preparation</td>
<td>28-31 August, 2017</td>
<td>74</td>
</tr>
<tr>
<td>8</td>
<td>Methods for Monitoring &amp; Evaluation</td>
<td>19-22 September, 2017</td>
<td>62</td>
</tr>
<tr>
<td>9</td>
<td>Development of Key Performance Indicators (KPIs)</td>
<td>27-29 September, 2017</td>
<td>54</td>
</tr>
<tr>
<td>10</td>
<td>Poverty Estimation - STATA Workshop II (Customized)</td>
<td>2-6 October, 2017</td>
<td>25</td>
</tr>
<tr>
<td>11</td>
<td>Time Management</td>
<td>04-06 October, 2017</td>
<td>51</td>
</tr>
<tr>
<td>12</td>
<td>Project Discipline</td>
<td>10-13 October, 2017</td>
<td>36</td>
</tr>
<tr>
<td>13</td>
<td>Contract Management</td>
<td>17-20 October, 2017</td>
<td>61</td>
</tr>
<tr>
<td>Sr. No.</td>
<td>Course Name</td>
<td>Dates</td>
<td>No. of Participants</td>
</tr>
<tr>
<td>---------</td>
<td>-----------------------------------------------------------------------------</td>
<td>--------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>14</td>
<td>3rd Capacity Building Journalists Workshop <em>(Customized)</em></td>
<td>25th October, 2017</td>
<td>24</td>
</tr>
<tr>
<td>15</td>
<td>Managing Legal Affairs/Issues in Government Departments</td>
<td>07-10 November, 2017</td>
<td>71</td>
</tr>
<tr>
<td>16</td>
<td>Dealing Tax Matter in Government Departments</td>
<td>15-17 November, 2017</td>
<td>57</td>
</tr>
<tr>
<td>17</td>
<td>MS Project</td>
<td>22-24 November, 2017</td>
<td>48</td>
</tr>
<tr>
<td>18</td>
<td>Project Monitoring and Evaluation System (PMES) Software for PSDP</td>
<td>27-28 November, 2017</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td>Founded Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Public Procurement Policies and PPRA Rules</td>
<td>05-08 Dec, 2017</td>
<td>77</td>
</tr>
<tr>
<td>20</td>
<td>Project Management (PC-I – PC-V)</td>
<td>18-22 Dec, 2017</td>
<td>80</td>
</tr>
<tr>
<td>21</td>
<td>3rd Research Officers/Assistant Chiefs Induction Training Programme</td>
<td>28th December, 2017 – 22nd February, 2018</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td><em>(Customized)</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Performance Management in Public Sector Organizations</td>
<td>09-12 Jan, 2018</td>
<td>50</td>
</tr>
<tr>
<td>23</td>
<td>Project Preparation and Management in Public Sector</td>
<td>22-26 Jan, 2018</td>
<td>82</td>
</tr>
<tr>
<td>24</td>
<td>Project Monitoring &amp; Evaluation System (PMES) for Project Directors PSDP</td>
<td>30th January, 2018</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Funded Project M/o PD&amp;R <em>(Customized)</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Primavera (Project Management Software)</td>
<td>06-09 Feb, 2018</td>
<td>71</td>
</tr>
<tr>
<td>26</td>
<td>Human Resource Management in Public Sector</td>
<td>20-23 Feb, 2018</td>
<td>73</td>
</tr>
<tr>
<td>27</td>
<td>Young Development Fellows (YDF) Training Programme <em>(Customized)</em></td>
<td>6 -7 March, 2018</td>
<td>33</td>
</tr>
<tr>
<td>28</td>
<td>Financial Management Procedures/Policies in Public Sector</td>
<td>06-09 Mar, 2018</td>
<td>56</td>
</tr>
<tr>
<td>29</td>
<td>Development of Key Performance Indicators (KPIs)</td>
<td>20-22 Mar, 2018</td>
<td>72</td>
</tr>
<tr>
<td>30</td>
<td>Dealing Tax Matter in Government</td>
<td>28-30 Mar, 2018</td>
<td>47</td>
</tr>
<tr>
<td>Sr. No.</td>
<td>Course Name</td>
<td>Dates</td>
<td>No. of Participants</td>
</tr>
<tr>
<td>--------</td>
<td>-------------------------------------------------------</td>
<td>------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>31</td>
<td>Methods for Monitoring &amp; Evaluation</td>
<td>04-07 Apr, 2018</td>
<td>13</td>
</tr>
<tr>
<td>32</td>
<td>Project Management (PC-I – PC-V)</td>
<td>16-20 Apr, 2018</td>
<td>27</td>
</tr>
<tr>
<td>33</td>
<td>Time Management</td>
<td>02-04 May 2018</td>
<td>29</td>
</tr>
<tr>
<td>34</td>
<td>Public Procurement Policies and PPRA Rules</td>
<td>07-10 May, 2018</td>
<td>45</td>
</tr>
<tr>
<td>35</td>
<td>Accounts/Audit and Prudent Financial Management (Customized)</td>
<td>7 – 9 May, 14(^{th}) &amp; 16(^{th}) May, 2018</td>
<td>18</td>
</tr>
</tbody>
</table>

**Total Number of Participants** 1736
PILLAR-IV
ENERGY, WATER AND FOOD SECURITY
ENERGY

Energy Wing coordinates with various organizations like Ministry of Energy (Petroleum Division) 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 Resources, 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 2017-18

An amount of Rs.397.908 billion was allocated in PSDP for various Energy projects for 2017-18 of the Ministry of Energy (Power/Petroleum Division), Ministry of Water Resources, Ministry of Kashmir Affairs & Gilgit Baltistan and Pakistan Atomic Energy Commission.

Sectoral Overview

- A total of 5,758 MW against the target of 6,736 MW has been actualized/commissioned during the year. The additional power generation comprised of about 50 percent in renewable energy and 2,000 MW imported coal-based power plants under CPEC.

- During 2017-18, the NTDC transmission system has been strengthened by an addition of

- 2,700 MVA and 4,340 MVA on 500 kV and 220 kV systems respectively for evacuation of additional power to the National Grid. The existing transmission lines were extended by1,157 km and 372 km on 500 kV & 220 kV respectively.

- A total of 16765 villages were electrified and 1.445 million connections were added. In addition, 132 kV lines extended
by 358 km. Further, to cope with increasing power demand, all Distribution Companies (DISCO’s) enhanced their capacities through implementation of Secondary Transmission and Grid (STG), Distribution of Power (DOP) and Energy Loss Reduction (ELR) programmes.

- During 2017-18, annual production of crude oil was 32.88 million barrels against target of 35.45 million barrels showing 92.75% achievement. The domestic production of natural gas was 1.48 trillion cubic feet (TCF) against target 1.51 trillion cubic feet showing 98.0% achievement. The Liquefied Petroleum Gas (LPG) production of 800,000 tons surpasses the target of 750,000 tons.

- About 1 Billion cubic feet gas per day through import of LNG added in the sui systems during 2017-18. Due to supply of regasified LNG into the system, almost all the sectors received enhanced gas supply particularly Compressed Natural Gas (CNG) sector.

- In February 2018, new construction phase from Afghanistan to Pakistan under Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project of 56-Inch dia, 1,680 km length and gas volume of 3.2 billion cubic feet of natural gas per day (bcfd) launched in Turkmenistan.

- At Thar Block-II, under the joint venture project, between GoS and Engro Group, the Sindh Engro Coal Mining Company (SECMC) achieved mine target depth of about 140 m and hit coal seam.

- Geological Survey of Pakistan completed Project titled “Exploration of Tertiary Coal (TCP)” in Central Salt Range Punjab, Pakistan” during 2017-18
Prepared Working Papers along with Economic and Financial appraisal for CDWP and arranged Pre-CDWP meetings of the following projects:

- Up gradation / Extension of NTDC’s Telecommunication and Scada system
- Establishment of new 132 kV grid station Puran, Tehsil Martung
- Solar Campus-Pakistan Institute of Development Economics (PIDE)
- Evacuation of Power from 1224 MW Wind Power Projects at Jhimpir Clusters
- Electrification works at different valleys Distt. Chitral
- Pre-project Site Studies and Development for Nuclear Power Projects (Phase-I)
- 26 MW Hydro Power Project Shagarthang, Skardu (2nd Revised)
- 30 MW Hydro Power Project Ghowari
- 32.5 Hydropower Project at Attabad Hunza
- Chashma Nuclear Power Project Units 3 and 4 (C-3 & C-4)
- Dargai Hydro Electric Power Station
- Establishment of new 132 kV grid station Puran, Tehsil Martung
- Mohmand Dam Hydropower Project (800 MW)
- Evacuation of Power from 1410 MW Tarbela 5th Extension Hydro Power Project

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• 220 kV Jamrud substation along with associated 220 kV transmission line

• Distribution of Power (DOP) MEPCO

• Energy Loss Reduction (ELR) MEPCO

• 7th Secondary Transmission Lines and Grid Stations (STG) project MEPCO

• Implementation of integrated solution to improve productivity and control in NTDC by Enterprise Resource Planning (ERP) system

• Evacuation of Power from Suki Kinari, Kohala & Mahl Hydro Power Projects in Northern areas

• Interconnection of Isolated Gwadar / Makran area with National Grid system of Pakistan.

• 7th Secondary Transmission Lines and Grid Stations (STG) project IESCO

• Evacuation of Power from 2160 MW Dasu Hydro Power Project (Stage-I)

• Construction of 132 KV Grid Station at Sunny and 132 kV SDT Bagh-Sunny Transmission Line (Revised PC-I).

• 220 kV Mastung Substation along with 220 kV Sibbi – Mastung – Quetta – Loralai Double Circuit Transmission Lines

• Construction of 33 kV substation at Do Sarka and 26 km 33 kV HT line from 132 kV Grid station Loralai

• Evacuation of power from 1230 MW RLNG Power Plant near Trimmu, Jhang

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• Feasibility Study i Developing Mechanism for Tariff based Bidding of Hydropower Projects. ii. Review of Feasibility Studies for Hydropower projects through local and foreign experts. iii. Capacity Building of PPIB employees

• 7th Secondary Transmission Lines & Grid Stations 2016-2021 (QESCO)

• Power Distribution Expansion in Baluchistan (DOP-2)

• Energy Loss Reduction (ELR-2) in Baluchistan

• Establishment of Regional Grid in Gilgit – Baltistan Phase-I

• Electrification of Different Union Councils of District Killah Abdullah

• Evacuation of Power from 300 MW Solar Plants near Chishtian

• Hiring Consultancy Services for Third Party Validation of Neelam Jhelum Hydropower Project (3rd Revised PC-I)

• Installation of Pilot Battery Energy Storage System (BESS) at 220 kV Jhimpir-I Grid Station

• Capacity Building of Azad Jammu & Kashmir Power Development Organization

• Conversion of Existing 10,000 Electric Operated Tube wells in Baluchistan to Solar in Phase-I

• Construction of 132 kV Grid Station at Mashkay & 132 kV STD Nal – Mashkay Transmission Line (120 km)

• Sindh Solar Energy Project (SSEP) financed by the World Bank 95.3% and Government of Sindh 4.7%
• PC-I Expansion and Up-gradation of Pakistan Petroleum Core house (PETCORE) for its Sustainability Operations to facilitate Oil & Gas Exploration Research in Pakistan.

• Kaleri Project, Pakistan Atomic Energy Commission (PAEC).

• Badin Coal Project, Geological Survey of Pakistan (GSP), Ministry of Energy (Petroleum Division) for time extension of two years, GSP, June 2017 to June, 2019.

