Khyber Pakhtunkhwa Merged Areas

Accelerated Implementation Programme

AIP

The First 3-Year Phase of the Tribal Decade Strategy

Government of Khyber Pakhtunkhwa

VALUE, OPTIMIZATION, QUALITY & RESULTS

ACCELERATED IMPLEMENTATION PROGRAMME (AIP)

KHYBER PAKHTUNKHWA MERGED AREAS

Accelerated Implementation Programme

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Message from the Chief Minister

The development challenges originating from the much-celebrated merger of former Tribal Areas with Khyber Pakhtunkhwa are immense. Under the visionary leadership of Prime Minister Mr. Imran Khan, we are striving to address these challenges on priority and at parity.

MAHMOOD KHAN
Chief Minister
Khyber Pakhtunkhwa

The Accelerated Implementation Programme (AIP) is a manifestation of the genuine interest of the government to listen to the development needs of the people of the Merged Areas and reflect their priorities in the development and reform processes. More than 5 million residents of the Merged Areas await the fulfillment of the potential of the historic merger of former Tribal Areas.

Therefore, the Government of Khyber Pakhtunkhwa dedicates its highest priority to achieve equivalence in the development indicators of the Merged Areas with the rest of the province. Encompassing the first three years of the Tribal Decade (2020-2030), AIP is the embodiment of these commitments and obligations we have pledged.

The merger of Tribal Areas is a highpoint of my government's tenure. During the first year of the AIP, we have mobilized Rs. 83 billion for the priority development initiatives. Now we need to sustain the pace and progress of the merger to ensure that we deliver on our promises. It is my privilege to present the AIP of the Government of Khyber Pakhtunkhwa, which underpins our shared vision for a transformational change in the Merged Areas by 2022.

AIP manifests my government's dedicated and prioritized response to the development of the Merged Areas by laying out a context-specific, time-bound and result-oriented implementation programme translating the 10-year Tribal Decade Strategy into actionable priority interventions during these 3 years until 2022. With our medium-term development focus, AIP seeks to lay foundations for sustainable development in the newly merged districts.

While the challenges ahead are tremendous, all the Implementing Departments and State Institutions must work with responsibility and transparency to excel at their development goals and assigned targets. We also need to work in partnership with our development partners to benefit from their expertise and experience.

I am grateful to all the contributors, the UNDP Merged Areas Governance Project in particular, for their valuable inputs and tireless efforts in helping us formulate this vital document based on the national and provincial strategies to ensure a successful transition with the potential of laying the foundations for the sustainable development of the Merged Areas.

Message from the Chief Secretary

> AIP demonstrates our priority and resolve to ensure that the integration of more than 5 million people in the national mainstream takes place in a planned, peaceful and progressive manner.

KAZIM NIAZ
Chief Secretary
Khyber Pakhtunkhwa

Following the landmark merger of FATA with Khyber Pakhtunkhwa, I feel privileged to have the remarkable opportunity of presenting the Accelerated Implementation Programme (AIP) of the Government of Khyber Pakhtunkhwa which presents a comprehensive portfolio of development sector plans to be undertaken as drivers of accelerated development in the Merged Areas in a time-bound and result-oriented manner.

Socioeconomic development in the Merged Areas could not take off in a sustainable manner even after decades of efforts to bring millions of people out of poverty and at parity with the rest of the country. The Government of Pakhtunkhwa is fully committed to bringing these areas at par with the other districts of Khyber Pakhtunkhwa, regardless of the challenges it may pose. We consider it our prime responsibility to create an environment where every citizen of this province is treated fairly, treated equitably and treated well.

The AIP reflects our commitment towards a developed Khyber Pakhtunkhwa in general, and the Merged Areas in particular. I, and my team, will ensure that this promise is reflected through all our actions and decisions in the next 3 years to come. Under the AIP, we have focused on key sectors to maximize socioeconomic returns and ensure efficient service delivery to the citizens of the province. This ambitious programming is matched with a record budgetary allocation to ensure that we have the financial means to undertake AIP on priority.

The historic merger of tribal districts with Khyber Pakhtunkhwa will contribute to lasting peace and stability. In order to accelerate development and transform the socioeconomic conditions of the Merged Areas, the Government of Khyber Pakhtunkhwa will pursue the quality and timely implementation of the AIP. For that we need to work together and work hard, from the Implementing Departments to the District Administrations

We need to work together and work hard to achieve the strategic objectives of AIP within the stipulated timeframe. I am grateful to all the contributors - political leaders, government officials, development partners and sector experts who offered valuable inputs and made tireless efforts in the formulation of the AIP.

I am especially grateful to our enduring development partner, United Nations Development Programme, for upholding our vision and commitment towards the accelerated development of the Merged Areas. Their support has always been a source of strength to the Government of Khyber Pakhtunkhwa. I am of the firm belief that while working in concurrence on the AIP, we can transform lives of the people of Merged Areas and this partnership can spearhead the course to tap the boundless potential of the historic merger.

Message from the Additional Chief Secretary

> The Government of Khyber Pakhtunkhwa has attached highest priority to the development of the Merged Areas to achieve development parity with the rest of the province. Our priority focus covers delivery of basic services and availability of public infrastructure for the 5 million residents of this exceptionally gifted region.

SHAKEEL QADIR KHAN
Additional Chief Secretary
Khyber Pakhtunkhwa

We have devised a ten-year comprehensive development programme for the Merged Areas, the Tribal Decade Strategy, of which the first three years have been translated into actionable initiatives in the form of the Accelerated Implementation Programme (AIP). Our AIP development portfolio consists of 168 projects and interventions separately conceived, funded and monitored from the traditional Annual Development Programme.

AIP aims to address the substantial lag in development through both a considerable increase in resources as well as innovative approaches to development. AIP is designed to be context-specific and results-based to deliver such an ambitious programme over the next three years, giving considerable thought to implementation arrangements by minimizing the cost of delivery and maximizing its ability to provide the benefits of the merger.

All the key development sectors covering social and economic parameters have been addressed in the AIP. These individual sectors are arranged in a "Pentad of Development", which includes Building Responsive and Accountable Institutions, Enhancing Human Potential, Expanding Economic Infrastructure, Creating Sustainable Economic Opportunities and Instituting Sustainable Resource Management.

Big challenges require big decisions, and that is why we are taking revolutionary steps to ensure comprehensive development in the Merged Areas. Despite the prevalence of an uneven development scenario in the Merged Areas, we dream of a unified province where each and everyone has access to basic services, social rights and economic opportunities. We are working diligently to transform that dream into a reality through the AIP.

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List of Acronyms

AIP	Accelerated Implementation Programme
ADP	Annual Development Programme
AIM	Augmented Implementation Mechanisms
ATM	Automated Teller Machine
BEmOC	Basic Emergency Obstetric Care
BHU	Basic Health Unit
BISP	Benazir Income Support Programme
BOS	Bureau of Statistics
CCI	Council of Common Interest
CCT	Conditional Cash Transfer
CCU	Coronary Care Unit
CPEC	China Pakistan Economic Corridor
CPO	Central Police Officer
CSR	Corporate Social Responsibility
CEmOC	Comprehensive Emergency Obstetric Care
CHU	Child Health Unit
C&W	Communication and Works
DALY	Disability Adjusted Life Year
DC	Deputy Commissioner
DEO	District Education Office
DHS	District Health Survey
DHQ	District Headquarters
DOE	Directorate of Education
DPO	District Police Officer
DR	Disbursement Ratio
ECE	Early Childhood Education
ECNEC	Executive Committee of the National Economic Council
EMIS	Education Management Information System
EMOC	Emergency Obstetric Care
EMR	Electronic Medical Record
EPA	Environmental Protection Agency
EPI	Expanded Programme on Immunization
ESEF	Elementary and Secondary Education Foundation
EVS	Education Voucher Scheme
E&SED	Elementary and Secondary Education Department
FAS	Foundation Assisted Schools
FATA	Federally Administrated Tribal Areas

FBR	Federal Board of Revenue
FDI	Foreign Direct Investment
FIC	Fully Immunized Children
FIR	First Information Report
FR	Frontier Region
GER	Gross Enrolment Ratio
GIS	Geographic information system
HEMIS	Higher Education Management Information System
HMIS	Health Management Information System
HRH	Human Resources for Health
HRMIS	Human Resource Management Information System
ICU	Intensive Care Unit
IDAP	Infrastructure Development Authority of Punjab
IFMS	Integrated Financial Management System
IMR	Infant Mortality Rate
IMU	Independent Monitoring Unit
IT	Information Technology
IWRM	Integrated Water Resources Management
JV	Joint Venture
KPFA	Khyber Pakhtunkhwa Food Authority
KPOGCL	Khyber Pakhtunkhwa Oil and Gas Company
LHV	Lady Health Visitor
LHW	Lady Health Worker
MA	Merged Areas
MAF	Million Acre feet
MICS	Multiple Indicator Cluster Survey
MIS	Management Information System
MMR	Maternal Mortality Ratio
MNCH	Maternal, Newborn and Child Health
MSDS	Minimum Service Delivery Standards
M&E	Monitoring and Evaluation
NADRA	National Database and Registration Authority
NC	Neighbourhood Council
NCD	Non-Communicable Diseases
NEQ	National Environment Quality
NER	Net Enrolment Rate
NESPAK	National Engineering Services Pakistan
NFC	National Finance Commission
NHS	National Health Survey
NICU	Newborn Intensive Care Unit
NNS	National Nutrition Survey

NOC	No Objection Certificate
NP	Nurse Practitioner
NSER	National Socio-Economic Registry
NSP	New School Programme
NTFP	Non-Timber Forest Products
OOSC	Out of School Children
OPD	Outpatient Department
OSR	Own Source Revenue
O&M	Operation and Maintenance
PAM	Programme Approaches / Analytics & Measures
PaRRSA	Provincial Reconstruction, Rehabilitation and Settlement Authority
PCRWR	Pakistan Council of Research in Water Resources
PC-I	Planning Commission I
PDHS	Pakistan Demographic and Health Survey
PDWP	Provincial Development Working Party
PHC	Primary Health Care
PITE	Provincial Institute for Teacher Education
PMRU	Performance Management and Reforms Unit
PTC	Parent-Teacher Council
PTCL	Pakistan Telecommunication Company Limited
P&D	Planning and Development
QLD	Qabail Led Development
RBT	Registered Behavior Technician
RHC	Rural Health Center
ROI	Return on Investment
SBP	State Bank of Pakistan
SDU	Sustainable Development Unit
SEP	Special Emphasis Programme
SEZ	Special Economic Zone
SIR	Small Industrial Estate
SLO	Student Learning Objectives
SME	Small and Medium Enterprise
SWOT	Strengths, Weaknesses, Opportunities, Threats
TDS	Tribal Decade Strategy
TESCO	Tribal Electric Supply Company
TEVTA	Technical Education & Vocational Training Authority
TMA	Tehsil Municipal Administration
UR	Utilization Ratio
VC	Village Council
WSS	Water Supply and Sanitation
ZTBL	Zarai Taraqiati Bank Limited

#1 [Introduction]

The Government of Khyber Pakhtunkhwa (KP) accords the highest priority to the development of the Merged Areas (MA) to achieve development parity between these districts and others in the province and deliver the highly valued public services to the residents. The Accelerated Implementation Programme (AIP) encompassing the first three years of the 'Tribal Decade' is the embodiment of the Government's commitment to its development mission in the MA. The Government has mobilized Rs. Eighty-Three (83) Billion for the first year of the AIP.

The AIP translates the Tribal Decade Strategy (TDS) into actionable initiatives over the first three years emerging on the perspective-planning horizon. The development portfolio consists of 168 projects and interventions separately conceived, funded and monitored from the traditional Annual Development Programme (ADP). While keeping a short-term focus, it seeks to lay the foundations for the sustainable development of the MA. The integrated programme approach allows the sectoral programmes to be mutually reinforcing.

The programme aims to address the lag in development through both a dramatic increase in resources as well as innovative and materially different approaches to development. The programme is designed to be results-based; designed around logically planned and coherently organised outputs and outcomes.

In our planning process, the Government recognized that in addition to resources, the MA development requires efficient and effective systems, transparent mechanisms continually converting resources into appropriate public assets and services, and politically accountable institutions arbitrating resource allocation. The Government has carefully assessed its institutional capacities to deliver such an ambitious programme over the next three years, giving considerable thought to implementation arrangements and through these minimize the cost of delivery and maximize its ability to provide the benefits of the merger to the residents of the MA. The implementation approach is designed to yield early results while deploying systems and resources efficiently and consolidating higher functionality without delaying implementation.

AIP formulation has worked through data limitations but has also been able to bring the MA from a relative planning oblivion into the focus of technical planning and political importance. Deploying timely and robust data collection initiatives, the first years of implementation will generate significant pools of information from service users, elected representatives, and government sources such as independent monitoring units. To make use of this feedback, AIP has formalized an iterative planning approach in the implementation arrangements. Details of the proposed mechanisms appear in the Annexes.

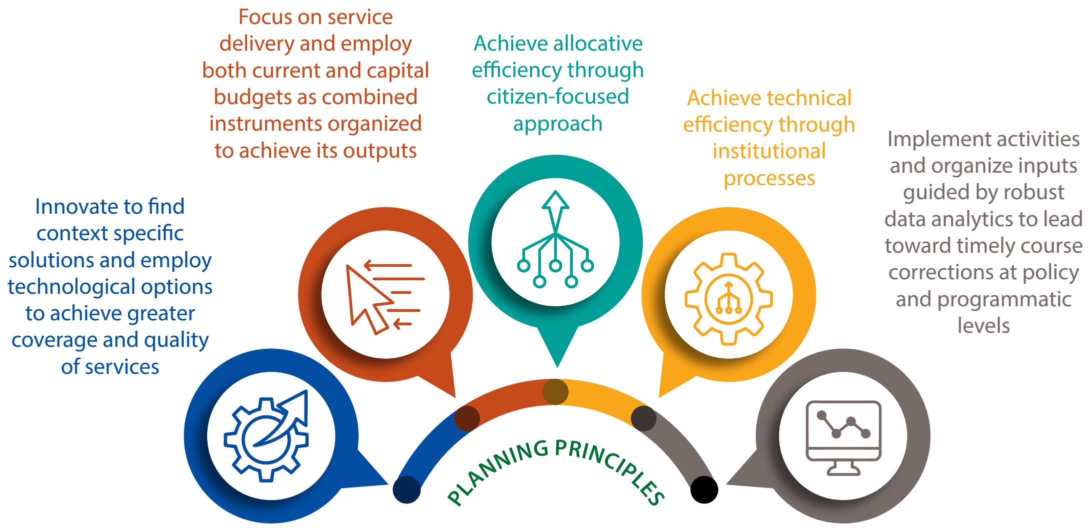
Unlike the traditional ADP, the AIP aims to connect both the capital investments (development) and current budget allocations.[1]

Due attention to implementation arrangements is emphasised with a focus on an iterative planning approach to be adopted for specific attention to capacities, constraints and organizational norms of the implementing departments. In addition, the sectoral programmes are to be mutually reinforcing.