Energy Wing has prepared Summary/Presentation for ECNEC in respect of the following projects:

• Up gradation / Extension of NTDC’s Telecommunication and Scada system

• Evacuation of Power from 1410 MW Tarbela 5th Extension Hydro Power Project

• Evacuation of Power from Suki Kinari, Kohala & Mahl Hydro Power Projects in Northern areas

• 220 kV Jamrud substation along with associated 220 kV transmission line

• Distribution of Power (DOP) MEPCO

• Energy Loss Reduction (ELR) MEPCO

• 7th Secondary Transmission Lines and Grid Stations (STG) project MEPCO

• 26 MW Hydro Power Project Shagarthang, Skardu (2nd Revised)

• 30 MW Hydro Power Project Ghowari

• 32.5 Hydropower Project at Attabad Hunza
• Chashma Nuclear Power Project Units 3 and 4 (C-3 & C-4)
• Dargai Hydro Electric Power Station
• Mohmand Dam Hydropower Project (800 MW)
• Construction of 132KV Grid Station at Mashkay and allied 132KV SDT Nal- Mashkay Transmission line (120)
• Capacity Building AJK hydroelectric board (Revised PII)
• Sindh Solar Energy Project (SSEP) Sindh Province
• Working group prepared for Energy sector
• 220 KV Punjab University Grid Station along with Associated Transmission line
• 220KV Zero Point Grid station at Islamabad
• Construction of 132 KV Grid Station at Splinji and Allied 132 KV STD Darwaza –Splinji Transmission line (65KM)
• 220 kV Jamrud Substation along with Associated 220 kV Transmission line
• Evacuation of Power from 1224 MW Wind Power Projects at Jhimpir Clusters
• Implementation of integrated solution to improve productivity and control in NTDC by Enterprise Resource Planning (ERP) system
• 7th Secondary Transmission Lines and Grid Stations (STG) project IESCO
• Evacuation of Power from 2160 MW Dasu Hydro Power Project (Stage-I)
• 220 kV Mastung Substation along with 220 kV Sibbi – Mastung – Quetta – Loralai Double Circuit Transmission Lines

• Evacuation of power from 1230 MW RLNG Power Plant near Trimmu, Jhang

• Installation of Pilot Battery Energy Storage System (BESS) at 220 kV Jhimpir-I Grid Station

**Follow-up Meetings**

In compliance to the decision of the CDWP meeting held on 12-02-2018, a review meeting was held under the Member (Energy) in the Energy Wing and the following project was discussed in the meeting:

Developing mechanism for tariff-based bidding of hydro power projects

• Review of feasibility studies for hydro power projects through local and foreign experts

• Capacity building of PPIB employees

Energy Wing offered its technical input on the following Summaries of ECC:

• Extension in Financial Closing Date for +- 660kV HVDC Matiari to Lahore Transmission Line Project.

• Revocation of Neelum Jhelum surcharge @ Rs.0.10/kwh

• Approval for Necessary Amendments Required in the ECC Approved Supplemental Agreement to Implementation Agreement (SAIA) for CPEC Project

• Subsidy for agricultural tubewell consumer in Balochistan 2017-18

• National Economic Council on National Framework for Achieving Sustainable Development Goals (SDGs)
• Revocation of Neelum Jhelum Surcharge @ Rs0.10/Kwh

• Approval of Implementation Agreement, Power Purchase Agreement & Reimbursement Agreement for 1263.2 MW RLNG Based Public Sector Power Generation Project Near Trimmu Barrage District Jhang, Punjab By Punjab Thermal Power (Pvt) Ltd.

• Power Sector Payables

• Syndicated Term Finance Facility of Rs.80 Billion for Power Holding (Private) Limited for Power Sector Liquidity.

• Approval of Implementation Agreement, Power Purchase Agreement & Reimbursement Agreement For 1263.2 Mw RLNG Based Public Sector Power Generation Project Near Trimmu Barrage District Jhang, Punjab By Punjab Thermal Power (Pvt) Ltd.


• Approval of Issuance of GoP Sovereign Guarantee Against Financing Facility of Rs.13,132 Million from Local Banks for Evacuation of Power From 1320 MW Imported Coal Based Power Plant at Hub - Summary For ECC

• Allocation of Gas from Mamikhel & Maramzi Fields

• Marketing of Diesel Oil Conforming to Euro- IV and Euro -V Specifications under Deregulated Environment

• Re-Allocation of OGDCL’s Jhal Magsi Gas

• Extension in the period of Kandra Field Development and Production Lease (Relaxation of Rule 43 of the Pakistan Petroleum and Exploration Rules 1986)
- Allocation of Gas from Shahdadpur, Shahdadpur East and Shahdadpur West Development & Production Leases (D & PL)
- Petroleum Product JP-8 Pricing Formula
- Machike-Tarujabba Oil Pipeline Project
- Approval of LPG Air Mix projects
- Exemption from rules 43 of 1986 Rules- Development and Production Leases Over Sara and Suri Fields
- Approval of Field Development Plan and Grant of Development and Production Lease (Mubarak Block No. 2769-4 and Gambat Block No. 2668-4 Tajjal and Saqib 1A Gas discoveries Respectively)
- Allocation of Gas from Ayesha North and Aminah Gas fields in Badin-IV south Block
- Allocation of Gas from Makori Deep Field
- Financing of the 1.2 BCFD capacity RLNG-III pipeline project (Karachi to Lahore) to be undertaken by M/s SSGCL and SNGPL
- Addition of Fuel Marker in Superior Kerosene Oil (SKO) to Counter Adulteration
- Allocation of Gas from Adam X-I and Adam West X-I Gas Fields
- Regulatory Duty on Crude Oil and Petroleum Products (MS and HSD)
- Imposition of Regulatory Duty on Import of LPG
- Import of Motor Gasoline (MOGAS/Petrol) and Price Differential Claims (PDC’s) thereof

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• Allocation of Gas from Sujjal-1 and Aqeeq-1 Discoveries
• LPG Air Mix Projects-Re-Allocation of Funds for LPG Air Mix by SSGCL
• Incentives for Establishment of PARCO Coastal Refinery and other New State of the Art Refinery Projects in the Country
• Termination of Contract of Affreightment (COA) Between PSO and PNSC
• Allocation of Funds for Maintenance of Strategic Fuel Reserves (SFR) for Armed Forces by Ministry of Energy (Petroleum Division) through Pakistan State Oil Company Limited (PSO), Raising of Funds through Levying a Special Cess for SFR and in principle approval for a National Policy on Strategic Fuel Reserves
• Hub – Nawabshah Gas Pipeline Project to Provide Connectivity to Bahria Foundation LNG Terminal at Sonmiani
• LPG Air Mix Projects-change of location
• Exemption of Custom Duty on Floating Storage and Regasification Unit (FSRU)
• OGRA’S Report to ECC On Petroleum Product Prices
• Relaxation of Ban on Import of CNG Cylinders and Conversion Kits

Energy Wing offered its technical input on the following Summaries of Council of Common interests (CCI):

• Mode of Land Acquisition Compensation 870 MW Suki Kinari Hydro Power Project.
• Implementation of Kazi Committee Methodology for Calculation of Net Hydel Profit
• Supply of Gas to Localities/Villages in 5 km Radius of Gas Producing Fields (Revised CCI Summary)

• Royalty on Liquefied Petroleum Gas (LPG) by the E&P Companies at the Market Value of LPG

• Draft Summary on Establishment of Pakistan Petroleum Exploration & Production Regulatory Authority (PPEPRA)

Energy Wing offered its technical input on the following Summaries for the Cabinet:

• Liquefied Petroleum Gas (LPG) Pricing

• Natural Gas Sales Pricing

• Oil Storage Construction at OIA Keamari, Karachi

Other Activities

• Inter-Governmental Agreement (IGA) between the Governments of the Republic of Azerbaijan and the Government of the Islamic Republic of Pakistan on Cooperation in the Field of Energy

• Bilateral MoU on implementation of Offshore gas pipeline between Ministry of Energy, Russian Federation and Ministry of Energy (Petroleum Division) of Islamic Republic of Pakistan

• Project PC-I “Establishment of Institute of Petroleum Technology, District Karak, KPK.

• Approval for Signing of Memorandum of Understanding (MOU) between Interstate Gas Systems (Private) Limited (ISGSL) and Power China International Group Limited (PCIGL) for Development of 1200 MMCFD South-North Gas Pipeline from Karachi to Lahore (SNGP) on BOOT basis.
Sustainable Energy for All

The Sustainable Energy for All is an important component of SDGs and aims at achieving following three key objectives by 2030;

- Universal access to energy model energy services
- Doubling the global rate of improvement energy efficiency and conservation
- Doubling the share of renewable energy in the overall energy mix.

Vision 2025 document, National Power Policy 2013 and other energy sector related initiatives are broadly in line with goals of SE4ALL including access to energy, doubling share of renewable and doubling energy efficiency and conservation standards. The current status and SE4ALL targets/goals are estimated to be as follows:

Goal /target of SE4ALL current status in Pakistan

<table>
<thead>
<tr>
<th>SE4All Pakistan’s Target</th>
<th>Status 2017</th>
<th>Target</th>
<th>Gap</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Universal Access</td>
<td>73%</td>
<td>100%</td>
<td>27%</td>
<td>Regional Matrix</td>
</tr>
<tr>
<td>Energy Efficiency</td>
<td>1.5 %</td>
<td>18%</td>
<td>16.5%</td>
<td>NEECA Established</td>
</tr>
<tr>
<td>Renewable Energy Share</td>
<td>7%</td>
<td>15%</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

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2 The Sustainable Development Goals (SDGs) “are a new, universal set of goals, targets and indicators that UN member states will be use to frame their agendas and political policies over the next 15 years. The SDGs expands on the Millennium Development Goals (MDGs), which were agreed by governments in 2001.
WATER

Pakistan is facing severe water stress gradually morphing into water scarcity. Inefficient irrigation system and practices, over-exploitation of groundwater, inadequate storage capacity and surface and groundwater pollution have collectively led to loss of quantity and quality of water. The nexus between water-food-energy securities has become more defined and visible in the wake of a looming water crisis. Water Sector’s strategies/policies are based on the Pakistan’s Vision 2025 for the welfare, poverty alleviation and wellbeing of people. All efforts are being made to overcome the water sector’s present challenges/issues through formulation & effective implementation of a comprehensive set of measures for the development & sagacious management of water resources.

Sectoral Overview

- An amount of Rs.36.750 billion was allocated to the Water Sector during 2017-18.

- Out of total allocated budget Rs.32.965 billion (90%) were released.

- An amount of Rs.680.000 million has been utilized for lining of small canals and minors in Punjab and Sindh Provinces during 2017-18.

- An amount of Rs.1,080.000 million has been incurred on rehabilitation and improvement of existing irrigation canals in Punjab, Sindh and Khyber PakhtunKhwa Provinces.

- A sum of Rs.8.600 billion has been utilized for the implementation of Right Bank Outfall Drain (RBOD-I, II & III) Projects.

- An amount of Rs.8.253 billion (Rs.2.75 billion on Medium dam & Rs.5.500 billion on Small dams) has been incurred for implementation of storage projects in all federating units.
Province-wise detail is as under:

<table>
<thead>
<tr>
<th>Sr No.</th>
<th>Province</th>
<th>Amount Incurred</th>
<th>Storage Dams</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Punjab</td>
<td>350.00</td>
<td>Ghabir &amp; Papin dam</td>
</tr>
<tr>
<td>2.</td>
<td>Sindh</td>
<td>2650.00</td>
<td>Darawat &amp; Nai Gaj &amp; Small/recharge dams in Kohistan &amp; Nagarparkar areas of Sindh.</td>
</tr>
<tr>
<td>3.</td>
<td>KPK</td>
<td>1105.00</td>
<td>Kurram Tangi, Kundal/Sanam dam, Baran dam &amp; 20 small dam in districts Nowshera, Kharak, Swabi, Haripur &amp; Kohat.</td>
</tr>
<tr>
<td>4.</td>
<td>Balochistan</td>
<td>3786.00</td>
<td>Shadi Kaur, Bathozai, Const. of 100 small dams (Package-II&amp;III), Basol dam, Mangi dam &amp; many small other small recharge dams &amp; retention weirs</td>
</tr>
</tbody>
</table>

Conceptual & Physical Achievements

- Formulation & approval of National Water Policy 2018 in consultation with all stakeholders.
- Completion of Kachhi Canal Project (Phase-I) in Balochistan Province to convey irrigation water to Kachhi Plain (72,000 acres).
- Commissioning and operationalization of Rainee Canal Project in Sindh Province for irrigating 0.185 million acres (Phase-I).
- Operationalization of Gomal Zam Dam in FATA/KPK.
- Operationalization of Darawat Dam Project in Sindh Province
- Physical progress achieved 55% on Nai Gaj Dam (Dadu, Sindh) aimed at irrigation of 28,800 acres of land & generation of 4.20 MW of electricity
- Initial works on Kurram Tangi Dam (Phase-I) in North Waziristan Agency
- Cumulative achievement of water availability at farm gate up to 133.50 MAF.

### Major On-going & Future Interventions in Water Resources Development

<table>
<thead>
<tr>
<th>S.#</th>
<th>Description</th>
<th>On-going Projects</th>
<th>Planned Interventions</th>
</tr>
</thead>
</table>
| 1.  | Large/Medium Dams | • Gomal Zam Dam  
• Kurram Tangi Dam (Kaitu Weir)  
• Darawat Dam  
• Nai Gaj Dam  
• Naulong Dam  
• Ghabir Dam  
• Construction of Mangi Dam  
• Construction of Basol Dam  
• Papin Dam  
• Raising of Baran Dam | • Diamer-Basha Dam  
• Mohmand/Munda Dam  
• Kurram Tangi Dam (Stage-II)  
• Chiniot Dam  
• Naulong Dam Project |
| 2.  | Small Dams/ Delay Action/Recharge Dams | • All provinces | • All provinces |
| 3.  | New Canals/ Intra-basin water transfer | • Rainee Canal (Phase-I)  
• Kachhi Canal (Phase-I) | • Greater Thal Canal (Phase-II)  
• Rainee Canal (Phase-II)  
• Kachhi Canal (Phase-II)  
• CRBC (Lift-cum-Gravity) Canal. |
| 4.  | Water Conservation/ Eradication of Contamination | • Canal lining in all provinces  
• Rehabilitation of irrigation systems in all provinces  
• Remodelling of Warsak Canal  
• High Efficiency Irrigation System in all | • Lining of KB Feeder Upper Canal for water supply to Karachi City  
• The programmes will be continued in future  
• Construction of Feeder canal to Manchar Lake to eradicate contamination |

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<table>
<thead>
<tr>
<th>S.#</th>
<th>Description</th>
<th>On-going Projects</th>
<th>Planned Interventions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>provinces</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 5.  | Flood Management | • Normal Emergent Flood Programme in all over Pakistan  
     |              | • Other flood Management programmes are also being implemented in all provinces. | • National Flood Protection  
     |              | • National Flood Protection Plan-IV. |
| 6.  | Drainage    | • Lower Indus Right Bank Irrigation & Drainage (RBOD-I)  
     |              | • RBOD-II  
     |              | • Balochistan Effluent Disposal into RBOD (RBOD-III)  
     |              | • Remedial measures to control water logging due to Muzaffargarh & TP Link Canals | • The programmes will be continued in future |
| 7.  | Rainwater harvesting/ Hill Torrents management | • A feasibility study on rain water harvesting/hill torrents management is in process.  
     |              | • Survey and study design for construction of rain water dams  
     |              | (along river Indus in Sindh) | • Future projects on the basis of feasibility study will be taken up for implementation. |
FOOD AND AGRICULTURE

Agriculture sector plays a central role in the economy as it contributes 18.9 percent to GDP and absorb 42.3 percent of labor force (Economic Survey of Pakistan 2017-18). It is also an important source of foreign exchange earnings and stimulates growth in other sector. Food Security, being the most important subject comes under the purview of Pillar-IV of Vision 2025.

Sectoral Overview

The agriculture sector recorded a remarkable growth of 3.81 percent and surpassed its targeted growth of 3.5 percent and growth of 2.07 percent in 2016-17. This stemmed from higher yields, attractive output prices and supportive government policies, better availability of certified seeds, pesticides, agriculture credit and intensive fertilizers offtake. The crops sector performed well and witnessed a growth rate of 3.83 percent against the growth of 0.91 percent during 2016-17.

Wheat production was estimated at 25.50 million tons from an area of 8.73 million hectares during 2017-18. Rice production has been registered at 7.44 million tons during 2017-18 which is 9 per cent more than the target. Cotton production of 11.935 million bales have been recorded against target of 12.60 million bales, however it is 11.8 percent higher as compared to 2016-17. The situation for pulses and edible oil, however, was unsatisfactory and low productions caused imports. Food inflation in 2017-18 was calculated at 1.99 percent during July to March as compared to 3.8 percent during the corresponding period of 2016-17.

Livestock accounts for share of 58.92 percent in agriculture and 11.11 percent in GDP, recorded a growth of 3.76 percent compared to 2.99 percent during corresponding period last year. The Fishing sector having share of 2.10 percent in agriculture value addition and 0.40 percent in GDP, grew at 1.63 percent compared to growth of 1.23 percent in same period last year.

Forestry sector having share of 2.09 percent in agriculture and 0.39 percent in GDP posted a positive growth of 7.17 percent against the
negative growth of 2.37 percent recorded in same period last year due to higher timber production reported by Khyber Pakhtunkhwa.

**PSDP Allocation**

In the Federal PSDP 2017-18, a sum of Rs.37,609.900 million was allocated to 128 schemes sponsored by different Ministries / Divisions/ Agencies for development of Food and Agriculture Sector. The allocation for the Ministry of NFS&R however remained at only Rs.1,614.000 million. The investment on water sector which directly helps agriculture sector development was at Rs.33,450.000 million. The allocation of funds for agriculture and allied sub-sectors by the provinces / regions in their respective ADPs 2017-18 was at Rs.53.700 billion.

**Major Activities**

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

**Promoting Agriculture Growth in Pakistan**

Under the direction of the Deputy Chairman Planning Commission, a concept was developed to promote agriculture growth in Pakistan. Chief Food and Agriculture made a presentation. During the presentation, the issues hampering agriculture growth were identified. After detailed discussion, the Deputy Chairman, Planning Commission directed to work further on following subjects:

- Develop a proposal to enhance farmer's income, keeping in view agriculture term of trade.
- Develop a programme to enhance local production of Pulses and edible oil.
- Through agriculture research
  - Develop a comprehensive programme to enhance cotton productivity
Develop long grain fine rice varieties to compete India in International market

Develop a programme to promote banana production

- Set a mechanism for demand driven agriculture research
- Reform agriculture marketing system
- Promote the export of food products

**Strategy for Enhancement of Pulses Production in Pakistan**

To follow up the above directions, a national level meeting was organized by Food and Agriculture Section to deliberate on the factors responsible for low yield of Pulses crop. The meeting was chaired by the Secretary for Planning, Development and Reform and attended by the stakeholders from all over Pakistan. The meeting devised a number of recommendations, which were circulated among the stakeholders for implementation, especially by the public sector bodies. Resultantly, the PARC developed a 10 year pulses development programme in Pakistan.

**Genetically Modified Foods: Threats and Opportunities for Pakistan**

Keeping in view the issues in genetically modified food a meeting of technical experts was organized by the Section to discuss the threats and opportunities of Genetically Modified Foods (GMOs) for Pakistan. The subject was discussed in detail and the way forward was devised to deal the GMOs by all the stakeholders’ including public and private sectors.

**Correction of anomaly in Vision 2025: Pillar IV, Goal 16**

The Goal 16 under Pillar IV regarding food envisages reducing food insecure population from 60% to 30%. The number of 60% food insecure population is a serious anomaly added in the national document which needed correction. To eliminate the anomaly a
thorough process was adopted where in all stakeholders were involved. The issue was discussed in detail and after getting consensus it was decided to use the prevalence of Undernourishment (PoU) as a yardstick to measure the performance of pillar IV on food security. The PoU is used for the measurement of SDGs globally. A corrigendum has been issued and now internationally accepted standard of Prevalence of Undernourishment (PoU) is followed. According to Food Security Assessment Survey (FSA), 2016, about 18% of population in Pakistan is undernourished on PoU basis.

**National Food Security Policy**

Pakistan has made significant progress in food production over the last several decades. However, food security has remained a key challenge due to high population growth, rapid urbanization, low purchasing power, high price fluctuation. Erratic food production and inefficient food distribution system. To address the challenge of food insecurity, the Government of Pakistan has taken the initiative to formulate a national food security policy. The F&A Section not only technically contributed in the formulation of policy document but also supported in its approval from the Cabinet.

**National Sugar Policy**

Present sugar policy was formulated in 2010. It has become irrelevant with the advancement in the sector especially in production and export. Ministry of Industries and Production has stated working to update the policy. This Section did working on it and contributed its view point. Similarly a consultation was organized with Brazilian experts from Asia-Brazil Agro. Alliance and other Brazilian sugar experts for sharing technical expertise to deal with price subsidies, economics of processing sugarcane for high value products like energy, ethanol etc. later on coordination of Brazilian experts was made with local experts and institutions.

**Pakistan Central Cotton Committee (PCCC)**

Under the devolution the PCCC was shifted to Textile Division from Ministry of Food Security and Research (MNFSR) and since then it

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was working there despite various efforts have been made to place it under Ministry of National Food Security but all in vain. The Cabinet made a committee under the chair of Deputy Chairman Planning Commission with a task to work out the reasons for stagnation of cotton production in Pakistan and to suggest the relocation of PCCC with the most relevant ministry. The F&A Section worked as the secretariat of the Committee and prepared the report that was presented in the Cabinet on which the Cabinet decided to shift the PCCC to MNFSR. Moreover, a clear strategy was developed to revitalize the cotton sector of Pakistan. Consequently, a PC-1 on cotton development endowment fund is got approved from CDWP for supporting future cotton production and value chain initiatives.

**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.

**12th Five Year Plan**

The chapter on Agriculture, Food Security and Rural Transformation for inclusion in the 12th Five Year Plan has been drafted after holding 2 meetings of the working group. The chapter is being shared with stakeholders and their views/comments are being incorporated. Before starting working on full chapter the socioeconomic objectives of the 12th Five Year Plan were prepared:

- Improving Terms of Trade of Farmers
- Increase Agriculture Productivity
- Reform Agriculture Policy and Marketing
- Improving Agriculture Value Chain to Enhance Food Export
• Improve National Food and Nutrition Security
• Compliment Agriculture Component of Long Term Plan of CPEC
• Climate Change and Sustainability
• Special Areas
• Rural Transformations

Enabling policies for small holder farmers in Pakistan

This project is trying to work out a policy package for small holder farmers in Pakistan on the subjects’ of mango, citrus and dairy. This is an Australian funded project where in Sindh and Punjab agriculture and livestock departments are partner. The project is being led by the Victoria University. The F&A section is a main coordinating agency for the project in Pakistan. This project has been concluded. The final report was prepared in 2017-18 which will be launched during this year.

Multi-stakeholders Partnership to Finance and Improve Food Security and Nutrition

United Nations Committee on World Food Security (CFS) asked its High Level Panel of Experts (HLPE) on Food Security and Nutrition to produce a report on “Multi-stakeholders Partnership (MSP) to Finance and Improve Food Security and Nutrition in the Framework of 2030 Agenda”. As a member of HLPE and oversight convener of this report, F&A participated in the inclusive and continuous dialogue processes which are followed in gathering scientific evidence and different forms of knowledge on this topic. The report highlights that MSPs should be an integral part of strategies, plans and programmes across sectors to achieve food security and nutrition goals and targets. It is concluded that there are a number of constraints that need to be addressed to ensure that MSPs are transparent and accountable and that their efforts are aligned with global, regional and national priorities and contribute to the progressive realization of the right to adequate food.
Other Activities

Other activities performed during the year were:

- Prepared a note on “Pak-Poland Annual Bilateral Consultation”.
- Prepared a report on “details of Foreign Investments in Agriculture Sector of Pakistan.
- Brief on 85th meeting of “Pakistan Central Cotton Committee”.
- Prepared a proposal on “5th session of Russia-Pak Inter-governmental cooperation on trade, economic, scientific and technical cooperation”.
- Hold a discussion with FAO Mission on Climate Smart Agriculture.
- Worked and attended Senate Committee on Less Developed Areas.
- Technical Evaluation of the proposal under the title “Agriculture Sector in Post 18th Amendment Scenario” submitted by Pakistan Institute of Development Economics, Quaid-e-Azam University Campus, Islamabad.
- Prepared a proposal for “Bilateral Political Consultations with Tajikistan”.
- Prepared proposal on promotion of gram cultivation through life saving irrigation with sprinkler system under changing climate.
- Worked on the PC-I titled “Establishment of Suspension Culture Plant for FMD Vaccine Production at Foot and Mouth Disease Research Centre (F&MDRC), Lahore. (Part-I: Hiring of Consultant/ Consultancy Firm/Consortium) amounting Rs.231.000 Million forwarded by the Punjab Government.
- Worked on project titled “Rehabilitation of Salt Affected Soils through Gypsum Application” forwarded by Punjab Government.

- Prepared a proposal on “5th Session of Russia-Pak inter-Governmental Cooperation on Trade, Economic, Scientific and Technical Cooperation”

- Handled a court case on “Non-implementation of Wafaqi Mohtasib’s findings in the case of Mr. Irfan Arshad, Ex-Project employee of the project CMP-II”.

- Technical evaluation of the proposal “Assessment of Rangeland Resource Inventory in Pakistan (Hazara Division)” submitted by Mr. Abdullah Khan, Hazara University.