[1] However, the allocations under AIP 2019-20 represent capital investments only.

The AIP comprises of an armature of five planning principles (Figure 1) that serve as the conceptual framework around which all activities, inputs, projects and programmes will be organized. These principles, along with the planning tenets elaborated in each sector, will be used to keep project appraisals, approvals, implementations and evaluations on an even keel, leading toward the attainment of the development objectives of the AIP.

Figure 1: Planning Principles



TDS uses indicative figures to illustrate the scale of the challenge, and also indicates the scale and type of investments required amongst the different sectors for accelerated development of the MA (Figure 2). Overall, the implementation of the TDS involves an investment of over Rs. 120 billion per annum over the ten years starting in fiscal 2019-20 to achieve the development goals for the MA.

Figure 2: Sector-wise Allocations (Percent Share in Total Allocation of AIP 2019-20)

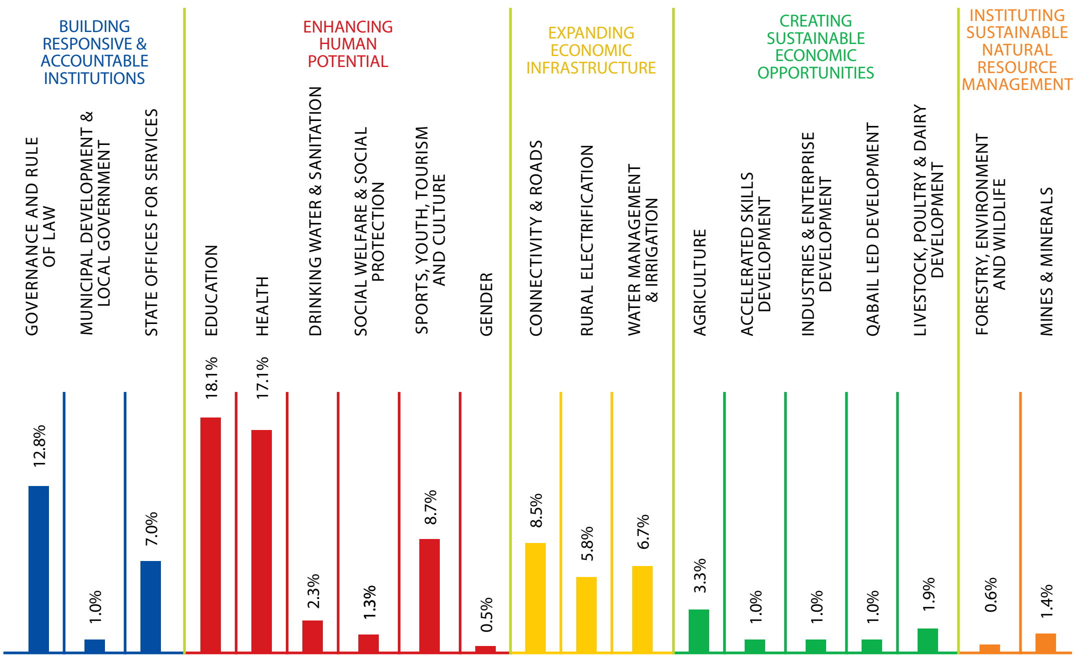
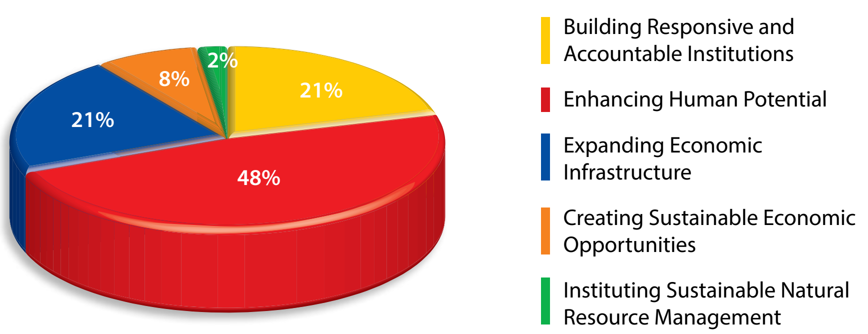


Figure 3: Development Pentad (Percent Share in Total Allocation of AIP 2019-20)



The individual sectors that are listed in AIP are arranged in a Pentad of Development (Figure 3), assigning importance and value to these aspects of development. The Building Responsive and Accountable Institutions cluster contains the following sectors: Governance and rule of law, municipal development and local government, and state offices for services. This part caters to infrastructure for, and introduces, systems of dispute resolution, criminal justice and local government of the MA, along with the accommodating deconcentrated[2] offices of the provincial government departments.

Next is Enhancing Human Potential, which besides covering education, health and drinking water and sanitation, also includes social welfare and social protection, gender and sports, youth, tourism and culture. It focuses on improving the quality of life of the citizens.

Connectivity and roads, energy and power, and water management and irrigation are clustered as routes to Expanding Economic Infrastructure, while Creating Sustainable Economic Opportunities cluster addresses agriculture, livestock, poultry and dairy development, fisheries, industries and technical and vocational education and training sectors.

This part also discusses Qabail Led Development, the area development programme that will require local offices to coordinate at the district level to interface with communities on the basis of existing social capital and provide them with goods and services according to the identified needs. The fifth of the pentad, Instituting Sustainable Resource Management, includes forestry, environment and wildlife sector, mines and minerals, as well as oil and gas. The AIP sectors' discussion lays out an approach for each sector that sets out a template to plan investments for a well-orchestrated progress toward the development outcomes of the sector, essentially describing upfront the tracks that the development effort will follow in a given sector. The sector narrative, in some cases, refers to the projects and programmes contained in the AIP and elaborates reasons for their selection and how they complement each other to produce synergies and the desired outcomes. The discussion of each sector closes by stating the key expenditures in that sector and what they will achieve in terms of key results.

Each sector contains a list of key Planning Tenets, which highlight the essential do's and don'ts for planning investments in the sector and iterate the steps required, as well as flagging caution where care, review, contextualization and / or carefully evaluating feasibility is required and pointing out where activities are to be of a pilot nature, requiring evaluation before proceeding with scaling up.

[2] Deconcentrated offices are local offices with central accountability such as District Commissioners who report to the Provincial Government.

Following the discussion of the sectors, the AIP states the scale of the development challenge and argues for special Augmented Implementation Mechanisms (AIM) for accelerated development of the MA, and the need to supplement existing government capacities. It places iterative planning and development at the heart of the enterprise, needing accurate and timely data, the capacity to analyze the data, arrive at usable information and insert course correction measures.

AIM identifies key processes and mechanisms that will receive attention to achieve accelerated, high quality and result oriented development in MA. The AIM are discussed, as is the need to have the capacity not just for routine monitoring and evaluation, but to disaggregate the two so that attention can be paid to each. The need for impact evaluation, the provision for which already exists in government planning systems, is stressed and special measures are proposed to renew and revitalize this aspect of the project cycle.

The document sets out plans for moving beyond routine monitoring and evaluation, to disaggregated monitoring and evaluation and impact evaluation. Special measures are proposed to renew and revitalize this aspect of the project cycle. The Annexes form part of AIP. Annex I "Accelerated Implementation Plan (AIP) 2019-20" includes detailed one-year budget allocations to sectors, and individual projects and plans. Departmental mandates generally follow sector mandates; nevertheless, there is on occasion overlap. Therefore, Annex II "Departmental Roles and Responsibilities" lists the sectors and the corresponding provincial departments for purposes of clarity.

The AIP process has produced preliminary Programming Approaches / Analytics and Measures (PAM) for the AIP key sectors, organized as PAMFRAME, or sector programming framework. The sector PAMFRAMES identify inputs, outputs and outcomes, indicating rational linkages between them. These will be finalized and periodically updated in a series of workshops as part of the planning calendar. These sector PAMs are provided in their current versions at Annex III "Programming Approaches / Analytics & Measures (Sector PAMFRAMES)".

The PAMFRAME lays out an approach for each sector that is used as a template to plan investments for progress toward the development outcomes of the sector, essentially indicating upfront the tracks to results that the development effort will follow in a given sector. The PAM picks out inputs from the planned projects and programmes contained in the AIP and incorporates them on the basis of sector programming analytics, rationally analyzing how they complement each other to produce synergies and the desired outcomes.

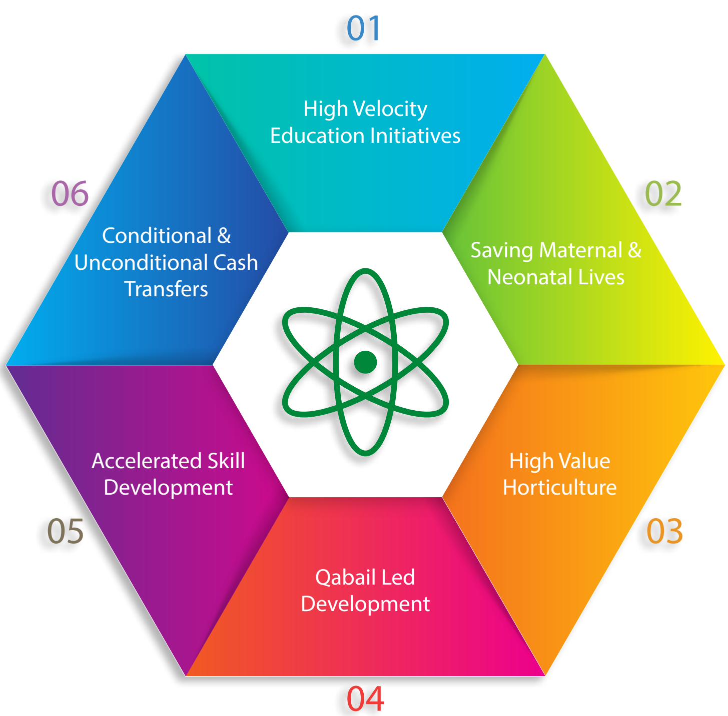
There can be potential issues that can negatively impact AIP's intended outcomes or that can be harnessed to gain higher results. Risk analysis for identifying such items along with mitigation measures is presented in Annex VI "SWOT and Risk Mitigation Strategies".

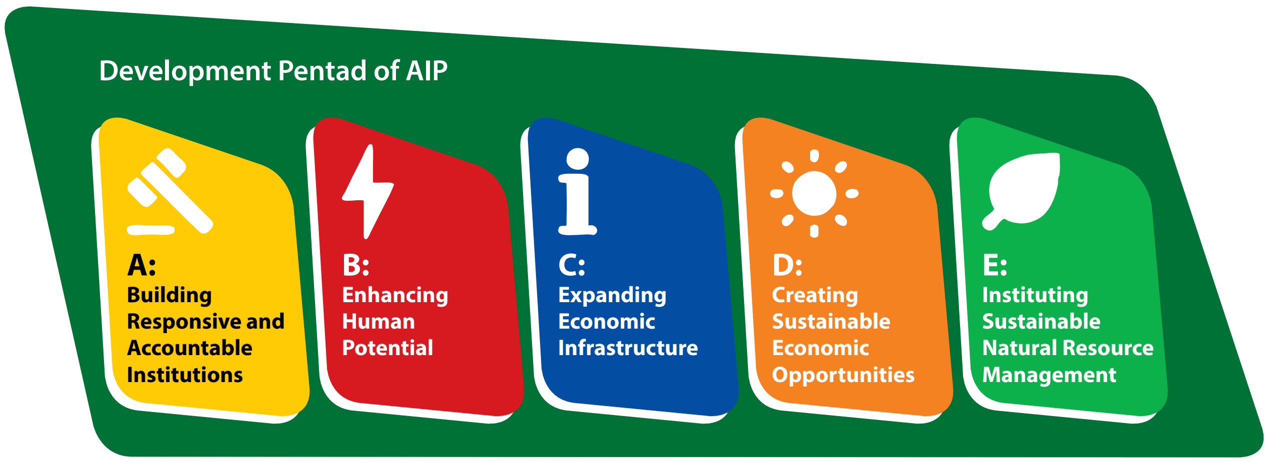
#2[SECTOR AIPS AND SPECIAL EMPHASIS PROGRAMMES]

The AIP comprises of simultaneous efforts that are programmed in 19 sectors, with integrated implementation to ensure synergistic gains. Each sectoral AIP lays out specific details of actions and projects to reach the development goals and objectives in a particular domain.

AIP pays due attention to the specific context of the MA while learning from other national and international experiences. In addition to the traditional sector approach, AIP includes Special Emphasis Programmes (SEPs), as seen in Figure 4. SEPs are a set of projects approved by the Provincial Cabinet, which will work under the ambition of incorporating innovative designs into programmes and projects. Partnerships will be encouraged (i.e. with the private sector or non-government organizations) and the SEPs will be tightly monitored for impact to weave lessons learned into subsequent generations of the projects.