- Technical evaluation of the proposal “Improving Rural Livelihood through Rural Enterprise Diversification” submitted by Value Resources Pvt. Ltd.

- Prepared a report on “Way Forward for Pakistan to collaborate with China’s Centre for Agriculture Policy” and MOU between Pak-CCAP with the help from CRE staff.

- Handled a writ Petition (M/s Allied Consultant vs. Federation of Pakistan, etc.) in Lahore High Court, Lahore

- Worked on Summary for ECC of M/o Commerce for procurement of 3 lac metric tons of sugar from sugar mills, was prepared for Secretary, M/o PDR

- Worked on the report of 1st international Trade Centre Scoping Mission for its discussion on “GRASP-2nd Visit of ITC Mission” and sent to IT&F Section

- Prepared proposal for “15th Session of Pak-China Joint Committee on Economic Trade Scientific and Technical Cooperation (JEC)”

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*Year Book 2017-18*
• Prepared summary for ECNEC on “Gwadar Lasbela Livelihood Support Project (Revised)”.  

• Worked with UNIDO Mission regarding “UNIDO programme formulation mission on Agro-Food Project”. The project has been developed in close collaboration with Agriculture Department, Government of Gilgit-Baltistan to strengthen the value chain, agribusiness and market development, contributing towards improving livelihood and poverty eradication.  

• Chief (F&A) made a presentation on “Agriculture challenges in Pakistan” to the participants of Senior Management Course (SMC) at national Institute of Management.  

• Processed about ten projects during 2017-18. For the said projects, ten Pre-CDWP meetings were organized. All these projects were presented in the CDWP meetings. Along with CDWPs about four DDWP meetings were also attended.  

**Important Schemes**

Some of the important schemes being dealt by the section are given below:  

• Capacity Enhancement of National Institute for Biotechnology and Genetic Engineering to Achieve Biotechnology Driven Socio-economic Development.  

• Upgradation of National Institute for Biotechnology and Genetic Engineering (NIBGE).  

• National Pesticide Residues Monitoring System in Pakistan, Agriculture Technology Enhancement Activity (ATEA) in Khyber Pakhtunkhwa (USAID Assisted).  

• Gawadar-Lasbella Livelihoods Support Programme.  

• Agriculture Information portal, Better Cotton Initiative (BCI) for sustainable Cotton production in Pakistan.
• Promoting research for productivity Enhancement in Pulses.
• Sustainable Livelihood and Food Security through adoption of agriculture Technologies in ICT.
• Establishment of plant Breeders Registry and strengthening of DUS examination System.
• National Cotton Research and Development programme and Strengthening / up-grading of Agriculture and Livestock Research System of Arid Zone Research Institute, Umerkot, Sindh.

Centre for Rural Economy

Food and Agriculture Section was assigned a task to establish a research facility on the subject of rural economy. After a long working the center has been set up under Planning Commission and was inaugurated by the Federal Minister for Planning, Development and Reform on 23.11.2017. The Centre would prove as a hub for uplifting the socio-economic conditions of rural community who are strongly associated with agriculture sector.

Cluster Development Based Agriculture Transformation Plan 2025

The project being dealt by the section is focused 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 cluster to develop production and supply chain linkages among public, private and development partners. Rs.93.300 million was allocated for the project in the PSDP 2017-18.
Projects / Initiatives

Projects or Initiatives completed, substantially completed, Partially Completed and yet to be start are enlisted below:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Category</th>
<th>No. of Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Completed by June 2018</td>
<td>07</td>
</tr>
<tr>
<td>2</td>
<td>Substantially Completed by June 2018</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>Partially Completed by June 2018</td>
<td>20</td>
</tr>
<tr>
<td>4</td>
<td>Yet to Start</td>
<td>13</td>
</tr>
</tbody>
</table>
NUTRITION

Nutrition is an important determinant cutting across all sectors for wellbeing of the people. Good nutrition influences human resource development, productivity and can drive greater sustainability for economic development. Despite wide spread malnutrition and its serious consequences, Sustainable Development Goals present an unprecedented opportunity to change that- adopting and perusing appropriate nutrition policy at federal and provincial levels. Nutrition is a multi-sectoral issue and has been kept under Pillar – IV i.e. (Energy, Water & Food Security) of Pakistan Vision 2025. Nutrition is maker and marker of all SDGs and government is taking concrete measures to resolve the issue of malnutrition in the county.

Food Balance Sheet (prepared by M/o PD&R) revealed that during 2017-18 sufficient food was available to meet the overall national requirements. In caloric terms, it translates into availability of about 2500 calories compared to the 2350 kilocalories on an average required per person per day.

The cost of desirable food basket providing 2100 calories and 60 grams protein is prepared every month (by Nutrition Section M/o PD&R based on PBS data on prices). It shows that food prices varied during July, 2017 to June, 2018 however, the average food expenditure remained at Rs.2216 per person per month compared to the average expenditure of Rs.2145 during 2016-17

Major Activities

Nutrition policy, strategy and programmes are being followed and prepared to overcome malnutrition;

- Pakistan Multi-sectoral Nutrition Strategy built upon Provincial Multi-sectoral Nutrition Strategies has been launched to take care of federal responsibilities, harmonize critical actions and fill the policy gaps for better nutritional outcomes in Pakistan.

- A PC-II “Utilization of Specialized Nutritious Products for Stunting Prevention in Commercial & Social Safety Sectors
through Public Private Partnership” has been prepared and is in approval process.

- A PC-I “Nutrition Awareness and Institutional Strengthening” is prepared to overcome malnutrition through behavior change communication.

- Pakistan Dietary Guidelines for Better Nutrition (PDGN) has been prepared to provide healthy nutrition information to all stakeholders; People at large; policy & planning; education & training institutions; food industry; civil society etc.

- Research work on the revision of Food Composition Table (FCT) has been completed from 12 agro-ecological zones having information about 350 raw and cooked food items with 25 nutrition parameters. The report has been drafted.

- National Centre for Human Nutrition (NCHN) is planned for evidence generation and innovative research, capacity building and raising awareness to help in setting planning and decision making for up scaling nutrition.

- Early Childhood Development (ECD) activity has been initiated to take care of Pregnant Lactating Women, children under 2 years in the first most critical period of 1000 days enabling them to reach their full potential. It involves comprehensive behavior change communication and other allied activities.

- Public Finance Tracking for Nutrition at federal level has been conducted by utilizing PSDP and ADPs data to assess nutrition related investments in the country. The Financial Tracking at provincial level has been planned.

- M/o National Health Services, Regulation & Coordination (MNHSR&C) has prepared three years project “Federal Nutrition Programme for one district each in ICT, AJK, FATA and GB” for targeting children, pregnant and lactating women, adolescent girls.
A number of activities were organized for capacity development of stakeholders under the Scaling Up Nutrition (SUN) Movement, these include short courses on multi-sectoral approaches for nutrition, trainings on research methodology apart from conducting nutrition related research studies, roundtables with politicians, policy makers, CSOs and media persons for advocacy on nutrition issues. A member of Punjab Provincial Assembly Ms Saira Iftikhar received SUN Nutrition Champion Award 2017 from Global SUN Movement for her substantial services in advocating nutrition in the political arena and including nutrition in the development agenda of Pakistan.

The federal government has waived taxes on import of equipment (micro feeder) for used in food fortification.

The provinces have been implementing following nutrition related projects:

- **In Punjab** (i) Health Integrated Reforms Programme (Rs.13 billion) for 11 districts in southern Punjab (ii) Stunting Prevention Nutrition Programme (Rs.7 billion) and (iii) Water, Sanitation & Hygiene (WASH) Programme (Rs.9 billion)

- **In Sindh** (i) Nutrition Support Programme (Rs.4.5 billion) for 9 districts, (ii) Saaf Suthro Sindh Programme (Rs.278 million) in 3 districts, (iii) Nutrition Sensitive Agriculture (Rs.582 million) and (iv) Accelerated Action Plan for Stunting Reduction and Malnutrition (Rs.1.0 billion every year)

- **In Khyber Pakhtoonkhwa** (i) Health Integrated Reforms Programme (Rs.14.11 billion) and (ii) Stunting Prevention Rehabilitation Integrated Nutrition Gain (Rs.796 million)

- **In Balochistan** (i) Nutrition Programme for Mothers & Children (Rs.1.5 billion)(ii) Establishment of SUN Unit (Rs.50 million) and (iii) Multi-sectoral Nutrition Specific and Sensitive Interventions Programme (Rs.1.5 billion).
ENVIRONMENT AND CLIMATE CHANGE

Climate change is perceived as one of the major challenges to humanity due to its imminence as well as devastating effects on human lives, economic growth and prosperity. The Intergovernmental Panel on Climate Change (IPCC) has reported that much of the observed increase in global average temperature since the mid-20th century is likely due to the increase in anthropogenic Greenhouse Gas (GHG) concentrations. It has been projected that by 2050, world glacial areas will decrease by 20-28 per cent. It has also been projected that the world population will increase up to 9.1 billion during the same period and will be accompanied by unprecedented increase in urbanization. As a consequence of these trends, there will be a significant increase in GHG emissions, degradation of natural resources, uncertainty in crop production, food insecurity and malnutrition, loss of biodiversity and change in temperature regime. Frequent occurrence of disasters like flash floods, severe prolong drought, cyclones, tsunami and sea intrusion in coastal areas, earthquakes due seismic activities and smog in the country. These trends will be reflected in the form of enhanced GHG emissions, depletion of natural resources crop production, food insecurity and malnutrition.

Pakistan National GHG inventory (2014-15) shows that country's total GHG emissions were 406 million tons of CO\textsubscript{2} equivalents. These comprised of carbon dioxide (CO\textsubscript{2}) 54%; methane (CH\textsubscript{4}) 36%; nitrous oxide (NO\textsubscript{2}) 9%; carbon monoxide (CO) 0.7%; and non-methane volatile organic compounds 0.3%. The sector wise emission share shows that energy sector alone is contributing nearly 51% followed by the agriculture sector (41%), industrial processes (6%), land use, land use change and forestry (LULUCF) (3%) and waste (1%). The breakdown of emissions due to agricultural activities reflects 54% of emissions are due to enteric fermentation while another 18% came from synthetic fertilizers, 14% from manure left on pasture and rest are from other agriculture activities. There is dire need of investment to promote low emission feed for livestock & poultry sector, promoting Good Agriculture Practices (GAP) and adapting modern crop production and harvesting technologies in the agriculture sector by
promoting climate smart or eco-friendly agriculture like dry rice sowing and reducing crop residual burning.

**Allocation for 2017-18**

The share of Ministry of Climate Change in federal PSDP for 2017-18 was Rs.815 million and for Aviation Division - Pakistan Meteorological Department (PMD) total allocation was Rs.608 million. The total allocation for the federal PSDP 2017-18 for the sector was Rs.1423 million.

**Major Activities**

The workload in Climate Change and Environment Section (CC&E) has increased with the sensitization of climate change issues around the globe and its realization within the country.

Environment and Climate Change Section has appraised all the projects received in Ministry of Planning Development & Reform and has furnished comments on more than 200 projects. Moreover, Director General Environment and Protection Agency has become permanent member of CDWP and furnish comments on the projects. 25 Pre-CDWP Meeting, 10 Public Hearings on EIA and all CDWP meeting in the period were attended.

During the period a total of three (03) workshops were arranged by this Section. A workshop on Threatened Wild Life Species of Pakistan in collaboration with UNDP and 2 workshops in collaboration with World Bank to make PC-I Climate Smart for inclusion if climate change in development process and approval mechanism.

The project for upscaling of Glacial Lake Outburst Floods, phase –II (GLOF-II) is under implementation and is a major achievement due to immense international competition for the GCF funding. US $10 million has been released to start activities in Northern Areas of Pakistan. As the glaciers retreat, formation of glacial lakes will increase the risk of Glacial Lake Outburst Floods (GLOF). Lake inventory of 2013, shows that number of lakes increased up to 3,044 in which dangerous lakes were 36 when compared with the inventory
carried out in the year 2000, the number of lakes was 2,420 out of which 52 were categorized as dangerous. The effects of these changes can be mitigated by making efforts on devising and implementing appropriate adaptation measures for sustainable water supply, food and energy security for the country as well as to minimize the impact of natural disasters. Moreover, the funding of projects by World Bank at serial no 9, 16 and 17 is milestone achievement in the sector. Through Strengthening of Early Warning System devastating of floods on human life and property could be minimized.

The projects are aligned with Vision 2025 and Sustainable Development Goals No13 and 14 & 15. Government launched Green Pakistan Programme in 2017 to plant 100 million trees over a period of 5 years. Programme is being implemented in all the provinces including AJK and GB. About 15 million trees have been planted and are being maintained under the project. The rate of rehabilitation does not commensurate with deforestation. Rate of deforestation in the country is estimated at 27,000 hectares per year in private and community owned forest lands Bonn Challenge is to bring 150 million hectares of world deforested and degraded land in 2020 and 350 million hectares by 2030.
PILLAR-V
PRIVATE SECTOR AND ENTREPRENEURSHIP LED GROWTH
INDUSTRIES, COMMERCE AND MINERAL

Industries & Commerce Section deals with Manufacturing, Commerce and Mineral related activities with regard to four Federal Ministries and their line department / organizations. Which include Ministry of Industry & Production, Ministry of Textile Industry, Ministry of Commerce & Ministry of Energy/ petroleum & Natural Resources. While allied departments/organization of the above mentioned Ministries dealt by this Section include: Pakistan Industrial Development Corporation (PIDC), National Productivity Organization (NPO), Small and Medium Enterprises Development Authority (SMEDA), Technology Up-gradation and Skill Development Company (TUSDEC), Geological Survey of Pakistan (GSP), Survey of Pakistan, Pakistan Tobacco Board (PTB), Engineering Development Board (EDB), etc.

Sectoral Overview

Manufacture sector recovered from sluggish performance mainly due to improved energy supply and posted healthy Industrial growth, mainly relying on availability of energy, raw material, skilled manpower, value addition & innovation, and market forces. During 2017-18, the overall Large Scale Manufacturing Sector has posted growth of 6.24 % for the period of July-February 2017-18 as compared with the same period of previous year which was 4.24%. The main growing industries in 2017-18 were textile, coke & petroleum products, pharmaceuticals, non-metallic minerals, automobiles, iron & steel products, electronics, paper & board, engineering products, and rubber products.

Allocation for 2017-18

In PSDP 2017-18, Rs.2737.27 million were allocated for 13 development projects of Industries & Production Division, Rs.217.500 million were allocated for three development projects of Textile Industry Division. Ministry of Commerce was allocated an amount of Rs.1200.00 million in the year 2017-18 for two development projects. While an amount of Rs.424.799 million was allocated for two development projects of Mineral Sector.
Major Activities

- Briefs on bilateral relation between Romania and Pakistan, on bilateral relation between Italy and Pakistan and on political consultation between Tajikistan and Pakistan.


- Arranged/attended ten Pre-CDWP meetings, nine CDWP, five Post-CDWP, seven DWP, five DDWP meetings, ten meetings regarding mineral transformation Plan-V2025 and Industrial Transformation Plan-V2025.

- Prepared presentation for CDWP on projects titled “Procurement of 3 Nos latest printing Machines for Modernization of Survey of Pakistan”, “Expo Centre Islamabad and “Expo Centre Quetta”.

- Prepared Summary for ECNEC for the project titled “Establishment of Combined Effluent Treatment Plants (CETPs) for Industrial Areas of Karachi”.

- Prepared brief/ talking points for Deputy Chairman, Planning Commission regarding “Pakistan’s Defence Industry, Export Potential, Challenges and Prospects”.

- Prepared part-II for CCC/ CDWP regarding three projects namely, “Up-gradation of Cutlery Institute of Pakistan Wazirabad”, “Waste Water Treatment Plant & Slurry
Management System” and “Up-gradation of Gujranwala Tools, Dies and Moulds Centre (GTDMC)"

- Analyzed and offered comments on a report for ECO meeting 2017.

- Prepared Position Paper prepared for CDWP Meeting for the projects titled “Purchase of equipment, furnishing, curriculum Development of Pakistan Institute of Fashion Design (PIFD) Lahore”, “Faisalabad Garment City Training Centre”, and “1000 industrial stitching units (PHASE-I)”.

- Handled extension cases of the projects titled “Pakistan institute of Trade Development”, “New Minerals Survey Scheme Phase-VI”, “Purchase of equipment, furnishing, curriculum Development of Pakistan Institute of Fashion & Design (PIFD) Lahore”, “Hyderabad Engineering Support Centre (HESC)”, “Hyderabad Light Engineering, “Up-gradation Centre for SMEs in Baluchistan” and “Peshawar Light Engineering Center (PLEC)”.

- Attended a national dialogue on “Secure and dignified old age for all at PPMI Complex Islamabad.

- Public Sector Development Programme (PSDP) 2018-19 and projections for 2019-20 and 2020-21 for all the four relevant sectors dealt by this section.

- Prepared brief on Ease of doing business regarding implementation of Vision 2025 in respect of Ease of doing Business.

- Prepared briefing material for Pakistan-Demark Annual bilateral consultation.

• Prepared brief for Saindak copper gold project regarding court case.

• Brief on bilateral relation between Poland and Pakistan.

• Provided feedback for detailed presentation to PAC regarding PSDP, 2017-18 projects.

• Prepared Year Book material 2017-18 for Commerce & Mineral sector.

• Examined, analyzed and prepared comments for CDWP meeting regarding three (03) projects of TUSDEC, i.e. (i) Peshawar Light Engineering Centre (PLEC), Peshawar; (ii) Hyderabad Engineering Support Centre (HESC), Hyderabad. (iii) Light Engineering Up-gradation Centre for SMEs in Baluchistan (LEUC), Hub, District Lasbela.

• Examined, analyzed and prepared Part-II of the Concept Clearance Proposal for Concept Clearance Committee (CCC)/ CDWP regarding a project titled “Waste Water Treatment Plant & Slurry Management System”.

Work in Progress

Work is in progress on project “Cluster Development Based Mineral Transformation Plan – V2025” having 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. In this regard, an agreement has been signed with SMEDA on 17th April 2018 to conduct the study. Project titled “1000 industrial stitching units” would be established for boosting up our garment sector by bringing in value – addition in textile sector.
PILLAR-VI
DEVELOPING COMPETITIVE KNOWLEDGE ECONOMY THROUGH VALUE-ADDITION
Sectoral Overview

In the recent years, ICT sector has shown promising growth in the country. Adoption of ICTs has accelerated, with private sector playing a major role in it. However, a lot of mileage has yet to be traversed to move into the leading pack of countries. For a high growth economy, we have to use ICTs for inclusiveness on various dimensions, e.g. social, economic and technological inclusiveness. Governments have an obligation towards its citizens, by becoming more responsive to improve citizens’ quality of life.

Pakistan’s ICT sector continues to grow (ranked 115 in 2017-18 as compared to 122 in 2016-17). However, the international arena is moving very fast thus posing a challenge for catching up. This is evident from the World Economic Forum’s Global Information Technology Report (GITR 2017-18) that Pakistan is much behind on most of the dimensions of the survey even in the regional context. Pakistan is lowest ranked amongst South Asian countries.

It is evident from the GITR 2017-18 that out of 137 countries that the strength of Pakistan in innovation (ranked 60), business sophistication (ranked 81) and availability of latest technologies (ranked 70). However, the main barriers in growth are market inefficiencies, specially the number of procedures to start a business (ranked 125), trade tariffs (ranked 135) and secondary & tertiary education enrollment (ranked 118 & 115 respectively).

In telecommunication sector, cellular tele-density increased from 70.85% to 72.14%. The 3G/4G broadband services further increased subscribers from 42.08 million to 49.46 million.

- In the PSDP 2018-19, about Rs.6,500 million were allocated for the ICT sector. The emphasis remained on providing strong foundation for the future. Some of the major projects executed in the ICT sector during 2017-18 are:
- Technology Parks Development Project was launched. Technical Assistance of Korea has been sought and loan agreement was signed too. Feasibility of the project was completed during the year and boundary wall and other allied work such as design, consultancy etc. is in progress.

- Enhancing IT Exports through Industry Support Programmes: IT Industry Support Programme is a multi-million rupee initiative in participation with IT industry. During the year, 12 companies were provided consultancy for CMMI and ISO 27,001/ 20,000 certifications.

- Access of e-office suite software has been provided to more than fifteen (15) Ministries/Divisions and sixteen (16) attached departments, whereby more than 6,000 staff has been trained on this system. The e-office suite is now housed in NTC’s National Data Center.

- Construction of Cross-Border Optical Fibre Cable for Alternative International Connectivity: Under this project, so far, 520 km (out of 820km) of optical fibre cable has been laid by March, 2018. The project is expected to be completed in December 2018.

- Establishment of SCO Technical Training Institute (STTI) at Gilgit is in progress and is expected to be completed by December 2018.

- Expansion and Upgradation of 3G/ 4G services along the KKH is in progress.

- Replacement of GSM network in the region of Azad Jammu & Kashmir by Special Communication Organization (SCO) is going on and will increase the quality of communication in the region.
**Major Activities**

During the year 14 projects were processed for CDWP and accordingly Working Papers for Pre-CDWP, CDWP & Post CDWP were processed. The ICT Section also participated in DDWP Meetings of various Ministries including Ministry of IT, National Telecommunication Corporation etc.

- Annual Plan 2018-19 was prepared in consultation with relevant Ministries and in consultation with ICT Industry and Academia.

- The ICT 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.

- ICT 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.

- PSDP review meetings were attended and working papers were prepared accordingly.

- PSDP-2018-19 was prepared in consultation with various Ministries / Divisions i.e. Information Technology, Establishment, Interior, Defence and Finance.

**Other Activities**

- Briefs for Deputy Chairman on various issues related to ICT.

- Preparation of minutes of the meeting of Pre-CDWP, CDWP and ECNEC.

- Preparation of ICT chapter for Year Book 2016-17

- Preparation of Material (ICT part) for Finance Minister’s Budget Speech.

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*Year Book 2017-18*
SCIENCE AND TECHNOLOGY

The concept of knowledge based economic development encompasses two important sectors including: Science and Technology (S & T) and Higher Education. Higher education sector provides the trained manpower and research that can be further refined by research organizations for commercialization and creating economic activity. The main stakeholders of these sectors are Higher Education Commission, Universities, Ministry of Science & Technology and Scientific Research Organizations. However, the objects of the sector, programmes and projects are not restricted to single ministry instead, projects from other R & D organizations like Pakistan Atomic Energy Commission (PAEC), NESCOM, SUPARCO, Pakistan Meteorological Department (PMD), Defense Division (Survey of Pakistan), Ministry of IPC and Pakistan Nuclear Regulatory Authority (PNRA) are also approved and funded under the umbrella of S & T sector.

Ministry of Planning, Development & Reform (PD&R) unique from other Ministries / Divisions in the sense that it has counterpart Technical Sections to all sectors. These technical sectors are responsible for processing of development projects of Ministries / Divisions / Organizations through approval forums, recommend PSDP allocations and undertake short, medium and long term planning as well as set policy directions of respective sectors.

Major Activities

Science and Technology (S&T) Section at Ministry of Planning, Development & Reform Federal Ministries is responsible for dealing with development projects, programmes and policy interventions related to S & T and Higher Education sectors. Vision 2025 is based on seven important pillars and S&T / Higher Education Sectors have objectives as defined in Pillar-I and Pillar-IV of Vision document. Hence these sectors contribute for developing human capital and knowledge led economy. Science and Technology Section has always been in consultation with main stakeholders of these sectors to play its role in economic development through development of entrepreneur culture, better industry-academia cooperation and knowledge focused investment for economic development of the country.

Year Book 2017-18
During 2017-18, the main activity undertaken by S&T section was approval of development projects through approval forums like DDWP, CDWP and ECNEC. Another important exercise was writing the S&T and Higher Education Chapters for Annual Plan and attending the meetings for that purpose. The section also contributed for processing and finalization of next year’s PSDP as well as contributing in quarterly, Mid-Year and Full Year reviews of PSDP and feedback on re-appropriation of PSDP allocations. The section has also represented M/o PD & R in DDWP meetings. Moreover, the section remained activity involved in provision of information and data Annual Plan and 11th Five Year Plan Review Meeting, Pending Project Meetings and Project Review Meetings.

In addition to normal workload as briefly cited above, the section carried out some important assignments during the report year which are enlisted as under:

- Preparing Briefs for Secretary for various meetings including NUST, NUMS and NUTECH BoG meetings.
- Providing input and attending meetings on CCI Committee for Matters Pertaining to Higher Education.
- Attending National Scholarships Management Committee Meetings at HEC.
- Representing Ministry of PD&R in the Committee for Prime Minister’s Laptop Scheme
- Attending project review meetings held at Higher Education Commission and Ministry of Science & Technology.
- The Section provided inputs in consultative meetings at held in HEC and M/o S&T 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.