Figure 4: Special Emphasis Programmes in AIP



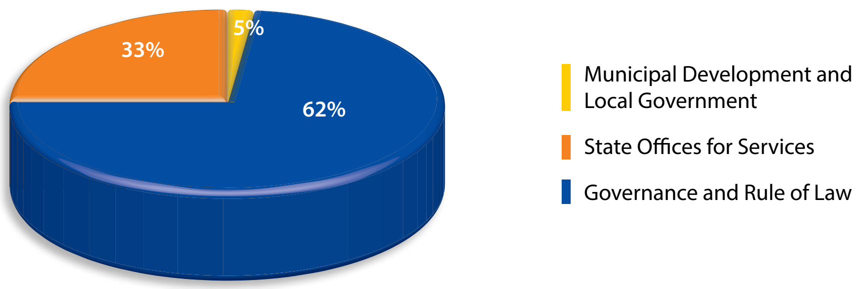


A: Building Responsive and Accountable Institutions

The objective of development is to enable residents of the MA to manage their institutions, to get the desired mix of services from them, to decide what level of services they want and to chalk out the direction of development. The legal foundation has already been laid. However, institutional infrastructure will be created to provide the complete range of public services available to citizens in the rest of the country.

This Section, the first of the Development Pentad, includes (i) Governance and Rule of Law; Core State Functions and Protection of Rights, (ii) Municipal Development and Local Government, (iii) State Offices for Services in the following shares of resource allocation:

Figure 5: Building Responsive Institutions - Sector Allocations [Percent of First Part of Pentad]



Governance and Rule of Law

The development approach in this sector is based on four fundamental building blocks: (i) protection of life and liberty; (ii) record of property rights; the two prerequisites to economic growth; and (iii) context-specific development, implementation and adaptation of systems to preserve rights. While the formal criminal and civil justice system and the civil procedures related to disputes of a non-criminal nature are introduced to the MA, (iv) legal literacy will form the linchpin creating the citizen's ability to access justice. Digital technology for service delivery will be planned into the land settlement exercise.

Priority areas for investment have been delineated, and the merger has provided an opportunity to reinvigorate state functionality in the MA. Until the merger, the area had been governed under a structure that worked as a low-cost administrative model resulting in compromised service delivery, especially in the domains of dispute resolution and justice. Regular and full-service delivery and regulatory functions of the state were not operating in the Tribal Areas. While policy and legal decisions to extend the full functions of the state into the MA have already been taken, the initial extension of some roles of the state in a considered manner will be carried out to provide a sound basis for better governance in the MA. The operationalization requirements in terms of infrastructure, human resource and equipment, and better systems, will be financed under the AIP.

Governance and Rule of Law – Planning Tenets

- → System development incorporating social capital and traditions in institutional processes and design.
- → Legal literacy, a necessary condition for citizen engagement with state institutions and their processes.
- → Levies transformation, an opportunity to improve policing in the MA, context specific modifications included in the policing system to seek early and sustained citizen engagement and trust in these core state functions.
- → Citizen centrality ensured in the design of governance systems
- → Comprehensive and context specific criminal justice system approach aligned with the people's aspirations, citizen-centric special provisions for protection of rights and front-loaded measures to guarantee access to justice.
- → Social relations, an indispensable part of how such systems work; governance systems built around social capital inherent to the tribal culture, including parole and probation systems, avoiding a copy-paste exercise and improving upon existing practices elsewhere, contextualized within the tribal culture.
- → Minimizing transaction costs in market operations associated with property rights, computerization of land record associated with service delivery modifications.

Creation of a formal record of property rights through land settlement has been prioritised to allow the owners to leverage financial resources for productive activities. Needless to say, introduction of the formal criminal justice system to the area is a radical departure from the previous regime. Both these aspects of extension of the state into the area are being planned with due consideration being given to people's preferences in order to avoid adverse impacts. Given the importance of further minimizing transaction costs in market operations associated with property rights, creation of land records is paramount. Lessons learned from the computerization of land records in the provinces of Punjab and Khyber Pakhtunkhwa alongside associated service delivery modifications are being used as the basis of planning information for land settlement in the MA. Unlike previous settlement exercises, this time technology is available as well as previous positive and negative experiences, both of which will allow the service delivery systems to be thought out well for improvements and incorporate citizen focused approaches.

A comprehensive and context-specific criminal justice system approach aligned with the people's aspirations and needs is being adopted. It has special provisions for the protection of rights and front-loaded measures to guarantee access to justice. Further, the criminal justice system, especially the police, requires context-specific modifications to seek early and sustained citizen engagement and trust in these core state functions, building on and adjusting the system of levies already in place.

Low legal literacy and accessibility may result in suboptimal outcomes for people, especially the poor and marginalised. A legal literacy project, supporting people to navigate solutions to their justice problems will be implemented to forestall any potential dissatisfaction with formal institutions. It will promote legal literacy that makes people aware of relevant laws and processes to access rights, and provide support where needed (through individual help or a simplification of steps, for example) to make them able to resolve disputes and access justice. At the same time, the well-known weaknesses of the different aspects of the criminal and civil justice systems experienced in the rest of the country will be addressed through adaptations (i.e. leveraging community support to reduce incarceration by increasing reliance on parole and probation mechanisms). A range of challenges experienced elsewhere will be addressed including a backlog of cases, the tendency to appeal every judgment, problems with getting a First Information Report (FIR) registered, inadequate capacity to conduct investigations, and problems in the implementation of court decisions.

The prisons, probation and parole system are to undergo a review to utilise the opportunity of the extension of these legal provisions to the MA. Both probation and parole systems provided for under the law are underutilized elsewhere in Pakistan. Prisons are overcrowded which causes problems. The review will identify the bottlenecks, which are impediments to the system working better. Based on the findings of the review, a way forward will be chalked out. Social relations play an indispensable part in how such systems work. Both the review and the way forward will take into account the social capital inherent in the tribal culture of the MA so that for example, the parole and probation systems are not a copy-paste exercise but actually an improvement based upon existing practices elsewhere.

Sector financing summary indicates that Rs. 4,048 million and Rs. 3,500 million have been allocated for governance and rule of law sectors respectively. More details on page 53 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Municipal Development and Local Government

The local government development approach recognizing citizen participation in local development and decision-making (i) introduces state presence in the hinterland of the MA through the first ever representative local governments, (ii) provides infrastructure for the location of all tiers of local government, and (iii) assists local governments in institutional development and own-source revenue generation.

Sector development priorities include the establishment of responsive and accountable local institutions as a key intervention for the MA development. As a development priority, local governments will be set up to bring the state closer to the citizens; that will allow them to elect their representatives, and hold them accountable at the local level, influencing the allocation and distribution of resources according to their needs.

Elections to the provincial assembly and local governments will establish the second and third tier of Government in the MA for the first time. However, for local service delivery, the third tier of Government has a significant bearing on the wellbeing of residents. The development approach is to provide infrastructure for these local institutions and their systems and also fund the capital cost of the first round of their service delivery functions.

Expenditure and revenue assignments will be studied to strengthen service delivery through local institutions. Tehsil Municipal Administrations (TMAs), the upper tier of local government, are separate and distinct from provincial departments represented at the local level, and therefore best exist as local representative bodies and seen as distinct for electoral accountability. In this spirit, TMA offices will be set up through AIP financing.

These distinct and physically noticeable offices will also serve to minimise co-occupation of mandates with provincial departments. Separate and distinct physical structures housing local governments and corresponding to their autonomous nature will be constructed, contributing to local government legitimacy and public perception of local accountability. Technical support will be extended to the institutional development of local governments. With the passage of time, it is expected that the institutional structure of individual TMAs would progressively develop rather than using a standardised approach in response to extending municipal services to residents.

Municipal Development and Local Government – Planning Tenets

- Based on local government experience so far, fiscal decentralization allowing revenue productive OSR assignment to these new local institutions.
- TMAs development as a local representative body, distinct for electoral accountability, minimization of co-occupation of mandates.
- Dedicated spaces for grassroots institutions to build formal role of the state in MA; salience of these institutions and extension of their services requiring symbolic as well as actual presence.
- Supply side urbanization replaced with market driven urban development around a robust regulatory framework including town planning and access to financing.

A graduated approach to institutional development linked with Own-Source Revenue (OSR) collection will be adopted where local governments focus on service delivery financed by local taxation and user fees instead of business activities. Based on the local government experience in KP, fiscal decentralisation allowing revenue productive OSR to be assigned to these new local institutions will place them on an appropriately aligned development trajectory. Asymmetric revenue decentralisation will allow for a range of legal assignments based on differences in revenue generation capacity within local government.

Financing summary indicates that by investing a total of Rs. 600 million in the first year of the AIP, basic amenities for municipal development and local government will be provided in the MA. More details on page 54 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

State Offices for Services

Development approach for state offices aligns investments so that (i) functional and efficient physical infrastructure is created to house the offices providing regulatory protections and services to the residents of the MA, and (ii) essential offices are provided at the earliest by phasing construction.

Priority actions for developing state offices for services include the following. With the extension of provincial services and regulation to the MA, new offices are being set up, and existing offices strengthened. These state offices are being set up to deliver public services at par with those available to people in the rest of the country. To gain from economies of scale, the offices will be built in the form of building complexes. Beyond being economical, placing all departments in a single complex will have positive effects on interdepartmental coordination and convenience of the public. However, just as for local government institutions, separate locations will be considered for the judicial complexes as the judiciary needs to be seen as independent.

Proper site identification is required in the variable terrain. Therefore the designs for each complex will vary. Complexes will be designed on the concept of modern space utilisation, value for money and efficiency. The standards approved by the Executive Committee of the National Economic Council (ECNEC) will be followed. Implementation will be in a manner that these complexes are gradually developed so that the essential offices are built first.

State Offices for Services – Planning Tenets

- → Provincial government's deconcentrated functions co-located for synergies and public convenience.
- → Modular implementation to initiate key services earliest.
- → Locations with a view to serve as nuclei of local development.

Essential infrastructures for the courts to function are being given priority to support the criminal justice system. In the case of prison construction and improvements to existing prisons, prior to the work being undertaken, a review will be carried out quickly to see how and what improvements can be made to the prison, parole and probation systems to improve them while building on the social capital of the tribal communities and their traditions of community enforcement and what impact this will have on the designs of related construction.

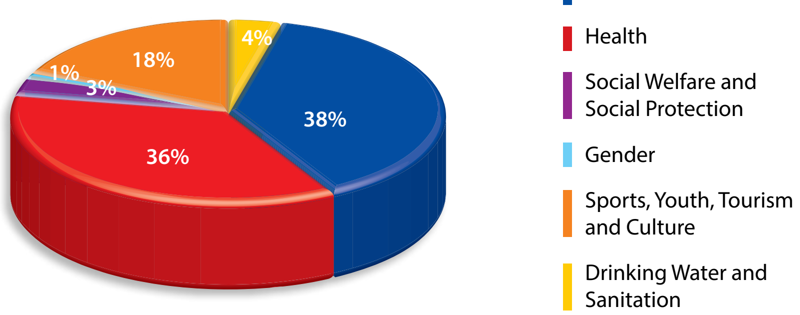
A total amount of Rs. 4,101 million will be invested in the first year of AIP for the construction of judicial complexes, tehsil complexes, police stations, emergency rescue services, and related services. More details on page 54 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

B: Enhancing Human Potential

Prioritized investments are directed at enhancing human potential. The objective of these investments is to provide opportunities for the people of the MA to acquire appropriate and adequate skill sets to participate in the national and global markets, achieve gainful employment, enjoy the myriad opportunities of life, participate fully in social activities, and access to health services.

Enhancing Human Potential, the second part of the Development Pentad, includes (i) Education, (ii) Health, (iii) Drinking Water and Sanitation, (iv) Social Welfare and Social Protection, (v) Gender, (vi) Sports, Youth, Tourism and Culture. The allocations across these sectors are depicted in the figure below:

Figure 6: Enhancing Human Potential – Sector Allocations
[Percent of Second Part of Pentad]



Education

Education follows a development approach that builds on experience but also seeks innovations. The approach channels investments in six areas; (i) network extension; (ii) staff increases; (iii) capacity building and adoption of effective pedagogy; (iv) system upgrades through IT-based solutions; (v) innovative interventions; and (vi) private sector role enhancement. Through multiple interventions, the two aspects of access and quality will be tackled.

Prioritized interventions in education address access and quality. Access will be increased by investing in formal public sector school infrastructure, including the recruitment of teachers. This will be supplemented by a survey of low-cost private schools and potential introduction of a voucher scheme. Similarly, girls' community schools will contribute towards increased enrolment at the primary level. To arrest the pronounced gender disparity in access to schools, community schools will be established only for girls, and a policy of 70%, existing in the rest of the province, of physical infrastructure investment will be focused towards the girl child. Largely but not completely, quality issues will be tackled with teachers' continuous professional development, periodic measurement of student learning outcomes, and observing teacher competencies through classroom observation.

Responding to the MA-specific challenge of rapid enrolment of out of school children, not only accelerated learning programmes will be introduced to allow older children to catch up, but also innovative and context-specific solutions will be rolled out, actively monitored, robustly analyzed, adjusted and modified to bear results. Innovations will also be carried out for improving quality and governance aiming to contribute to higher school completion.

To build a strong foundation for future work, the first-year focus will be on verifying the Education Management Information System (EMIS) data and addressing any systemic flaws to make the data more authentic, conducting an out of school children census, and carrying out a survey of private sector schools in the MA. Biometric attendance systems are being invested in.

Education – Planning Tenets

- → Expansion and upgrades of school infrastructure within the scheme of a programme to rationalize and utilize capacity optimally and bring all school facilities to comparable levels.
- → Synchronized effort to enhance capacity and improve quality, to cross-synergize gains.
- → Formal schools network expansion alongside community-based solutions for rapid enrolment with added focus on girls' enrolment.
- → Augmentation of roles of key players like head teachers and parents through innovative behaviour science interventions.
- → Context specific innovations to develop system features to surmount local constraints to school enrolment, completion and results, instituting iterative planning approach .
- → Increase system capacities to monitor, collect high quality data, analyse and create forums of education professionals and managers to continually develop policy and programme options.