Year Book 2017-18
Attending meetings, providing input and recording minutes of Cabinet Committee on HR & Technology

Attending 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.

Attending National Assembly and Senate Standing Committee Meetings and provided input as well as respond to the queries raised by honourable members of parliament.

**Sectoral Overview**

Higher Education Commission and Ministry of Science & Technology were advised to focus on sending those projects for approval that can have significant economic contribution and wellbeing of the society. Keeping in view these guidelines, efforts and resources were diverted towards demand driven R&D and implementation of projects with considerable impact. These organizations were encouraged for better linkage with the private sector / local industry and commercialize their products and processes to become sustainable in coming years.

Pakistan has to develop its capabilities in emerging technologies and get ready a workforce well trained in digital technologies to promote entrepreneurial culture as well as get the due share in global market. In this context, four important projects were approved by the CDWP for setting up National Centers in Cyber Security, Artificial Intelligence, Robotics & Automation and Big Data & Cloud Computing. In order to produce technical manpower for these fields a project Enterprise Resource Planning System and I.T Training for 100,000 youth has also been approved. More recently a project has been approved which will provide venture capital to set up startups in the country.

To achieve the aforesaid objective of utilizing efforts and resources for economic growth through demand driven R & D; 49 projects of Higher Education Commission and 7 projects of MoST were approved in Central Development Working Party (CDWP) platform. Moreover, 5 projects of S & T and Higher Education sector were also approved by
ECNEC. All the envisaged projects are normally subjected to scrutiny through Pre-CDWP before floating them at CDWP or ECNEC forums for approval.

The government had initially allocated Rs.35.663 billion in PSDP 2017-18 for 169 (106 ongoing & 63 new) development projects being executed in Public Sector Universities/institutions and HEC. Out of total allocated budget, 9.189 billion rupees are proposed to be spent to new schemes while rest amount of 26.474 billion rupees were allocated for ongoing projects. Out of total budget, Rs.15.861 billion were actually released which were fully utilized.

In the 2017-18, an amount of Rs.2.539 Billion was allocated for 33 projects of Ministry of Science and Technology (MoST). The allocation included Rs.1.362 Billion for 12 ongoing and Rs.1.177 Billion for 21 new projects. An amount of Rs.0.958 Billion was released and Rs.0.893 Billion was utilized. 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.

In addition to above stated project, Science and Technology Section of Ministry of Planning, Development & Reform also processed few projects relating to S&T sector which were received from strategic organizations like PAEC, NESCOM, SUPARCO and Survey of Pakistan.
PAKISTAN INSTITUTE OF DEVELOPMENT ECONOMICS

Pakistan Institute of Development Economics (PIDE) as a think tank, serving the Government of Pakistan, 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 stimulate 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 referring involving leading academic experts in the respective fields. In 2017-18, PIDE maintained its tradition of informing policy across many research domains including governance, trade, institutions, globalization, environmental economics, health economics and regional connectivity.

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 organizations 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), etc.

Year Book 2017-18
The outcome of research endeavours 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. There is growing demand of PIDE publications around the world and PIDE publications are also available at international databases like JSTORE, EBSCO, Proquest etc.

Publications

Three issues of the Pakistan Development Review, (PDR) PIDE’s flagship peer-reviewed x-category journal were published and disseminated among concerned quarters.

Working Papers

PIDE has published 05 working papers during the year which are available online on PIDE’s website.

Nurturing Mind Seminar Series

PIDE arranged 11 seminars during the year revolving around 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 Program 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 Program has been gaining strength and PIDE has produced more than 40 PhDs who are working at the highly reputable national and international organizations such as; State Bank of Pakistan, Planning Commission, World Bank, Quaid-i-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 under 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 Program 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 Program, 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. The Institute also offers evening classes so that working professionals may also benefit from the programs being offered by PIDE.

**Summary of Enrolled Students in Fall, 2018**

A total number of 320 students have been enrolled in different disciplines both in morning and evening programs.

**Annual Conference on the theme of Redefining Prosperity Paths in Changing Global Economy; Opportunities and Challenges for Pakistan**

PIDE and Pakistan Society of Development Economists in collaboration with the Ministry of Planning Development and Reform organized an annual conference from December 12-14, 2017, at Marriott Hotel, Islamabad. 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:** Industrial development; Job creation, Special Economic Zones and Urban Development

**Sub-theme II:** Quest for Prosperity; Indigenous Experiences, New Paradigms and Sustainable and Stability

**Sub-theme III:** Innovation, Productivity and Economic Growth

**Sub-theme IV:** Impact of forth Industrial Revolution; Robotic Economy, Artificial Intelligence Economy, Carbon Fibers and others

**Sub-theme V:** Agricultural Reforms; modernization and Agro-based Industrial development

**Sub-theme VI:** Financial Liberalization and Business Development

**Sub-theme VII:** Social Capital and Economic Growth: Tolerance, Harmony and Trust

**Sub-theme VIII:** Macroeconomic policies in a changing global and local Landscape

**Sub-theme IX:** Brian and Brawn for Change; Academia-Economy Linkages

**Sub-theme X:** Tapping the Regional Economic Integration; CPEC, ECO, SAARC, ASEAN
JAWAID AZFAR COMPUTER CENTRE

Jawaid Azfar Computer Centre (JACC) was established in 1984. Core functions of the JACC 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 effectively 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

- Online Recruitment System Developed and Implemented
- PC-I Automation System Developed and Implemented. The CDWP meetings are now conducted through this automation system.
- Revamped and maintaining of Planning Commission Website (www.pc.gov.pk)
- Development of Vision 2025 website

Year Book 2017-18
• Development of CPEC website (www.cpec.gov.pk)
• Conducting the trainings of E-Office Application for All the Economic, Technical Sections, Admin Wing and Projects of MOPD&R.
• Coordinating with the NITB team for E-office implementation in ministry.
• Coordinating with the Officers/Officials of ministry for E-office implementation in Ministry.
• All the support (software & Hardware) required to automate the workflow of MOPDR i-e shifting the ministry from physical file movement to E-Filling.
• Attending On-desk complaints and handholding of officers and staff of MOPD&R, related to E-Office application.
• Preparing all the E-Office related documents, charts, reports, meeting minutes & identification of issues etc.
• 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 , S&T Building.
• 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

Year Book 2017-18
• Composing, designing & formatting of Annual Plan 2017-18 and Year Book 2016-17

• 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 2017-18

• IT arrangements/multimedia support in all meetings at Auditorium and Committee Rooms of M/o of Planning, Development & Reform during 2017-18

• Coordinated 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 2017-18

• 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.20.16 million in its Non-Development side whereas Rs.125.00 million for its development project titled, “Up-Gradation of JACC” in 2017-18.

Work in progress

• Implementation of E-Office

• WiFi setup in P-Block

• Up-gradation of Network
PILLAR-VII
MODERNISING TRANSPORTATION INFRASTRUCTURE AND GREATER REGIONAL CONNECTIVITY
TRANSPORT AND LOGISTICS

The Transport & Communications section provides candid advisories, opinions, appraisal and facilitation to the relevant ministries / departments in the implementation of transport sector initiatives and projects to ensure provision of safe, reliable, robust and efficient Transport system / infrastructure to people. The T&C section also extends its technical support for policy formulations in line with the Vision Pakistan 2025 “Facilitate the establishment of an efficient and integrated transport system to make the economy competitive”.

In line with the functions of the T&C Section already envisioned in the Ministry’s mandate, during the financial year 2017-18, the section examined and processed new and revised development projects of Ministries of Communications (NHA, NTRC, NH&MP), CAD (CDA), Railways (PR), Aviation (CAA, ASF), Housing & Works (PWD), Maritime (GPA, PQA, KPT), Defense (PMSA) Defense Production (KS&EW) and projects from Provinces, FATA, Gilgit Baltistan and AJ&K. These projects belonged to various level of approval competencies such as DDWP, CDWP, ECNEC and DWP. The NLC Board Meetings and minutes were also processed in 2017-18.

PSDP Allocation

During 2017-18, T&C Sector was provided an outlay of Rs.414.225 billion for the federal programme under the PSDP for 2017-18. Against this, expenditure of Rs.247.622 billion was incurred by the end of the financial year (2017-18), giving an overall expenditure of 60 percent. The sub-sector wise detail may be seen at Annex-C.
Transport sector contributes about 10% of the GDP, accounts for over 6% of employment and consumes 35% of total energy annually. The major target as set by the Vision 2025 was to increase the length of road network and major upgradation of railway system including increase in speed, doubling of main line to increase line capacity with modern signaling system. The ongoing / new projects in PSDP 2017-18 were included to achieve the targets of vision 2025 and 11\textsuperscript{th} Five Year Plan 2013-18 in roads and railways sectors. The transport Sector facts & figures / situation till June 2018 is given in Figure-1.
Major Activities

The Section performed the following major activities during 2017-18 despite the shortage of officers and staff:

Preparation & Finalization of National Transport Policy 2018

The National Transport Policy contains the overall Vision, Principles for the Governance of the Transport Sector, Policy Objectives and contributions for each of the sector. It guides the development of the Transport sector and sets the strategic direction and priorities for the future long-term development of the transport sector. The section finalized the NTP in consultation with all concerned stakeholders during the year. Finally, it was approved by the Cabinet in May 2018.

CPEC Projects

The work continued on fast track basis on the CPEC Early Harvest Projects. The Long Term Plan of CPEC was approved on 21st November, 2017 in which the transport related portion is based on the approved transport plan of CPEC. The Section was involved in preparation of transport portion of Long Term Plan.

Appraisal of Projects

During 2017-18, the Section examined, processed and prepared working papers of about 75 PC-Is / Schemes. 12 CDWP meetings were held and out of total processed PC-Is, 29 schemes were approved by the CDWP, at its level (costing up to Rs.3.0 billion) and 11 schemes were deferred. Similarly, 10 meetings of the ECNEC were held during 2017-18. Out of the total, 35 schemes were processed for approval of ECNEC. These schemes included new, ongoing and revised mega projects of NHA and other agencies including provincial Metro / Urban mass transit Projects. During the Period, 11 Concept Clearance proposals were also processed out of which, 2 CC proposals were agreed by the CC Committee and 9 were returned for technical deficiencies. In the processing of above number of schemes all the pre and post follow-up requirements were met by the Section i.e. Pre and Post CDWPs meetings, were held and due to thorough
examination, considerable cost savings were recommended prior to the approval of the projects, by the respective competent forums.

Other Activities

Detail of miscellaneous activities performed by the Section during 2017-18 is given below:

- Two meetings of National Logistic Board 61st and 62nd were held and the Section prepared of Brief / Working Papers and minutes of the Meetings.

- Various DDWP meetings of all the line ministries were attended where the projects at the DDWP level scrutinized and discussed as per following detail:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Ministry / Department</th>
<th>No. of Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ministry of Communications</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Ministry of Railways</td>
<td>3</td>
</tr>
<tr>
<td>3</td>
<td>Ministry of Maritimes Affairs</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>Aviation Division (ASF)</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Housing &amp; Works Division</td>
<td>13</td>
</tr>
</tbody>
</table>

- Various DWP meetings of the self-financed department such as CDA and others and appraised the projects as per following detail:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Department</th>
<th>No. of Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Capital Development Authority (CDA)</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Civil Aviation Authority (CAA –DWP)</td>
<td>3</td>
</tr>
</tbody>
</table>

- The Section actively participated in review meetings of the PSDP held on quarterly basis and input was provided wherever required. The section also participated in the monthly / bi-monthly CPEC review meetings.
• The Section remains involved in preparing brief and comments for Boards meetings of the CAA, PR and NHA.

• The release and re-appropriation cases were dealt in by the Section and views and comments were provided to the PIP Section promptly.

• The Sponsors and Executing Agencies were provided guidance, advices and suggestions at the PC-I and PC-II preparation stages. They were also helped in removing bottlenecks in project implementation and resolving various issues faced by on-going projects.

• The Section remained busy in attending and preparing briefs for all the National Assembly and Senate Standing Committees. The section also participated in PAC meetings during 2017-18.