However, experience shows that whereas sanction systems for absent students or late arriving students may be in place, the accountability of teachers and other civil servants does not happen based on this technology. Therefore, while the investment in hardware is being designed, simultaneously, effort should be put into designing and addressing responses to this neglected area. College-level education will require consolidation, with existing infrastructure being rehabilitated and optimized for improved student uptake.

Innovation in college education should proceed with a basic grant being made available to colleges willing to improve graduation rates and student scores in line with provincial targets. The principals will decide on objects of expenditures. Based on the annual evaluation, colleges become eligible for additional funds. This innovation will be carefully designed, with inbuilt evaluations so that timely course correction can happen. College-level rehabilitation work needs to proceed expeditiously so that the students and potential students can easily and promptly see that the state is addressing their educational needs and thus prevent disaffection with the merger.

Education sector planned financing of AIP comes to a total of Rs. 10,692 million. More details on page 54 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Health

Prioritizing health, AIP will follow a multi-pronged development approach to deliver improved quality health services to the people of the MA. The elements of approach are; (i) investments in health infrastructure; (ii) IT based system upgrades; (iii) augmented vertical programmes; (iv) innovative interventions for rapid results in saving lives; (v) strengthening referral linkages and efficient utilisation of the three-tiered health system; and (vi) context specific solutions to meet health requirements of the dispersed populations. Health indicators in the MA generally lag behind national averages, and in some cases are some of the worst in the world. Inadequate provision of public health services disproportionately affects the marginalized; in the MA these are the poor, women and children.

The AIP is focused primarily on the high priority areas of the TDS. The analysis of socioeconomic and health sector conditions of the MA depicts the dire need to intervene immediately with a plan focusing on strengthening primary and preventive healthcare, improvement in quality of and access to service delivery and health facilities for diagnostic and curative healthcare, retention of health workforce, accountability, good governance and achievement of universal health coverage. To address dismal health indicators in the MA, investment is being made in health infrastructure and health systems extension so as to address barriers to access. Also, special interventions will be undertaken to reduce attitudinal barriers to health seeking behaviour. Increased use of technology will modify the way services are delivered.

The high Infant Mortality Ratio (IMR) and Maternal Mortality Ratio (MMR) in the MA depict the depleted function of the overall health care system and innovative context-specific-measures will be taken in this regard. A renewed focus will be on preventive and promotive health care. In this domain, the Expanded Programme on Immunization (EPI) will be strengthened through the provision of additional vaccinators, introduction of new antigens and launch of IT based tracking systems.

Frontline workers including Lady Health Workers (LHWs) will receive additional training to move these programmes toward higher qualification models. The Primary Health Care (PHC) system will be revamped and the focus will be on utilizing already built infrastructure and improvements in processes, protocols, providing missing equipment and IT systems.

Health – Planning Tenets

- → Saving lives approaches that incorporate solutions for context specific application and assuage morbidity and mortality of the vulnerable populations.
- → Health system expansion through solutions suited to local conditions.
- → High facility functionality through infrastructure investments integrated with feasible human resources for health packages and results oriented management.
- → IT based systems to augment access to medicine, facility functionality and community outreach.
- → System upgrades under value for money and investment for results approach.
- → Intensification of vertical programmes for infectious disease control.
- → Non-communicable diseases programmes built into facility networks with added focus on health literacy.

Ambulance services will be provided in the entire MA. In addition, rural ambulance services for pregnant mothers will be instituted to address the first and second delays of accessing care during pregnancy. An attempt will be made to institute a referral system by strengthening the Outpatient Department (OPD) of primary health care systems that will connect patients to secondary and tertiary care hospitals. Secondary health care will be revamped through the consolidation of existing infrastructure and system upgrades. Given the low population density, mobile health and tele-medicine will be used. In order to reduce the impact of out of pocket expenses on household incomes, health insurance cards will be launched.

Saving Lives

With MMR at 395 per 100,000 live births and IMR at 85 per 1,000 live births, there can be no higher priority than a saving lives programme in the AIP. An innovative intervention will be implemented to seek mothers with life threatening complications in the communities and link them with appropriate care in the health facilities. Special features of this programme will be designed to strengthen health health-seeking behavior of households while simultaneously reconfiguring the health system.

Emerging health issues will be addressed through specific programmes for communicable and non-communicable diseases. At the same time, marginalised segments of the population (truck drivers, prisoners, sex workers, intravenous drug users, nomads, the destitute and those with mental health problems) and mother and child health cannot be neglected. All this would be supplemented by a disease pattern study and public health profiling through mass screenings, to help informed policy making in the future. Vertical programmes including Hepatitis Control Programme, TB Control Programme, AIDS Controls Programme, NCD Programme will be strengthened.

The medium priority areas include the establishment of new tertiary care hospitals, medical and nursing colleges, upgradation of existing health facilities and strengthening various communicable and non-communicable diseases programmes. Continuing professional development and investments in skill development facilities will be carried out to enhance supply of medical skill sets to the health system. Attracting human resources from the private sector and adjoining districts on special packages will address the human resources Human Resource for Health (HRH) gap. Furthermore, the shortage of nurses, lady health visitors and paramedics will be managed through engaging them at intermediate and matric level and providing in service training.

AIP financing will be investing Rs. 10,109 million in health sector in the initial year. More details on page 56 of Annex I “Accelerated Implementation Plan (AIP) 2019-20”.

Drinking Water and Sanitation

The sector development approach comprises (i) improving and expanding water supply to the residents of the MA, and also enhancing coverage of safe water (ii) addressing sustainability and user charges issues at the policy level, and (iii) removing the institutional overlaps that partly create the sustainability issues.

Access to clean water is essential service for human development, promoting and maintaining human health and wellbeing. To bridge the large gap in access to improved water sources, capital investment is being made in water supply schemes with due consideration to operations and maintenance, and sustainability. Efforts will be made to develop new water supply projects giving preference to gravity fed systems, and where power is required solar energy will be used for pumping water. Low cost sanitation investments will be also undertaken.

Drinking Water and Sanitation – Planning Tenets

- → Sustainable operation and maintenance at centre of project designs.
- → Rationalization of institutional overlaps in terms of tiers of Government as well as agency overlaps.
- → Matching local provision of water and sanitation with optimal "local revenue price" with capital investments financed under a graduated scale preferring poorer jurisdictions.
- → Data based asset management.

Water supply in urban centres is typically suited to recovery of operational costs through appropriately designed user charges. One consumption based rational solution is to base the charges on water meter readings. This will be incorporated in the project design. Similarly, sanitation as part of the set of urban services should be financed either through local taxes or user charges. Such a cost recovery mechanism will be developed in the project design to ensure sustainable operation and maintenance of the public facilities and systems.

In order to address a decades-old problem of who is to maintain the schemes, not only will sustainable operation and maintenance arrangements be part of the design, the accumulated experience of various approaches over the last three decades will be systematically analyzed. The institutional overlaps, both in terms of tiers of Government as well as agency overlaps will be examined and rationalized because accountability as well as scheme sustainability suffers.

Investing a total of Rs. 1,330 million in water and sanitation will result in increased access to improved water sources and higher hygiene of communities. More details on page 58 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Social Welfare and Social Protection

The development approach to enhance social welfare and social protection will see the cash transfers augmented by (i) broadening and deepening cash transfers to the most needy in the area, (ii) introducing conditional cash transfers in order to induce desirable and beneficial health and education seeking behavior.

Priority actions in the sector aim to deepen the coverage of interventions. With some of the worst poverty in the country and historical neglect of development investment, the residents of the MA require immediate assistance. Government projects and programmes, along with appropriate policies, will lead to economic growth and employment generation. The existing vehicle of the federal Benazir Income Support Programme (BISP) will be utilized for this purpose, for both unconditional as well as conditional cash transfer programmes. To further strengthen the poverty focus, and to address more acute poverty and related neglect, transfers will be augmented.

The Government of Khyber Pakhtunkhwa and BISP will coordinate for early completion of the ongoing National Socio-Economic Registry (NSER) survey. The provincial government will expedite necessary No-Objection Certificates (NOCs) so that the survey update is completed in six merged areas and a new survey is conducted in North Waziristan. In view of the special needs of the MA, the provincial government will request BISP to increase the threshold for these districts from the national number of 16.17 to a higher figure, thereby increasing the number of beneficiaries. Additional funds required would be mobilized in consultations between BISP and the provincial government on a pilot basis.

Social Welfare and Social Protection – Planning Tenets

- → Local institutional support to BISP to enhance outreach and intensity of application of transfers.
- → Preferential allocations to meet higher developmental needs created in the post conflict environment.

In terms of conditional transfers, BISP's conditional cash transfer programme for education (Waseela e Taleem) has been operational in district Mohmand since April, 2018. Under the plan for expansion of this programme, BISP proposes to cover all the remaining Merged Areas and link with direct interventions addressing the highest concentration of out of school children in the country. Furthermore, BISP proposes to implement a Pilot Nutrition & Mother and Child Conditional Cash Transfer (CCT) during 2019-20.

Pilot districts for the project would include at least six of the merged districts. The pilot will test strategies for improving the nutrition and health status of mothers and children through a conditional cash transfer programme and provide a foundation for scale up of such interventions across Pakistan.

Rs. 760 million allocated for the AIP portfolio of social welfare and social protection. More details on page 58 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Gender

Gender will be addressed as a priority development intervention. The development approach will comprise of five elements; (i) gender responsive state programmes in all sectors; (ii) special interventions co-designed with tribal women; (iii) specific programmes to support women performing socioeconomic roles in various sectors; (iv) removal of policy, programmatic and legal constraints affecting women disproportionately or in a discriminatory manner; and (v) change inducing Gender Insaf Programme to create agency for women's higher participation in social and economic activities.

Addressing gender in the MA presents unique challenges given the existing social structures. The gender mainstreaming aspect of the work will involve assessment of the differential impact of existing economic, legal and development policies, as well as social and cultural practices on women and men. Subsequent work will then aim to address these in order to achieve gender equality in all aspects of the TDS. Through a set of interventions, the Gender Insaf Programme, will seek women's empowerment as a process of enabling women through self-comprehension and self-expression to make choices, participate in decision-making, and achieve autonomy for economic activities.

Gender – Planning Tenets

- → Gender mainstreaming in public sector programmes through evolve, adapt, sustain and adapt approach.
- → Specific programmes building on existing opportunities of building women's participation in social and economic activities.

Traditionally, the public sector has responded inadequately to issues that are cross cutting in nature; gender typifies this category. Despite creating women's development departments, the issue has remained largely unnoticed. In the unique canvas that is the MA, the AIP provides the opportunity to do something substantial, as it will attempt to mainstream gender across sectors as well as standalone gender focused interventions. The programme will comprise of interventions for socioeconomic development of women and marginalized groups.

An amount of Rs. 280 million will be invested in gender programme, resulting in mainstreaming and elevating the status of women in the MA. More details on page 59 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Sports, Youth, Tourism and Culture

The development approach seeks to inject dynamism in the MA by (i) invigorating and engaging youth through sports, (ii) opening the MA to visitors by carefully studying the potential and feasibility for tourism, and (iii) studying, documenting and publishing cultural heritage material and investing in archaeology, preservation and restoration.

A set of actions will build up youth participation in sports and to accord recognition to culture. Organizing sports tournaments is a classic way to mobilize youth in healthy activities. Very basic infrastructure is required for this activity and a league system for different sports forms the basis for competition and encouraging youth participation.

Largely expected to be an all-male affair based on field sports, this will require suitable innovation so that the possibility of all female participation in secure environments can also be initiated. The provision of female-only safe spaces can only be identified and implemented through local societal consensus; whether this happens in the shape of enclosed gymnasiums specifically for women or all female public gardens enclosed by a boundary wall is something that local governments are in the best position to decide.

Sports, Youth, Tourism and Culture – Planning Tenets

- → Sport initiatives and events in line with government functions and roles.
- → Provision of female only safe spaces through local societal consensus.
- → Infrastructure rehabilitation within the framework of sustainable management.
- → Low investment and basic environmentally friendly infrastructure as a template for private sector initiatives in tourism.
- → National parks with biodiversity focus alongside review of regulatory regime connected to such conservation efforts for sustainable national park conservation.
- → Sustainable solutions for local arts and cultural activities.
- → Documentation of cultural heritage with academic research in relevant university faculties.

Investment in tourism needs consideration in terms of communication infrastructure as well as a regulatory regime. Similarly, security will be the key factor in determining the success of tourism schemes. Proper assessment and feasibility will determine the suitability of this planned investment in tourism. The role of the private sector should be elaborately analysed. To date, the World Bank has agreed to provide assistance in the field of tourism.

The documentation of cultural heritage will be done but from an academic perspective. Therefore, research will be financed in university faculties with the best of the output being published. Archaeology as a field has traditionally been underfunded and so has the preservation and restoration activity. Lessons learnt, especially those focused on failures in managing existing sites of archaeological interest, will define the way forward for these investments listed in Annex.

A study of biodiversity in the region, alongside a review of the regulatory regime connected to such conservation efforts, will lead to correct site identification and sustainable national park conservation. With substantial potential for attracting tourists, this effort will be implemented in close coordination with the Forest Department.

Railways are a federal subject. To start the Rail Safari (to Torkham), close coordination between the federal and provincial governments is required to make it operational. The federal government should make this investment, unless the asset is transferred to the Tourism Department of Khyber Pakhtunkhwa.

An amount of Rs. 5,120 million will be invested in sports, youth, tourism and culture actions during the first year of AIP. More details on page 58 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

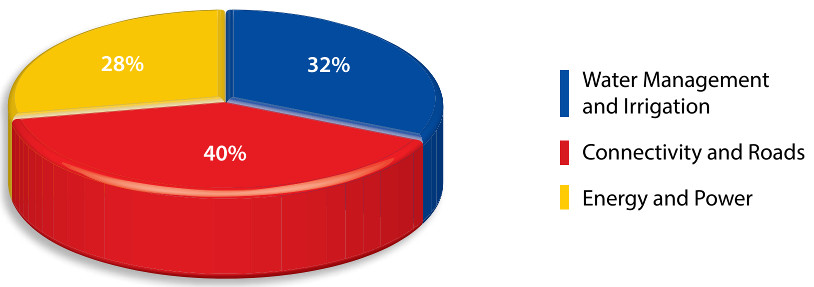
C: Expanding Economic Infrastructure

In order to address the historic lag in development, a significant investment aims to expand economic infrastructure. This focus aims to create an armature for private sector investment and development.