**Work in Progress**

Work on preparation of 12th Five Year Plan (2018-23) will remain continued in the next year in consultation with experts and relevant stakeholders to finalize the Plan, though a zero draft was prepared during 2017-18. The Section is also working on exploring new performance indicators for better future performance measurement. The work on Implementation of National Transport Policy i.e. its Master Plan as 2nd step will continue in next year.
NATIONAL LOGISTICS CELL

National Logistics Cell (NLC), established in 1978, is the premier logistics organization of Pakistan that acts as crisis management arm of the government. NLC works under the overall umbrella of National Logistic Board (NLB) headed by Minister for Planning, Development & Reform with Secretaries of all relevant Federal Ministries as its members. Quarter Master General (QMG) Pakistan Army acts as Officer Incharge (OIC) of NLC and Director General as Chief Executive Officer (CEO) of the organization. In emergencies and natural calamities, NLC facilitates national and international aid agencies in transportation of relief goods to the affected areas by establishing a robust supply line. Since its inception, NLC has been frequently employed by the Government to resolve logistics crisis whenever it emerged in any part of the country. NLC greatly contributes in all facets which determine the logistics performance of Pakistan namely management of Border Terminals, provision of logistics services, building of infrastructure and running country-wide tracking & monitoring system.

Overview 2017-18

Freight Service

Freight Service runs largest dry and liquid cargo operations in the region and is rightly regarded as trendsetter in logistics and transportation due to innovative concepts and contemporary technologies introduced by the outfit for last four decades of its existence. Freight Service carries out cargo operation across the country and specializes in transportation of crude, furnace oil, white oil, wheat, fertilizers and other elements 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. Similarly, 83 x 52 KL, 2 x 28KL & 3 x 44 KL Bowzers and 116 x 50 Ton Trailers have been inducted during 2016-17 & 2017-18. Moreover, 100 x Prime Movers and 150 x 48 KL Bowzers are in process of induction in 1st Qtr 2018-19. Liquid Cargo Service has the distinction of transporting more than 55% of crude oil production of Pakistan. White Oil business with PSO has started this year which will prove as a major breakthrough.
towards substantial improvement in revenue generation/ self-sustenance. In the dry cargo operations, a total of 793,084 tons of goods were transported in 2017-18. Punjab Food, FFBL and Unilever Pak were the major sources of revenue in dry cargo operation this year. Govt of Gilgit Baltistan (GB) has been added as a client during 2016-17 for transportation of wheat from different location to GB. Efforts are in hand to engage more clients from corporate sector with better service delivery. Apart from impressing the corporate clientele, Freight service has brought structural changes to make it compatible with modern corporate ways of doing business. NLC places special emphases on capacity building of its employees and reputed institutes have been engaged to make them more conversant with best practices in the logistics industry. Water service segment is also successfully operating in Karachi having capacity of providing 324000 gallons at one time. Clean drinking water is being provided to strategic installations besides domestic and commercial consumers. NLC Freight Service acts as counter weight against tanker and trucker mafia by keeping required equilibrium in the national logistic cycle. Significant improvements in service delivery and profit generation have been recorded in Freight Service by close of 2017-18.

**NLC Engineers**

NLC Engineers is one of the most credible name in the construction industry of the country. Having footprint over all geographical terrains of Pakistan, right from the Himalaya to plains of Punjab, Sindh, Balochistan and Khyber Pakhtunkhwa, NLC Engineers has mastered the art of successful execution of complex construction projects in record time and within the budgetary allocations of clients from Government and private sectors. The outfit has proven record of providing most practical, economical and innovative solutions which makes NLC Engineers as the preferred choice of clients over the past four decades. NLC Engineers is working on scores of mega projects in urban centers as well as inaccessible and remote areas of Pakistan. Following are some of the mega projects completed by NLC Engineers during 2017-18:
<table>
<thead>
<tr>
<th>S. No.</th>
<th>Projects</th>
<th>Completion Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Construction of Okara Railway Station</td>
<td>2017</td>
</tr>
<tr>
<td>b.</td>
<td>Jinnah Hospital, Kabul</td>
<td>2017</td>
</tr>
<tr>
<td>c.</td>
<td>Construction of Chokiwala to Zain Road at DG Khan</td>
<td>2017</td>
</tr>
<tr>
<td>d.</td>
<td>Construction of Flyover at Aziz Cross Gujranwala</td>
<td>2017</td>
</tr>
<tr>
<td>e.</td>
<td>Mianwali – Jand Road Project</td>
<td>2018</td>
</tr>
<tr>
<td>f.</td>
<td>Sports Complex Narowal</td>
<td>2018</td>
</tr>
<tr>
<td>g.</td>
<td>Construction of ATC Courts &amp; Residential Complex at Central Jail Karachi</td>
<td>2018</td>
</tr>
<tr>
<td>h.</td>
<td>Construction of Satukatla Drain (40 Ft Wide) Lahore</td>
<td>2018</td>
</tr>
<tr>
<td>i.</td>
<td>Interim Development Works at Chaman Border Terminal</td>
<td>2018</td>
</tr>
</tbody>
</table>

**Border Terminals & Dry Ports**

To boost trade with neighboring countries, Government of Pakistan tasked NLC in 2005 to set up Border Terminals at all important entry / exit points across international borders with neighboring countries. NLC has set up Border Terminals at Wahga, Torkham / Jamrud and Chaman which are playing pivotal role in boosting trade with India and Afghanistan. In 2017/2018 NLC set up two additional Border Terminals at Ghulam Khan Kalay in North Waziristan & Kharlachi in Kurrum Districts of erstwhile Federally Administered Tribal Areas and a Dry Port at Sost on Chinese border. More Terminals are being established at Angoor Adda near Pak Afghan border, Gabd and Taftan along Iranian border to facilitate import / export business with respective countries. These Border Terminals at Chaman, Torkham and Wahga are being further upgraded to have most modern facilities as part of approved master plan of Asian Development Bank (ADB) under Integrated Transit Trade Management System (ITTMS). The Border Terminals will make Pakistan a hub of international transit trade after operationalization of China Pakistan Economic Corridor (CPEC). Following is the brief performance appraisal of Dry Ports & Border Terminals in 2017-18:
<table>
<thead>
<tr>
<th>S.#</th>
<th>Dry Port / Border Terminal</th>
<th>No of Containers/Vehicles handled</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Dry Port, Lahore</td>
<td>8,454</td>
</tr>
<tr>
<td>b.</td>
<td>Wagha Border Terminal, Lahore</td>
<td>53,297</td>
</tr>
<tr>
<td>c.</td>
<td>Torkham Border Terminal</td>
<td>226,956</td>
</tr>
<tr>
<td>d.</td>
<td>Dry Port, Quetta</td>
<td>13,669</td>
</tr>
<tr>
<td>e.</td>
<td>Dry Port NLC, Hyderabad</td>
<td>233</td>
</tr>
<tr>
<td>f.</td>
<td>Chaman Border Terminal (Only ISAF/NATO vehicles)</td>
<td>5,288</td>
</tr>
<tr>
<td>g.</td>
<td>Khyber Border Terminal, Jamrud</td>
<td>25,275</td>
</tr>
<tr>
<td>h.</td>
<td>NLC Tracking Solution (NTS) Karachi</td>
<td>3131</td>
</tr>
<tr>
<td>i.</td>
<td>Ghulam Khan Kalay Border Terminal</td>
<td>3223</td>
</tr>
<tr>
<td>j.</td>
<td>Kharlachi Border Terminal</td>
<td>9024</td>
</tr>
<tr>
<td>k.</td>
<td>SRDP Sost</td>
<td>175</td>
</tr>
</tbody>
</table>

**Applied Technologies Institutes NLC (ATINs)**

Established in 2006 with a view to contribute towards Government’s efforts to reduce poverty through equipping youth with technical/vocational skills, ATINs have so far trained over 50,000 students. These institutes have grown into centers of excellence in the technical education and vocational training. ATIN campuses at Mandra and Dina are ideally located for facilitating youth from Northern Punjab and Kashmir whereas ATIN Amangrah (Nowshera) is offering training services to students from KPK including administrative areas of FATA (Now merged into KPK). Considering vacuum in technical/vocational training facilities in Sindh and Gilgit Baltistan, campuses of ATIN at Khair Pur Mirs’ and Gilgit have been established in 2016 and 2018 respectively. Hotel management courses are also offered in ATIN GB. ATINs are affiliated with and accredited by National Vocational and Technical Training Commission (NAVTTCC), National Training Bureau (NTB), Technical Education and Vocational Authority (TEVTA), Punjab Board of Technical Education (PBTE) & Sindh Board of Technical Education (SBTE). Recently, students of ATIN Mandra won 1st & 2nd positions of Zonal & Regional Skill Competition respectively, arranged by NAVTTCC. Students of ATIN Khairpur also secured 2nd position in Zonal Skill Competition arranged by NAVTTCC in
Karachi. ATINs have the capacity for training 5000 students, with boarding and lodging facilities for over 2500. ATINs are holding sufficient number of heavy vehicles, plant, earth moving & construction machinery and have well equipped laboratories for all relevant technologies. ATIN is the only chain offering HTV/ Long vehicles drivers training and one of few with courses on earth moving/construction machinery and mechanical handling equipment. NLC plans to introduce international standards certification for driving and plant equipment to avoid accidents and improve road sense and road safety.

**Tolling Operations**

NLC tolling is operating manual and ETTM toll plazas through competitive 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.62.01 billion since start of tolling operation in 1999 to Jun 2018. NLC won 31 x Toll Plazas through competitive bidding during 2017/18. Besides earning a handsome amount of revenue for the Government, NLC has spearheaded the cause of introducing tolling culture in the country where commuters pay toll tax as civic responsibility.

**NLC Express Freight Train (NEFT)**

Ten NLC owned GMU-30 Locomotives handed over to Pakistan Railways under Wet Lease Contract Agreement signed on 14 November 2014 for a period of twelve years are successfully undertaking freight operations. As per contract agreement, NLC is responsible for provision of mechanically fit locomotives along with 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 682 trips and earned revenue of Rs.1269 million. NEFT is devising strategy to explore new business avenues especially those related to CPEC project in coordination with Pakistan Railways in future.
MoU with Daimler AG

In 2017-18, NLC signed Memorandum of Understanding (MOU) with Daimler AG for assembly of world’s renowned Mercedes-Benz trucks in Pakistan. Local assembly of Mercedes-Benz trucks by Pak NLC Motors (Pvt) Ltd will mark a major shift in the domestic logistics and transportation industry towards European manufacturers who offer technologically advanced products that combine superior performance, environment friendliness, reliability and road safety. The landmark initiative will ensure a healthy competition in the trucking industry and meet the logistics requirements of CPEC besides bringing qualitative change in local vendor industry and creation of new job opportunities.

MoU with Sindh Board of Investment (SBI)

NLC and SBI signed a Memorandum of Understanding (MoU) at Karachi for establishing a Logistics Park at CPEC Special Economic Zone (SEZ), Dhabeji. According to MoU, both the organizations will collaborate with each other to set up state-of-the-art Logistics Park within the proposed SEZ being established at Dhabeji. In this regard SBI will extend all possible facilitation to NLC, for its role as Logistics Park Management Organization in collaboration with foreign commercial enterprises and designated Chinese investors.

NLC Trucking & Bus Services

DERA (Drivers Emergency and Rest Areas) concept of having rest / services areas along G.T Roads & National Highways was further refined and NLC Trucking and Bus Services (NTBS) (Pvt) Ltd was formed and registered with Securities and Exchange Commission of Pakistan (SECP) on 21st March 2018. NTBS (Pvt) Ltd vigorously pursued the concept and entered into international and local chains as business partners for agreement with three DERA Sites (i.e Sahiwal, Pirowal & Khan Bela). Development of sites has started and DERA will be functional by the end of current financial year. It will later be extended to Makran Coastal Highway, Karakoram Highway, Indus Highway, Quetta-Gwadar Route, Quetta-Taftan Route and Western CPEC Routes. Moreover, NLC launched a comprehensive Recovery
Service of light and heavy vehicles along entire length of GT Rd with an aim to enhance efficiency and performance of the logistics industry of Pakistan and facilitate general commuters. Named as ‘NLC Dost Recovery’, the service is available 24/7 round the year and is first of its kind along GT Road which helps alleviate the hardships being faced by commuters in general and transporters in particular in an event of mishaps and breakdowns. Latest machineries and equipment have been placed at important equidistant facilities astride GT Road to help motorists and truckers in timely recovery of light and heavy vehicles. A dedicated helpline “UAN 042-111-321-321” has been established for prompt response to salvage and rescue the disabled/damaged vehicles.