Key elements of economic infrastructure are the primary public goods that will lay the foundation of private investment leading to economic growth. Work on infrastructure will utilise implementation arrangements as suited to the type of project and maximise value for money and efficiency in implementation.

The third part of the Development Pentad, Expanding Economic Infrastructure will channel investments in (i) Connectivity and Roads, (ii) Energy and Power, (iii) Water Management and Irrigation.

Figure 7: Expanding Economic Infrastructure - Sector Allocations [Percent of Third Part of Pentad]



Connectivity and Roads

Connectivity and roads will be enhanced through an approach that comprises: (i) development of arterial connectivity across the MA and within the region; (ii) secondary and tertiary connections emanating from the main trunks to link conurbations with markets, service delivery centres and other parts of Khyber Pakhtunkhwa; (iii) improvement of existing infrastructure to improve travel; and (iv) systemic improvements to maintain optimal operation and maintenance (O&M) standards, financing and practices, minimizing long run expenditures on depletion replacement.

Connectivity and Roads – Planning Tenets

- → Efficient investments in arterial road network as template for economic growth through sound technical designs.
- → Secondary and tertiary road infrastructure for connectivity to markets and to services for achieving cost minimization over asset life, appraising inputs levels and types over the entire benefit stream.
- → Improvement of border crossing roads as economic strategy.

- → Investment decisions rationalization by adopting appropriate identification criteria with preference given to inter-district, inter-sub divisional and inter-tehsil roads.

The connectivity projects comprise a high priority sector since transportation infrastructure combined with investments in human development produce the greatest synergies. Enhancing the main arterial road network is critical to economic growth. Secondary and tertiary road infrastructure will be developed to generate connectivity between farms, markets and citizens and services like health and education.

To achieve these results, improvements will be made in the overall implementation capacity and quality control mechanism of Communication & Works (C&W) Department. Investments will add to the roads infrastructure and build high quality assets for public use. Technically sound infrastructure will be funded, and design and implementation supervision will be augmented. With the vast majority of the population of the MA living rurally, secondary and tertiary road networks are important for citizens.

The intra-district road schemes will be finalized taking into account set criteria for identification of roads that results in optimal investments, these with preference given to inter-district, inter-sub divisional and inter-tehsil roads. Minor link roads may be best suited to be implemented through area development projects (under Qabail Led Development initiatives), where local participation and identification can target these investments better.

An amount of Rs. 5,000 million will be invested during the first year of AIP programme, which will result in strengthening of East-West connectivity of the MA with settled districts. It will also increase access of farms to markets and conurbations to improve service delivery. More details on page 59 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Energy and Power

Electricity related investments take the following approach; (i) strengthening the transmission infrastructure to carry available supplies, (ii) expanding the distribution network to provide more access, (iii) using solar power off-grid and in micro- and mini-grids, (iv) enhancing traditional sources of generation, and (v) instituting cost recovery to generate funds for supply systems' O&M.

Energy and Power – Planning Tenets

- → Clarification of essential social contract between residents and Government to institute cost recovery required for uninterrupted supply of electricity.
- → Long term updates to transmission network in line with projected demand and supply, spread over feasible timeline.
- → Distribution network to minimize capital costs where feasible through reaching clustered habitations.
- → Exploiting hydropower potential based on technical studies.
- → Off grid exploitation of micro hydel power at the community level.
- → Solar power generation based on evaluations of earlier projects.

Major investments in this sector are planned to meet citizens' demands. Electricity supply has been vocalised by the residents of the MA as a priority need. Besides changing livelihood patterns in households, the potential for income generation and employment cannot be exploited fully without reliable electricity supply. Considering the need for uninterrupted electric supply, rural electrification has been prioritized for the next three years.

For this time period, a three-pronged approach will be adopted as the armature for longer-term sustainable electricity supply to the residents. It comprises investment in the transmission system to enhance its capacity, extension of distribution to conurbations unserved by the network and progressive increase in local generation, through both off and on grid projects.

The existing allocation of electricity for the MA from the national grid faces transmission problems because of weak infrastructure. This problem cannot be addressed without substantial investment. A sizeable investment will be made in the transmission network and it will be strengthened to remove the supply bottlenecks. Investments will be frontloaded to improve the carrying capacity of the transmission network. Existing grid stations will be upgraded and new grid stations will be added to the network. On grid and off-grid augmentation of power generation through alternate energy sources will be funded. Health and education facilities as well as places of worship will be solarised.

The hinterland within the MA is largely underserved. The investment to extend electricity distribution to these areas will require identification of such clustered habitations for extending the distribution network. The planned extension is primarily focused on domestic consumption and also to serve home based and small livelihood concerns. While some studies and some information exist related to power generation within the MA, and some investment is already targeted on such identified potential, more work needs to be done to thoroughly survey and document the potential for future investments in power generation. For sustainable energy supply, there is a need to reiterate the social contract between the residents in the MA and the Government.

Off-grid exploitation of micro hydel power at the community level has been successful in various places in Pakistan and this potential will be developed in the MA to bring about livelihood related improvements at the household and community level. Beyond the micro level is the level of community clusters or a small town, which may or may not be linked to the national grid and this potential in the MA will also be developed after appropriate identification and feasibility studies. Based on the experience of solar power generation in Pakistan, a pilot project will be carried out keeping in view the O&M requirements. Site identification, feasibility and addressing sustainability aspects will be the key to success of such pilot project.

Investing a total of Rs. 3,418 million, additional households will be connected to the grid or supplied with electric power locally. More details on page 60 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Water Management and Irrigation

The water resource management approach will take the following measures; (i) enhancing efficiency of the irrigation channels; (ii) development of large reservoirs and their command areas; (iii) ground water management through development of small storage facilities and ponds; (iv) development of spate irrigation, recharge dams, check dams, leaky dams, weirs etc.; (v) shifting to solar power for water pumping; and (vi) improved water management methods.

A set of well-defined projects will be implemented. In light of available data, dams will be constructed on technically suitable sites like Jabba Dam in district Khyber. Water resource development will be carried out on the basis of technical studies that quantify benefits in terms of new land brought under cultivation. Major investments will be focused on developing surface water resources that include storage dams, check dams, construction of major intake and conveyance channels, lining of water courses and command area development alongside on-farm water management interventions.

Studies and investment in water resource assessment will be carried out for installation of monitoring boreholes, hydro mats and gauges. It will serve as the basis for water resource planning and address a historically neglected planning requirement, which will also serve as a rational baseline for planning and investment decisions. The concept of Integrated Water Resource Management (IWRM) will be implemented. This will include integration of water infrastructure, agriculture produce and its value chain. IWRM is intended to cultivate high value crops under high efficiency irrigation system and tunnel farming. This will involve community engagement and involvement of the private sector for bringing in new technology and technology transfer to local farmers.

Solar power will be utilized not only as a solution to irregular electricity supply but also to curtail dependency on the electricity grid altogether. All new tube well installations will be based on solar energy technology, and existing tube wells will be transferred to solar energy in a phased manner. Installation of new tube wells specifically, and all ground water development schemes, shall be undertaken in areas where ground water potential exists with consideration to sustainable aquifer yield.

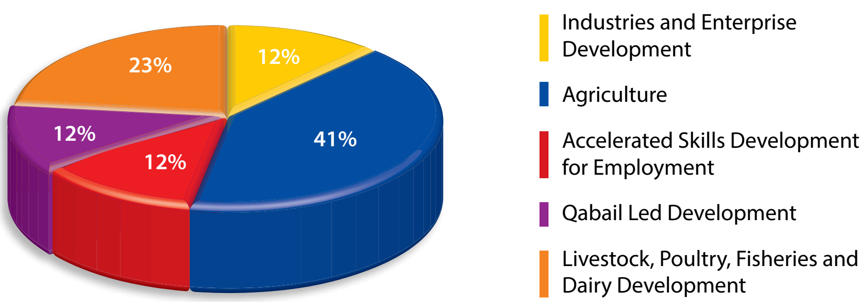
An amount of Rs. 3,950 million has been allocated for water management and irrigation during the first year of AIP. More details on page 61 of Annex I “Accelerated Implementation Plan (AIP) 2019-20”.

D: Creating Sustainable Economic Opportunities

Keeping in view the comparative advantage of the MA, special programmes will be designed and implemented to create employment that will increase incomes and broaden economic opportunities. Early uptake of interventions will be achieved through context specific project designs and implementation arrangements. While development will be built on existing social capital specific to these areas, it will expand tertiary access and opportunities into new opportunities of economic development.

Creating Sustainable Economic Opportunities, the fourth part of the Development Pentad, will organise interventions in (i) Agriculture, (ii) Livestock, Poultry and Dairy Development, (iii) Fisheries, (iv) Industries and Enterprise Development, (v) Accelerated Skills Development for Employment, (vi) Qabail Led Development):

Figure 8: Creating Sustainable Economic Opportunity - Sector Allocations [Percent of Fourth Part of Pentad]



Agriculture

The AIP approaches the sector by (i) investing in increased productivity of traditional crops, (ii) introducing new crops as well as market gardening and horticulture, (iii) using behavioural science-based innovations to accelerate adoption, (iv) expanding cultivable land, and (v) creating room for the private sector provision of services. The set of interventions comprises robust designs paying due regard to local evidence and innovations. Given that 97 percent of households in the MA carry out economic activities relating to agriculture, a multipronged approach will be used to increase productivity and increase farm incomes. Investments in inputs like improved variety of seeds will improve crop yields in the established cropping pattern.

A set of coordinated projects comprising the introduction of new technologies for vegetable production like crop rotation, off season, tunnels and vertical technology, the establishment of orchards, seed production and access to markets will be implemented. A special programme for high value horticulture will be implemented, introducing income-generating fruits like table grapes, raisins and olives, using innovative introductory and promotional interventions to add to farm incomes in the MA. Building on behavioral science foundations, farmers' risk averse behaviour, time preference, ambiguity and uncertainty parameters will be addressed to pace up adoption of innovations and achieve early yields of results.

The National Agriculture Emergency Program will be implemented in the MA. Its implementation will be calibrated to specifically address the special challenges of agriculture sector in the MA and where necessary, be suitably adapted for this purpose. Removing the binding constraints of land available for agriculture will be attempted through land improvement. Traditionally, this work involves land levelling and was done through machinery procured and maintained in the public sector, with a number of issues. The private sector in the meantime has developed the capacity to perform this function. This investment will be made after comparative analysis of public versus private provision of these services in the local context. Efficient instruments of subsidy will be explored through agriculture financing mechanisms like those administered by Zarai Taraqiati Bank Limited (ZTBL).

Agriculture – Planning Tenets

- → Land development and soil conservation through efficient private sector involvement supported with appropriately designed financing mechanisms to surmount lumpy upfront investments.
- → Accelerated adoption of unfamiliar inputs by farmers addressing barriers to adoption, namely, risk aversion, uncertainty and ambiguity relating to outputs and realization of outcomes.
- → Accelerated adoption of innovations, new high-value crops and orchards using behavioral science designs.
- → Supply side of inputs using feasible and subsidy calibrated market mechanisms.
- → IT enabled solutions for information asymmetries causing market inefficiencies.
- → Addressing environmental impact of agriculture practices.

Several interventions comprise the introduction of new inputs and/or the adoption of new crops to add to farm incomes. The traditional rationale for motivating early adoption of unfamiliar inputs by farmers lies in subsidizing the cost of adoption. However, provision of inputs only does not completely address the barriers to adoption, which additionally include uncertainty of output and its pricing, ambiguity of outcomes and risk averse farmer attitudes. Innovative designs built upon insights from behavioral science will be used to reap the benefits of early adoption for the farmers.

In addition to honing systems for adoption of innovative farming, improved inputs will be provided using efficient market mechanisms. As part of promoting adoption of higher value seeds and practices, the age-old mechanism of demonstration effects will be implemented, explicitly spelling out the theory of change, robustly analysing results and using them for further refinement of the design. To reap the value added through these interventions, the designs will incorporate the behavioral aspects of risk aversion, time preference, uncertainty and ambiguity to help surmount the earlier low adoption rates of such initiatives in subsistence farming communities of these areas. The design will be incentive compatible, not allowing exclusion of the demonstration effects from the community. In this framework, improved seeds of major crops, vegetables and other inputs will be provided.

For seed production of major crops, vegetables and soya bean as ecologically relevant varieties for KP, a suitable mechanism will be created to establish commercially viable linkages between research and private sector seed production. Private sector based mechanisms will cost the Government less and is more likely to be sustainable. Agricultural machinery is an important input that enhances farm productivity. By not repeating the past struggles with provision of machinery through public sector ownership, a mechanism will be developed to provide agricultural machinery through formal as well as informal rental arrangements that exist in the private sector, as well as loan facilities from institutions such as ZTBL. Therefore, once the communication infrastructure is laid in the MA, these markets will start operating.

Investments will be made in virus-free seed potato production using tissue culture technique at high altitudes, nursery plants propagation of hard-to-propagate species using tissue culture and micro cutting technology, and fruit germplasm units. These projects will be designed, implemented and monitored to add productivity to the staple crop of potatoes.

Introduction of the high value crop in the shape of olives will be carried out to enhance farm incomes. Local production of saplings will lower the cost of adoption. This project will be designed using the recent lessons of successful implementation of new crops and horticulture varieties in traditional agriculture. Germplasms will generate capacities for testing resilience of plant varieties with specific reference to local ecological conditions.

Culturable wasteland reclamation, and solarisation of agriculture tube wells and dug wells will be included in the portfolio subject to local adaptation. The approach of using bulldozers to level land is a costly method with long-term cost in the form of soil erosion and ecological damage. This established approach will be reconciled with other successful approaches like contour farming.

Development of para-professionals in agriculture will be carried out to add to the linkages between knowledge and farm practices. Context specific solutions will be evolved to benefit the farmers from this intervention.

Investing a total of Rs. 1,970 million during the first year AIP programme includes carrying out integrated agricultural development. More details on page 61 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Livestock, Poultry, Fisheries and Dairy Development

The planned activities in this sector aim to enhance productivity and incomes in the short term. Further increases will occur on a sustainable basis. New breeds will be introduced and take up will be engineered through project designs that benefit from the lessons of similar initiatives. These designs will be developed with due regard to early adoption barriers and a refined ensemble of support mechanisms including knowledge transfer, supply of materials and financial products and development of market linkages.

Livestock, Poultry and Dairy Development – Planning Tenets

- → Accelerated adoption of new varieties using innovative adoption schemes.
- → Supply of inputs using feasible and subsidy calibrated market mechanisms.
- → IT enabled solutions for information asymmetries and veterinary services.

Projects will aim to build system strengths and use IT based innovations to achieve results through efficient and cost effective market linkages. As part of productivity enhancement, veterinary services will be strengthened in the MA. IT based solutions for field staff will be institutionalised for their greater access and efficient utilisation according to emerging requirements. Heifers and other animals will be provided to low-income households. Based on BISP assessments, the recipients will be transparently identified. If objective criteria are not utilized for identification, poverty alleviation effort may turn into patronage distribution.

Fisheries – Planning Tenets

- → Context-specific studies forming basis for planning public sector investments to develop private sector solutions.
- → Accelerated adoption of time lagged income solutions through calibration of incentives with risk aversion, time preference and uncertainty parameters.

Vaccines are an important ingredient in maintaining livestock health and production. Foot and mouth disease can cause catastrophic effects on livestock. The vaccines are available in the market and their quality will be ensured through regulatory mechanisms. Research capacity will be augmented through research center upgrades.

An amount of Rs. 1,100 million will be invested during the first year of AIP for the development of livestock, poultry, fisheries and dairy sector. More details on page 63 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Industries and Enterprise Development

Investments in this sector are structured around the principle elements of (i) planning for Special Economic Zones (SEZs) and industrial estates to maximize the China-Pakistan Economic Corridor (CPEC) related opportunity, (ii) providing credit to young people for entrepreneurship, and (iii) focusing on women entrepreneurs. A set of investments is planned both in the large scale SEZs as well as small and medium enterprise development. The Insaf Rozgar Scheme will be implemented as a Government priority using specific lessons from previous such schemes. Global academic literature on microcredit evaluations indicates the place of micro finance in poverty alleviation; this will be used as a basis for designing microcredit projects in the MA. The feasibility for new SEZs/SIEs will build on evaluations of existing designated areas. The locational advantages of candidate sites will be analysed. As part of the Government's ongoing efforts at reducing the cost of doing business, a 'one window operation' will be set up to facilitate industry and enterprise efforts by the private sector. The one window operation will be developed in the specific context of the MA, following an identification of matters to be addressed. The one window mechanism in order to be successful will have legally enforceable processes across the multiple stakeholders without which the purpose will be defeated.

Industries and Enterprise Development – Planning Tenets

- → Investment informed by robust analysis of existing industrial estates / economic zones and related policies.
- → Sound technical feasibilities conducted with reference to developing regional connectivity and market opportunities.
- → Investments prioritizing public goods while eschewing promotional investments with uncertain benefits.
- → Corporate Social Responsibility (CSR) based models to channel a fraction of benefits of large investments to local population.
- → Focus on microenterprise development as a programme to enhance incomes.
- → SME development through context specific solutions.

Upgrade of the existing skill centres including establishing computer labs and provision of machinery and tools will be carried out. Investments will be made in rehabilitation and renovation of existing institutions since non-salary recurrent expenditure has never been adequate for upkeep. A women-entrepreneur development programme will be launched. Gender, including women's empowerment, is a development priority with multi-sector effects. There is opportunity to do innovative work in this area. For this purpose, expertise will be mobilised to work with relevant departments. The innovative design will use global experience of women's entrepreneurship development and scalability, while implementing a robust design that generates context appropriate solutions. A number of SEZs are planned to offer investment opportunities to the private sector. These will be planned, located and developed strategically to enhance their economic potential by linking them with CPEC and the opportunities being unleashed under this international scheme of investment. These special zones will be modelled on the global experience to create islands of efficiency and high employment industry. Specific provisions will be made to spur innovation. The projects will ensure value for money and generate development impact on local populations. It will also identify special CSR provisions needed for local impact or mitigation of negative externalities.

> An amount of Rs. 600 million will be invested during the first year of AIP for industries and enterprise development. More details on page 62 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Accelerated Skills Development for Employment

This development intervention aims to transform employment opportunities for the youth. A large portion of this area's economy is dependent upon the remittances received from workers outside the MA. These include large populations of skilled and unskilled labour in metropolitan cities overseas in the Middle East. In fact, the impact of these 'success' stories has impacted the mind-set of young students in middle and secondary levels, aspiring to seek economic opportunities abroad rather than to continue their studies. Therefore, Technical and Vocational Training (TVET) assumes significance as a development priority.

Some preliminary work has been done on this with regard to the Merged Areas, which recognises that there are different disconnects among job market demands and skill providers, industrialists and other stakeholders. The research recommends that a dynamic TVET demand and supply framework is needed for informing the stakeholders regarding market demands, TVET skills requirements, training facilities and job placements. It also identifies three sectors (agriculture-based businesses, marble, and construction) where demand driven TVET training is needed.

While the Industries Department refurbishes and expands TVET facilities in the province to have an immediate impact and truly accelerate skill-building within the MA population, especially youth, the provincial government will allocate funds for a crash scholarship programme catering to 15,000 individuals per annum who will undergo technical and / or vocational training.

> **Accelerated Skills Development for Employment – Planning Tenets**
>
> → Skill enhancement through existing seats of learning and training.
>
> → Designs informed by experience to take youth into labor markets at rapid pace.
>
> → Iterative planning maximizes gains from innovative interventions.

For this, the Government will use its own TVET network as well as that of the other provincial governments, the federal government the private sector to ensure impactful numbers complete the programme. The programme will be designed to incorporate features that cater to personality attributes, which in turn determines successful participation in the labor force.

> Investment of Rs. 600 million during the first year of AIP will result in imparting skills to youth, increasing the chances of their employability within Pakistan and outside. More details on page 62 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Qabail Led Development

This programme will use the traditional and existing social capital within the tribal tradition. Qabail Led Development (QLD) will essentially be a small-scale rural development programme based on the concept of area development. It will cover both aspects of rural income, on-farm as well as off-farm, and will use communities and Jirga as social capital to build on the local traditions of consultation and cooperation. On-farm interventions will relate to agriculture, livestock and dairy development, forest, agriculture research, and fruits and vegetables. Off-farm income generation will rest on skills development for employment.

Micro-finance services for productive activities will be provided through suitable institutional arrangements. The QLD initiative will also cater to small local roads, which will be built with beneficiary participation and maintained by the beneficiaries themselves, and whereas the programme will provide the bulk of the funding the beneficiaries will also have to provide nominal funding to ensure their ownership and responsibility. This infrastructure component will also include small irrigation channels, dug wells, mini-hydel generation, small-scale solar energy systems, etc.

The programme will be overseen by a Steering Committee headed by the provincial Planning & Development (P&D) Department. At the district level, the programme will be headed by the QLD Manager who will be part of the Deputy Commissioner's team. The QLD Manager will work closely with the Deputy Commissioner's office and team, which will act as the outreach to mobilize the traditional qabaili social capital for the purposes of interface between the beneficiaries and the government agencies.

Qabail Led Development – Planning Tenets

- → Break down departmental silos, district and sub district offices communicate and coordinate with each other.
- → Public officials mandated to deal with citizens reach out physically to converse in latter's habitat.
- → Grassroots needs prioritization with adequate response of public officials, including small scale infrastructural inputs.
- → Improved accountability through detailed work plans of local offices and their responsiveness to citizens.
- → Utilize existing social capital through local jirgas rather than outsourcing.

The implementation of the programme will revolve around detailed quarterly work plans at the district level, and operations will be carried out on a day-to-day basis according to a work plan. All work plan visits to the beneficiary clusters will be undertaken in consultation with the cluster members to maximise the outcome of the scheduled interface.

The P&D Department will be closely involved with the QLD Programme, both at the steering committee level as well as the monitoring and evaluation level, so that adequate research and feedback capacity is available to the programme to continuously refine the interventions. QLD approach is complimentary to the principles of local government, and the objective will be that over the ten-year time frame that the QLD approach and processes will be subsumed into the local government system and processes. This will ensure that the gains are sustained through local government.

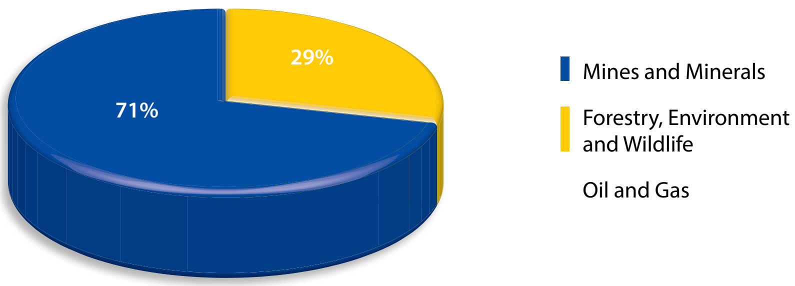
Investing Rs. 600 million during the first year of AIP will initiate regional development programme in the MA. More details on page 62 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

E: Instituting Sustainable Resource Management

The resource rich MA have the potential to provide livelihood opportunities to their residents. Much of this requires major capital-intensive programmes, for which a conducive environment will be created for private sector investments. While these programmes will be aiming to develop natural resources, they will emphasize sustainable management to ensure that the capital stock levels are available over time.

Under the fifth part of the Development Pentad, Instituting Sustainable Resource Management will involve investments for development of (i) Forestry, Environment and Wildlife, (ii) Mines and Minerals, (iii) Oil and Gas.

Figure 9: Instituting Sustainable Resource Management – Sector Allocations [Percent of Fifth Part of Pentad]



Forestry, Environment and Wildlife

The AIP approach to forestry, environment and wildlife management comprises: (i) community based sustainable resource management and related economic activities; (ii) public sector forest management; (iii) strengthening of departmental systems and outreach; (iv) rapid afforestation; and (v) wildlife preservation.

A number of projects will be implemented. Forestry is an important resource with both local and wider positive externalities. Besides having the obvious environmental and amenity values, forests also have a great experiential value. In addition, they generate important commodities for local consumption as well as inputs in the economy. Forests are an antidote to siltation of waterways and therefore they are an integral part of watershed management.

Forestry, Environment and Wildlife – Planning Tenets

- → System strengthening alongside solutions incorporating role of communities in resource management.
- → IT based assessments for investment in afforestation activities.
- → Local livelihoods integrated into sustainable resource management and development with diversification into NTFP.

Local tribes manage the MA forests under customary laws. Building on these traditions, social forestry will be promoted. To promote sustainable harvesting of forest resources, tribal specific resource management regimes will be co-developed and implemented with communities. The concept of forest management is being introduced based on successful practices from other parts of the country. For this purpose, carefully appraised investment will be made in the departmental systems and capacities, IT based inventory assessment and management systems and monitoring mechanisms.

Rangeland assessment and management along with watershed management will receive due attention, and investment is envisaged in these areas. Watershed enrichment will be carried out as part of disaster mitigation and water basin management. To enhance economic value of the forests without depletion, investments will be made to promote apiculture. An assessment of wildlife, its variety and existential threats will be carried out to provide a data intensive foundation for planning.

An amount of Rs. 350 million will be invested in the first year of AIP integrated development of forestry sector in the MA. More details on page 63 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Mines and Minerals

The development approach in the sector aims to build the policy environment and commission support projects to develop mineral resources through private sector participation. A review of the policy and legal framework governing mines and minerals will be carried out to make special arrangements to deal with community ownership of mineral resources. This review will be made with the express purpose of augmenting the provisions of mineral policy and attracting Foreign Direct Investment (FDI). Building on the baseline work of geological mapping and, as and when technically mandated, reserve estimates of the minerals present will be made.

The interventions in the sector will focus on regulation and key development projects. As part of the Government's regulatory remit, a project will be implemented to strengthen Mine Rescue Safety and Training Centres. Investments with cost recovery mechanisms will be made to develop mine to market roads. These investments will be treated as club goods, the department acting to solve the coordination problem between private miners by planning and building access roads that are at least majority financed through betterment charges levied on the beneficiary mines.

Hydrocarbon seepages in various areas have indicated low depth reserves. Investment for development of these reserves is technically and financially feasible, subject to Council of Common Interest (CCI) approval.

Besides the royalty accruing to the province and to the region through commercial exploitation of exhaustible natural resources, the provincial government can also exercise its right to invest in shares in joint ventures to finance exploration of geological blocks. The provincial government will do so what it deems to be highly prospective concession.

Mines and Minerals – Planning Tenets

- → Minerals Policy to attract FDI.
- → Investments in geological mapping with reference to global market for minerals.
- → Mines safety systems upgrades along with transparent regulatory systems.
- → Private sector investments facilitation with public sector focusing on its well-defined roles.
- → Financing of local access to mines, a club good with local benefits largely accruing to miners, posing a coordination problem between private miners through betterment charge.

An amount of Rs. 850 million will be invested in mining sector. More details on page 63 of Annex I "Accelerated Implementation Plan (AIP) 2019-20".

Oil and Gas

Oil and gas has two aspects, namely, development and supply. Recognizing the high demand for gas connections this will be given sizeable allocations under the AIP. Gas network is technically feasible, and the supply of gas is available. Therefore, the network will be extended to the declared urban areas followed by clusters of greater than 20 houses and areas where there are exploration activities. As per the current notification, Rs. 108,000 per connection will be borne by SNGPL and the remaining approximately Rs. 70,000 per connection to be funded from AIP and other sources.