**BOAO International Logistics Forum 2017**

The Forum was held at Hainan, China from 6-8 December, 2017. The theme of the Forum was “New Ideas, New Trends and New Logistics”. The Forum highlighted China’s flagship project of One Belt One Road. The event provided an excellent opportunity to project Pakistan, NLC and logistics opportunities being offered by the ongoing CPEC. Director General NLC delivered a talk on the topic of NLC & CPEC. In addition, meetings were also held with logistics experts and senior officials of Chinese logistics industry on the sidelines of the Forum.

**15th China International Logistics Week (CILW)**

Brigadier Abrar Mehboob, Director Marketing NLC attended 15th China International Logistics Week (CILW) which was held at Shanghai, China from 15-18 May 2018. Director Marketing NLC delivered a talk at the forum on the topic of “NLC and Opportunities offered by CPEC”. Business to Business (B2B) meetings were held with different logistics companies of China during the said event in which over 500 logistics companies participated.

**Gwadar Expo 2018**

The Gwadar Expo 2018 was held at Gwadar Free Zone Exhibition Hall, Gwadar from 29–30 Jan 2018. The event was jointly organized by China Overseas Port Holding Company (COPHC) and Gwadar
Port Authority (GPA). NLC set up stall at the expo showcasing wide-range of services being offered by the organization particularly in the context of ongoing CPEC projects. A large number of visitors representing leading Chinese and Pakistani companies visited NLC stalls.
CHINA PAKISTAN ECONOMIC CORRIDOR

China Pakistan Economic Corridor (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 China. It will not be an 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, Central Asian Republics, European Union, Middle East, and African States.

With the implementation of Early Harvest Projects, CPEC is already transforming Pakistan’s economy and assisting in socio-economic uplift of entire country. CPEC is not the name of a single route or alignment, rather it is a comprehensive package of cooperative initiatives and projects encompassing regional connectivity, information network infrastructure, energy cooperation, industries and industrial parks, agricultural development and poverty alleviation, tourism, financial cooperation as well as livelihood improvement including municipal infrastructure, education, public health and people to people communication which will result in thousands of new ventures and millions of jobs in every part of country.

Objectives of the CPEC Secretariat at M/o PD&R

Main objective of the CPEC Support Project is to establish/strengthen China-Pak Economic Corridor Secretariat in the Ministry of Planning, Development and Reform, Islamabad for overall coordination and implementation of CPEC projects/activities in collaboration with the concerned line ministries. Specifically, the project will offers/Provides the following:

- Facilitate, coordinate, monitor and evaluate the Programme and projects under line ministries.
• Provide a much-needed platform for multi-sector coordination and a consultative, ‘informed’ approach to trade and transport reforms and policy formulation.

• Enhance capacity and provide policy and governance advice to support GoP’s transport and energy infrastructure modernization agenda in the context of regional connectivity.

• Enable the related Ministries to use innovative modes of implementing and financing projects and tap modern sources of financing.

• Provide secretarial services for procurement of sector specialists for each sector (railways, roads, ports, power and trade projects and the required technical experts).

• To work and coordinate efforts for social sector development of the country, people to people exchanges, ensure transfer of knowledge, provide informed and researched based data to implement CPEC projects in a smooth and steady manner and capture the window of opportunity for structural transformation in Pakistan.

• To support coordination with Local / International institutions / Think tanks for preparing policies, research for leveraging Pakistan's SEZs.

• To coordinate efforts for developing & implementing of Long Term Plan.

Implementation Framework

For effective implementation of CPEC Projects, both China and Pakistan have designated their respected departments. The designated organization from Chinese side is China’s National Development and Reform Commission (NDRC) that is an International Cooperation Department and the designated organization from Pakistan’s side is Ministry of PD&R-China Pakistan Economic Corridor Secretariat (CPECS).
For institutional arrangement and development of the CPEC, National Development and Reform Commission (NDRC) along with Ministry of 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 Industrial 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, seven (7) meetings of the Joint Coordination Committee (JCC) have been held aside from other subsidiary meetings of Joint Working Groups, Expert Groups, Progress Review Meetings and Expert team visits. A new sub-group has been formed on Oil and Gas under Energy Joint Working Group. Moreover, Agriculture sub-group has been constituted under Industrial Cooperation JWG.

CPEC Projects

22 projects worth US$ 28.6 billion in CPEC portfolio are under implementation in different sectors. Details of the projects are as under:

Energy Cooperation

Pakistan has embarked on a massive investment programme in energy sector in the context of CPEC. The planned investments are expected to eliminate Pakistan’s energy deficit, improve economy’s fuel mix, reduce energy costs, raise overall business productivity and trade connectivity and provide a positive boost to output and exports. With these passionate projects Pakistan would not only overcome its chronic energy shortages which it has been facing over the last decade. Alongside, Pakistan has embarked on a wide-ranging initiative to increase and diversify its energy supply in order to realize its growing potential. Recognizing the growing energy needs of Pakistan, and to overcome the existing energy deficits, CPEC has allocated a major proportion of its funds to energy generation and transmission.

Year Book 2017-18
Among the 15 prioritized energy projects, 1,320 MW Sahiwal Coal fired Power Plant, 1,320 MW Port Qasim Coal fired Power Plant have already achieved their COD and are operating successfully. 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 also attained successful completion. Similarly, other energy projects like: Thar Coal Power Projects and Mining are under fast implementation while current actively promoted energy projects include: Coal Based Rahimyar Khan Fuel Based Power Project, Kohala Hydro Power Project and newly added Western Energy (Pvt.) Ltd. 50MW Wind Power Project Cacho 50MW Wind Power Project. Moreover, Thar Block-II Mining project has also been unearthed.

**Transport Infrastructure**

As part of infrastructure projects 1,100 kilometer long motorway will be constructed between the cities of Karachi and Lahore, while the Karakoram Highway between Rawalpindi and the Chinese border will be completely reconstructed and overhauled. The Karachi–Peshawar main railway line will also be upgraded to allow for train travel at up to 160 kilometers per hour.

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 active implementation and both have achieved 53% and 62% progress respectively. In addition to this, Western Route (Khunjerab-Burhan (Hakla)-D.I.Khan (Yarik)-Quetta-Surab-Hoshab-Gwadar) measuring 2494 km is being developed on priority basis out of which Surab-Hoshab (N-85) and Gwadar-Turbat-Hoshab (M-8) have been completed and remaining sections are expected to be completed by Mid-2019.

Railroad is considered to be the fast and most efficient mode of communication. Given this, a major strategic imitative 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. 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 out. PC-I of ML-I Phase I has been approved from CDWP and been forwarded to ECNEC. The completion of this project will increase speed of train up to 160 km/h. In addition, Orange-Line Lahore will be completed in 2018 while discussion on Karachi Circular Railway (KCR) is in its final stage. 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 port that is the terminus of CPEC is strategically located in Arabian Sea and occupies a key position between South Asia, Central Asia, and the Middle East and lies close to the Strait of Hormuz – gateway for around twenty percent of the world’s oil. In the last five years of the inception of CPEC, 22 projects worth US$28.6 billion under CPEC portfolio are under active implementation, out of which four Gwadar projects are under active implementation amounting to US$406 million. 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, nonferrous 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. Feasibility of Phase II of Gwadar Port has been sent to Ministry of Maritime Affairs. Gwadar projects which are under active
implementation include: Gwadar East Bay Expressway, New Gwadar International Airport, Development of Free Zones, and Gwadar Smart Port City Master Plan. Work on various other Gwadar projects include: construction of breakwaters, dredging of berthing areas and channels, technical and vocational institute, Pak-China friendship hospital, which are under various stages of implementation. Ground breaking of Gwadar Eastbay Expressway, was held on 22nd November, 2017 whereas for New Gwadar International Airport design and work plan has been agreed and grant agreement were signed in May 2017. Ground breaking would commence in 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.

**Industry 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. Industrial Cooperation under CPEC is entering into implementation stage. Currently, 9 potential sites in all provinces including AJK, GB and FATA have been approved. Each economic zone will target specific products and services, based on the availability of local raw material, workforce and other such factors.

These Zones shall cater all types of environment friendly industries including textiles, light engineering, electronics, pharmaceutical, chemicals, food processing, automobiles, manufacturing, minerals processing, agro promotion, logistics, science parks etc. Chinese investors can relocate their business in these SEZs as per following details:
It may be pertinently highlighted that the feasibility for industrial parks/SEZs has been completed and shared with Chinese side. The Government of Pakistan (GOP) has a very liberal investment policy. Pakistan’s investment policy is one of the best in the region. GOP has initiated a broader and multi-dimensional reform process to improve the investment climate in Pakistan. The government has formulated additional incentives for SEZs which have been approved by Cabinet. It may be highlighted that these incentives are over and above the incentive package laid down in 2013 SEZ Act.

In July 2017, an expert level delegation from NDRC visited industrial sites for providing guidance on development of industrial parks/SEZs. Another Chinese expert group is to visit in August 2018. Six (6) feasibilities/ prefeasibility have been shared with the Chinese side during the 7th JCC in November 2017.

**Social Sector Projects**

Efforts are being made for intensification of People to People contact, media and cultural exchanges (including movies, drama, theatre etc.) which 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.

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). Higher Education Commission (HEC) has been made focal agency from Pakistani side and consultative process has commenced. China Pakistan Friendly Exchange Programme PC-I has been approved. First delegation visit is under preparation.

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. CPEC LTP was signed on 21st November, 2017 and is available on CPEC official website i.e. www.cpec.gov.pk. 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
Major activities coordinated by CPEC Secretariat during 2017-18 include:

- Visit of Chinese SEZ expert group to Pakistan in July 2017
- Pre-JCC meetings organized by CPEC Secretariat-M/o PD&R in October 2017 at Islamabad.
- Joint Working Group (JWG) meeting on Gwadar, in November 2017.
- Senior official meeting (SOM) held on 20th November, 2017 at Islamabad.
- Seventh Joint Cooperation Committee (JCC) held on 21st November, 2017 at Islamabad.
- Long Term Plan launching ceremony in December, 2017
- Post JCC visit to Beijing, China of senior officials headed by Secretary PD&R in January, 2018
- Visit of senior Pakistan and Chinese side Media personnel to Gwadar in March, 2018
- DAWN CPEC Karachi summit in April, 2018
- CPEC project progress review meetings on monthly basis
- Ground breaking of East Bay Expressway by the Prime Minister of Pakistan in November, 2018

**Future Plan of Action**

- Joint Working Group (JWG) meeting in August-September, 2018
- Joint Cooperation Committee (JCC) meeting scheduled in November, 2018.
Annex-B

Sections of the Ministry of Planning, Development and Reform

1. Administration Wing

2. Economic sections
   i. Economic Appraisal Section
   ii. Employment and Research Section
   iii. International Trade and Finance Section
   iv. Macroeconomic Section
   v. Money, Price and Fiscal Policy Section
   vi. Plan Coordination Section
   vii. Poverty Alleviation Section
   viii. Public Investment Authorisation Section
   ix. Public Investment Programming Section

3. Technical Sections
   i. Agriculture and Food Section
   ii. Devolution and Area Development Section
   iii. Education Section
   iv. Governance Section
   v. Health Section
   vi. Industries and Commerce Section
   vii. Manpower Section
viii. Mass Media, Culture, Sports, Tourism and Youth Section
ix. Nutrition Section
x. Physical Planning and Housing Section
xi. Population and Social Planning Section
xii. Printing and Publication Section
xiii. Science and Technology Section
xiv. Social Welfare Section
xv. Transport and Communication Section
xvi. Water Resources Section
xvii. Drawing Section

4. Wings
   i. Energy Wing
   ii. Projects Wing

5. Attached cells, departments and autonomous bodies
   i. Pakistan Planning and Management Institute (PPMI)
   ii. Pakistan Institute of Development Economics (PIDE)
   iii. National Logistics Cell (NLC)
   iv. Afghan Cell
   v. Jawaid Azfar Computer Centre (JACC)
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<td>National Highway Authority (NHA)</td>
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<td>1(c)</td>
<td>National HW &amp; Motorway Police (NH&amp;MP)</td>
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<td>1(d)</td>
<td>National Transport Research Centre (NTRC)</td>
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<td>Defense Production Division</td>
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<td>Finance Division (Provincial Roads)</td>
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<td>Housing &amp; Works Division (Provincial Roads)</td>
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<td>AJK &amp; GB Division</td>
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<td>Postal Service</td>
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<td><strong>Total T&amp;C</strong></td>
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