The projects in this sector will enhance supply and develop resources. Resource development will be given due attention in the AIP investments. G&G studies will be conducted for Miranshah, Wana and Kurram petroleum concession blocks. The study report will be show cased in the bidding round. The policy option of side agreements with potential companies for carried interest of 5% can be explored.

Hydrocarbon seepages in various areas have indicated low depth reserves. Investment for development of these reserves is technically and financially feasible, subject to CCI approval.

Besides the royalty accruing to the province and to the region through commercial exploitation of exhaustible natural resources, the provincial government may also exercise its right to invest in shares in joint ventures to finance exploration of geological blocks. The provincial government will do so what it deems to be highly prospective concession.

Oil and Gas – Planning Tenets

- → Gas network extension under financial feasibilities and optimal cost recovery for sustainable supplies.
- → Investments in prospection under financial models ascertain ROIs using accurate probability values.
- → JV approach to partake remaining economic rents not captured by royalties and other tax regimes.

#3[Implementation Arrangements]

The merger of the erstwhile Federally Administered Tribal Areas with the province of KP presents a unique set of challenges to address the development lag. The lag in the MA is of historic proportions and there is little experience available to address these challenges and achieve development parity for the MA over a short period of time. The situation calls for accelerated development whereas Government processes cater to a regular annual development programme cycle, with some close term projections related to the three-year Medium-Term Development Framework.

Development in the MA is constrained by weak institutional capacity, and any conception of development which places people at the centre remains incomplete without including institutional development as a key component. Therefore, getting the implementation arrangements right is key to the success of the TDS and AIP. This will include special approval and financing arrangements, fast tracked procurement and data intensive monitoring and evaluation systems. Special infrastructure development arrangements will also be required.

Augmented Implementation Mechanisms

According highest priority to the implementation of the AIP, Augmented Implementation Mechanisms (AIM) will be put in place to optimize the Government's resources and operations for the delivery of development initiatives in the MA. AIM design is in line with the decisions of the Government of Khyber Pakhtunkhwa to foster the transition and integration of erstwhile FATA.

All the Provincial Departments, Attached Departments and their Institutional Entities are responsible for 'accelerated, quality and results-oriented implementation' of AIP in accordance with the Government of Khyber Pakhtunkhwa, Rules of Business 1985. Responsibilities have also been conferred upon them to ensure context specific projects and programmes providing development gains to the residents of the MA in letter and spirit.

The augmentation through AIMs will be carried out in several dimensions of Government's key processes converting resources into public infrastructure and services for the residents of the MA. The augmentation will be carried out through:

- → Clarifying roles and responsibilities with regards to the implementation modalities and building on institutional mandates and systems.
- → Building processes, systems and capacities to undertake reform initiatives under AIP.
- → Adopting special implementation arrangements for accelerated and high quality implementation, where required, and where it is necessary to bridge short-term capacity gaps.
- → Augmenting data collection and monitoring & evaluation mechanisms with a focus on planning and results.
- → Embracing rational sector programming approach and results to ensure result oriented programmes, value for money and efficiency in resource allocation.

Acceleration, quality as well as results-orientation are the key factors of AIM, and their pursuance will foster the implementation of the AIP.

- → Acceleration will be ensured through dual focus on extending capacity building support and putting special arrangements in place. The Government will work with other implementation agencies to advance the execution of projects.

→ High quality will be achieved through engaging the services of implementing partners and specialized agencies having the requisite capacity and proven record to undertake development projects.

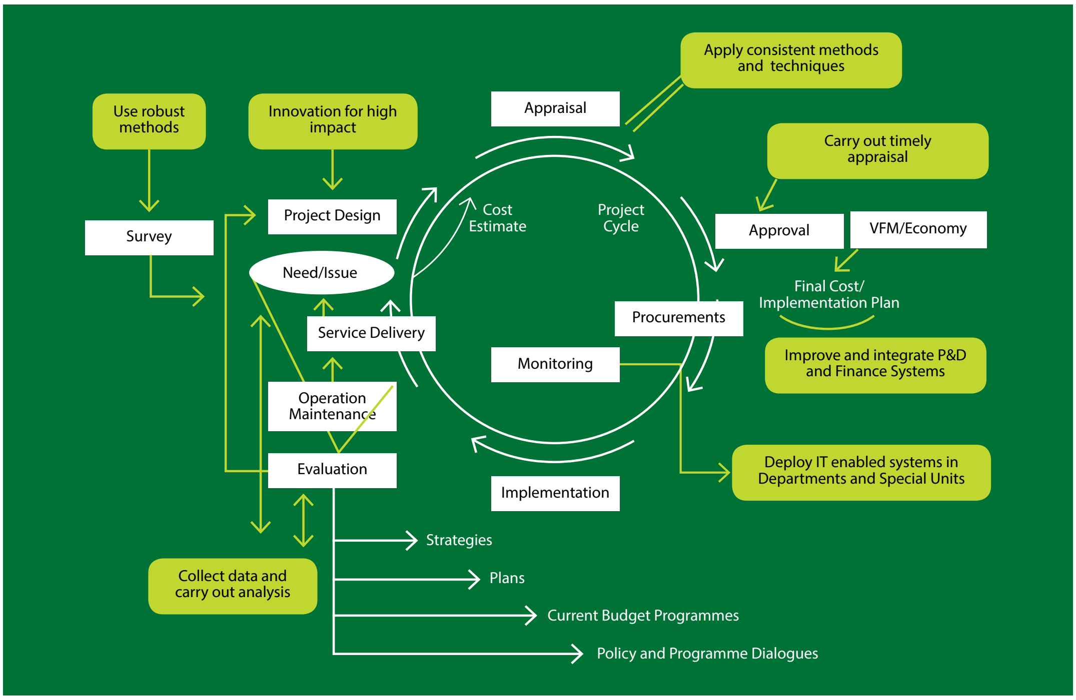
→ Result-orientation will be achieved through rational sector programmes and monitoring of inputs, outputs and outcomes in a logical manner. Programming Approaches / Analytics & Measures (PAM) Framework will be institutionalized across all the AIP sectors as a rationale for resource allocation and results monitoring.

Following AIMs shall be closely followed to ensure 'accelerated, quality and results-oriented implementation' and to achieve early and sustained development objectives of AIP.

1. To optimize functional mechanisms which are appropriate to domains of work under the Rules of Business, 1985.
2. To create salience for AIP targets, pace of implementation, quality parameters.
3. To enshrine performance accountability in accordance with the implementation arrangements.
4. To sustain policy discussions with high level content and timely decisions in support of implementation and remove hurdles through timely decisions.

AIM will enable shared responsibility and collaborative effort towards the attainment of AIP targets with a focus on the pace of implementation and adherence to quality parameters. The AIM design will also generate the desire for performance accountability by highlighting underlying issues, discussing impeding factors and suggesting corrective measures. AIM comprises of nine key components, which are briefly elaborated below.

Figure 10: Augmented Project Cycle



Key Components of the Accelerated Implementation Mechanisms (AIM), with Institutional Roles & Responsibilities

1. **Project Planning**

   In furtherance of the implementation of AIP, the project planning will build on the existing experience and expertise of the departments by:

   → Ensuring high quality, solution oriented project designs, programmatic interventions and project submissions on PC-I formats.

   → Taking specific measures to adopt Results Oriented Programme / Project Interventions specific to the MA context.

   → Accessing expertise where required to support sector planning and to commission departmental Planning Cycle for continual feeding of results and analyses into planning, projects and programming interventions for accelerated and sustained development of the MA.

   → Adopting logical planning for sector outcomes and ensuring that planned interventions align with the sector's developmental outputs and outcomes.

   → Carrying out planning in accordance with P&D notified Planning Cycle and laid down PAM Framework.

2. **Appraisal and Approvals**

   Enhanced appraisal methods will be adopted in the P&D systems to ensure value for money, technical feasibility and financial efficiency. Respective sections of the P&D Department will:

   → Institute and carry out Enhanced Appraisal Methods, leading to quality and cost efficiency of projects and PC Is in the AIP portfolio.

   → Ensure high quality project appraisal in line with the technical standards of feasibility, efficiency, cost-benefit analyses, and value for money.

3. **Project Implementation**

   Departmental capacities will be enhanced for accelerated and quality implementation. For this purpose, in addition to contracting well-reputed agencies and partners, special focus will be on creating and sustaining contract management practices in government departments. To gear up departmental implementation, all implementing departments to:

   → Ensure transparent, timely and rules compliant procurement.

   → Institute systems for contract management and ensure timely implementation.

   → Ensure functional systems of data collection and Management Information System (MIS) for their sectors.

   → Ensure quality and integrity of data and generate periodic analyses for reporting and policy decisions.

4. **Special Implementation**

   Provincial Reconstruction, Rehabilitation & Settlement Authority (PaRRSA) will organize the implementation of specifically assigned projects owing to its specialized expertise. PaRRSA will be assigned to:

   → Carry out implementation of the specifically assigned projects.

   → Ensure accelerated and high quality implementation through its mechanisms.

   → Steer implementation through special mechanisms where such implementation has been organized.

5. **Implementation through District Administrations**

   The district administrations in the MA will be tasked to steer the implementation of

Qabail Led Development (QLD) as well as support the monitoring and evaluation of projects and service delivery programmes. The implementation role of district administration will seek to:

→ Organize need identification for local development.

→ Ensure accelerated and high quality implementation through the specifically laid down mechanisms for QLD.

→ Steer implementation and organize Monitoring and Evaluation (M&E) through special mechanisms where such implementation has been organized.

6. Financing

Financial management will be the prerogative of the Finance Department. Adequate allocations and timely releases will remain precedent conditions for successful implementation of AIP. Making timely releases to the departments for project financing and keeping track of the efficient utilisation of these project funds will be ensured. In addition to the monitoring of the financial releases, the Finance Department will also ensure that these disbursements are aligned to the AIP priorities. To that effect, the Finance Department will:

→ Ensure timely releases to sustain high paced AIP implementation.

→ Monitor and document timely financial utilization.

→ Provide reports on:

i. Implementation Ratio
(AIP Financed ÷ AIP Planned) x 100

ii. Utilization Ratio
(Scheme Funds Utilized ÷ Scheme Funds Released) x 100

→ Report on federal grants, utilization and demands for MA investments.

7. Monitoring and Evaluation Arrangements

The field formations working on AIP implementation will be strengthened to take on the M&E roles. M&E functions will support in tracking the AIP implementation, managing the resources efficiently, collecting data for reporting and identifying bottlenecks for necessary adjustments. A crowd-sourced monitoring instrument will be piloted in the MA as an innovation for M&E. The youth in the MA will be encouraged to join this initiative. Monitoring of AIP progress and field implementation to ensure high quality implementation will be led by the Directorate of M&E as well as by the respective Departments. In their functional domains, M&E systems will:

→ Carry out periodic field monitoring through the Directorate of M&E to report on implementation pace and quality of infrastructure.

→ Strengthen MIS in the MA to gain timely data on service delivery in these districts.

→ Assign roles to district administrations for field monitoring of ongoing projects and programmes.

→ Report on any the special projects assigned to the respective Departments for implementation.

8. Data Based Quality Enhancement

Evidence-based and context-specific programming will be the hallmark of AIP implementation. Resource allocation and project conception will be based on key social and economic development indicators to be examined through surveys and assessments. In order to meet the significant expectation of development of the MA, the Implementing Departments will have the responsibility to:

→ Carry out well-planned surveys, impact analyses and generate timely communication to support decision-making on resource allocation and project conception.

- → Use robust evidence and build up design-results-design loop to ensure that the Next Generation Projects, following on from the current portfolio, are technically sound and built around context specific solutions. Sector programmes will be aligned with the needs and priorities of the residents of the MA.

9. AIP Executive Review

Demonstrating the top priority of the Government of Khyber Pakhtunkhwa, the Executive Review for AIP will be chaired by the Chief Minister, Chief Secretary or Additional Chief Secretary, alternately. The Planning & Development Department will provide periodic reports for the evaluation of the implementation progress. At the Executive Review forum, all the implementation departments and agencies will present their progress with specific reference to the AIP. Executive Review will:

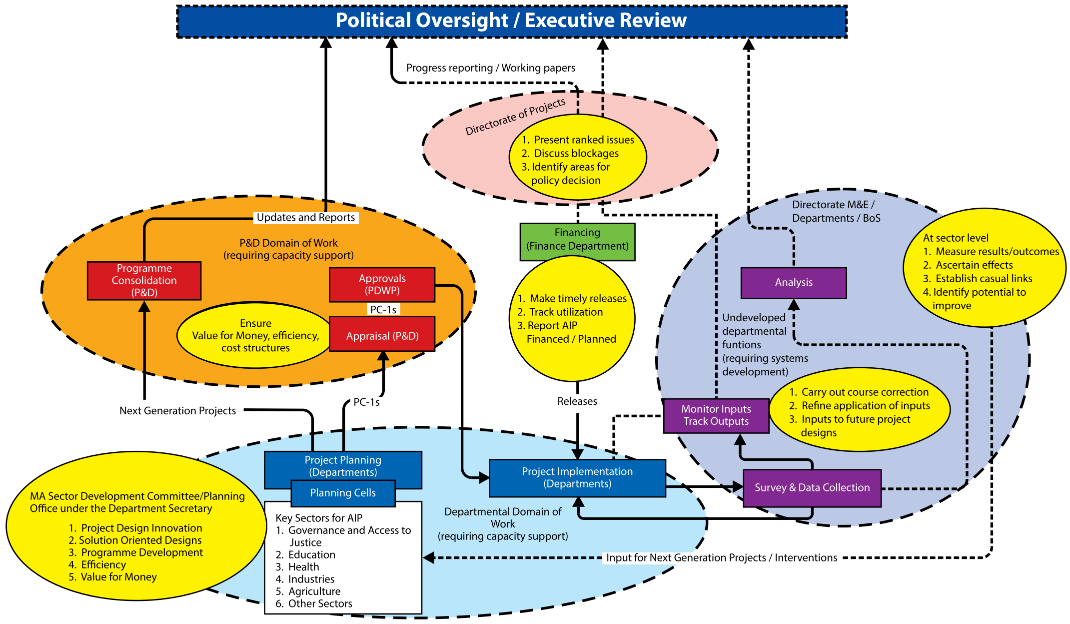
- → Review the pace and quality of AIP implementation through updates presented by the Implementing Departments.
- → Assure quality through issue-based working papers prepared for the Executive Review.
- → Provide policy level decisions to ensure optimal results from the implementation of the projects and programmes.
- → Review the evidence of AIP implementation in terms of alignment towards development outcomes / objectives of TDS and AIP.

The following indicators may be covered in the Executive Review:

1. PC-1s approved.
2. Projects under implementation with implementation status.
3. Funding Ratio (FR) = Funds received by Finance / Allocation.
4. Disbursement Ratio (DR) = Funds Released / Funds Allocated.
5. Utilization Ratio (UR) = Funds Utilized / Funds Released.
6. Financial Progress Ratio (PR) = (DR) x (UR).
7. Special Emphasis Programme = Project Designs; Project Implementation (% progress).
8. Issues hampering progress with proposed decision requirements.

Executive Review will be organized periodically and at least quarterly by the Directorate of Projects. The P&D Department through its Directorate of Projects will steer the review process including compilation of necessary information, organizing the quarterly review sessions and follow-up on the Executive Review decisions.

Figure 11: Augmented Implementation Arrangements



- Executive Functions
- Planning and Development
- Finance Department
- Departments
- Undeveloped Departmental Functions
- Directorate of Projects

Table 1: Roles and Responsibilities for AIM's Key Components

S#	AIM COMPONENT	FUNCTIONAL ROLES & RESPONSIBILITIES
1	Project Identification	**Departments to create project proposals:** • In consultation with communities and residents of MA districts. • With role of public representatives. • Using robust analysis to establish requirement and linkage with sector developmental outcomes and outputs.
2	Project Planning	**All Provincial Departments have the responsibility in;** • Ensuring high quality and solution-oriented project designs on PC-I formats. • Adopting results-oriented programme / project interventions specific to MA context.
		• Accessing expertise (where required) for sector planning and to commission departmental planning cycle for feeding of results and analyses into planning and implementation. • Adopting logical planning to ensure planned interventions align with the sector's development outputs and outcomes. • Carrying out planning in accordance with the P&D notified Planning Cycle and laid down Programming Approaches/ Analytics and Results Measures (PAM) Framework.
3	Appraisal and Approval	**Planning & Development Department (Respective P&D Sections) to ensure value for money, technical feasibility and financial efficiency by;** • Instituting and carrying out Enhanced Appraisal Methods, leading to quality and cost efficiency of projects and PC-1s in the AIP portfolio. • Ensuring high quality project appraisal in line with the technical standards of feasibility, efficiency, cost-benefit analyses, and value for money.

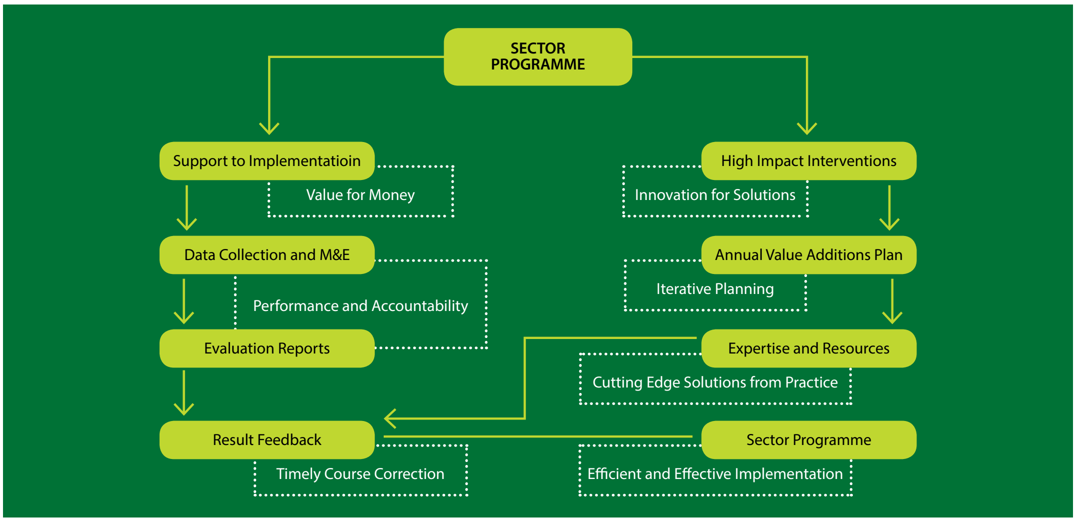
S#	AIM COMPONENT	FUNCTIONAL ROLES & RESPONSIBILITIES
4	Project Implementation	**All Implementing Departments to;** • Ensure transparent, timely and rules compliant procurement. • Institute systems for contract management and ensure timely implementation. • Ensure functional systems of data collection and MIS for their sectors. • Ensure quality of data and generate periodic analyses for reporting and policy decisions.
5	Special Implementation	**Owing to its specialized expertise, Provincial Reconstruction, Rehabilitation & Settlement Authority (PaRRSA) will be assigned to:** • Carry out implementation of the specifically assigned projects. • Ensure accelerated and high quality implementation through its mechanisms. • Steer implementation through special mechanisms where such implementation is in place.
6	Implementation through District Administrations	**District Administration in the Merged Areas to;** • Organize need identification for local development. • Ensure accelerated and quality implementation through QLD. • Steer implementation and organize M&E through special mechanisms.
7	Financing	**Financial management will be the prerogative of the Finance Department to:** • Ensure timely releases to sustain high paced AIP implementation. • Monitor and document timely financial utilization. • Document reports on: i. Implementation Ratio (AIP Financed ÷ AIP Planned) x 100 ii. Utilization Ratio (Scheme Funds Utilized ÷ Scheme Funds Released) x 100 • Report on federal grants, utilization and demands for Merged Areas' investments.
8	M&E Arrangements	**Directorate of M&E and the respective Provincial Departments will oversee:** • Carry out periodic field monitoring through the Directorate of M&E on implementation pace and quality of infrastructure. • Strengthen MIS in the MA to gain timely data on service delivery. • Assign roles to district administrations for monitoring of ongoing projects and programmes. • Report on any special projects assigned to the respective Departments for implementation. **A crowd-sourced monitoring instrument will be piloted in the MA as an innovation for M&E. The youth in the MA will be encouraged to join this initiative.**
9	Data Based Quality Enhancement	**Implementing Departments will have the responsibility to:** • Carry out well-planned surveys, impact analyses and generate timely communication to support decision-making on resource allocation and project conception.
		• Use robust evidence and build up design-results-design loop to ensure that the Next Generation Projects are technically sound and built around context specific solutions.
10	AIP Executive Review	**Executive Review for AIP will be chaired by the Chief Minister, Chief Secretary or Additional Chief Secretary, alternately. The Directorate of Projects (P&D Department) will facilitate the quarterly review session as well as follow-up on the implementation of its decisions. Executive Review will:** • Review the pace and quality of AIP implementation through departmental updates. • Assure quality through issue-based working papers prepared for the Executive Review. • Issue policy directives for results from the implementation of the projects and programmes. • Review implementation status vis-à-vis development outcomes / objectives of TDS and AIP.

Iterative Planning and Implementation

Two essential components of AIP implementation arrangements are: (a) strengthening existing processes for accelerated implementation; and (b) specific activities to complement implementation for high value development outcomes. The iterative planning process builds on existing planning system of the Government by adding elements to achieve three results: (a) accelerated implementation; (b) innovative and context-specific solutions to achieve development results; (c) mechanisms for achieving higher value of development outcomes from implementation of planned investments.

Iterative planning will build on existing programmes, provide modification proposals based on robustly analysed evidence and apply continual improvement to sector programmes for achieving planned outputs and outcomes. In some ways, it mitigates risk aversion to innovation by placing it in a framework of analysis and evaluation while seeking to build on opportunities. Innovations will be designed with specific reference to the implementation context comprising of accumulated experience, existing capacities and constraints.

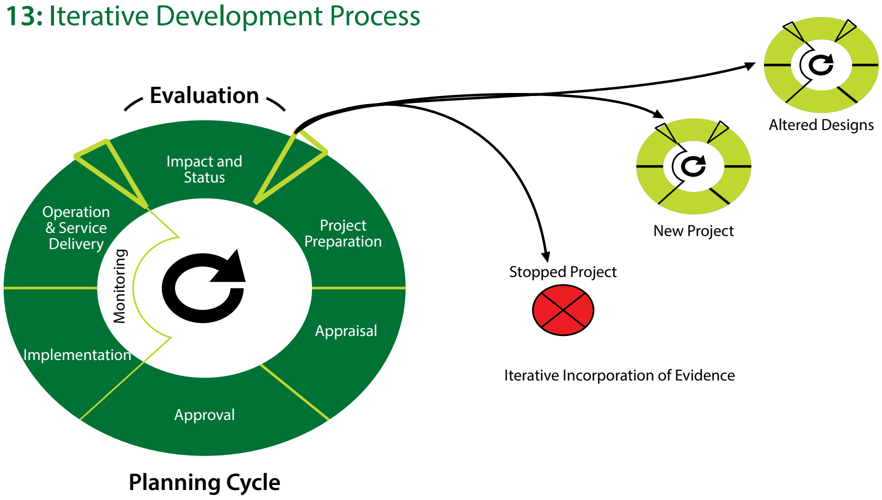
Figure 12: Iterative Planning Process



Similarly, AIP implementation will focus on results and value for money in order to achieve desired developmental outcomes. Currently, P&D Department is largely performing the functions of appraisal of project documents which most often results in returning the document for "rationalization" of costs; and of routine site visits to project sites involved in routine monitoring. The P&D Department is not involved in initial recognition of the idea, need for intervention or the development challenge to be addressed, preliminary planning, or designing the project; all that rests with the department concerned. AIM will assist the P&D Department in reviewing the appraisal process and introducing suitable modifications to it in order to make it both an expeditious as well as a more value additive process. It will mobilize and provide technical support to project appraisal processes.

AIM using iterative planning approach will seek to ensure appropriate project designs, robustly analysed cost estimates, feasible financing plans and result oriented implementation plans. To ensure that these implementation quality standards are achieved, system strengthening will be carried out through direct investments in human resource and their skill sets and system upgrades as well as through programmatic interventions with development partners. Technical support will be required to do optimal project designs, including accurate cost estimates and appraisal and timely project approvals. Similarly, timely decisions will be made to allow human resource and current budget interventions.

Figure 13: Iterative Development Process



Special Emphasis Implementation

Optimal AIP implementation will require timely programming and tracking investments, monitoring projects and programmes, etc., across the AIP spectrum of development activities. It will further require focus on the high value aspects of the AIP, which are innovative in nature and require special emphasis because of their potential major gains in development outcomes. For these high value SEPs, iterative planning and implementation will be adopted under AIM to maximize results from available resources. The key components of this approach are:

i. Identify high potential result areas: Technical assistance will continuously support departments and directorates to identify interventions with potential major gains.

ii. Design interventions: Technical assistance working with departments, will design carefully planned and adapted interventions in these areas, avoiding overload on systems and capacities, keeping in view that innovation and systemic changes are an ongoing process to be informed by evidence.

iii. Support implementation: Where high intensity support is required by departments, pool of experts will be mobilized and made available to provide, design, implementation and analytic assistance.

iv. Collect relevant data: Unlike usual implementation, optimal AIP implementation will require periodic data and reporting on inputs, outputs and outcomes for various sectors. It will be necessary to design, implement, refine and adapt solutions for accelerated development of the MA in their specific context. To ensure quality of data, investments will be made in data collection methods, survey designs and data analysis. For data collection, AIP implementation will utilize (i) departmental systems, (ii) provincial Bureau of Statistics, and (iii) special collection activities, and such data will form basis of periodic progress reports and decision-making.

v. Analyse using robust methods: Data will be processed and analysed and transformed into actionable information, and in key areas these processes will be embedded as an ongoing activity.

vi. Distil results and adapt and sustain system changes: Based on the analysis, AIM will create ongoing development parleys with departments and directorates to adapt and sustain system changes for higher results from TDS resources.

vii. Monitoring systems: The commonality between monitoring and evaluation is that they are both management tools, however it would be accurate to consider the two as distinguished categories. For monitoring, data and information collection for tracking progress is gathered periodically. Monitoring is a short-term assessment and does not take into consideration the outcomes and impact. Once accurate data is generated, individual projects and schemes in the AIP can be monitored. Data will be analysed to generate information for AIP course correction purposes as well as higher level analysis.

viii. Evaluation systems: An evaluation is a systematic and objective examination concerning the relevance, effectiveness, efficiency and impact of activities in the light of specified objectives, and the purpose is to isolate errors so as not to repeat them and to underline and promote the successful mechanisms for current and future projects. In this situation, data and information collection happens during or in view of the evaluation. The evaluation process is aimed towards the outcomes and sometime longer-term impact. AIP related evaluation will be periodic and will take the form of Impact Evaluation, so that the accuracy of investments towards desired outcomes increases. Data collection, analysis, monitoring, and impact evaluation systems will therefore be the backbone of iterative planning and implementation.

The PAMFRAME (see Annex III) provides an organized view of sector inputs, outputs and outcomes, linked through maintained assumptions and planning precepts. It will be further developed and calibrated in a series of annual workshops and will form the basis of overall monitoring and progress tracking of the AIP implementation and results. The annual updates will be made on the basis of review and changes in the implementation environment.

Reviews will be built into the Planning Calendar and will follow the existing government fund release and review cycle of three monthly (quarterly) annual segments.

Q1 Review: The first quarter review in September will focus on the preliminary inputs (e.g., PC-I preparation and approvals) and establish the pace of implementation and install course correction measures into implementation.

Q2 Review: The second quarter review in January will focus on process related inputs (e.g., procurement matters like recruitment), and further align efforts with accelerated implementation.

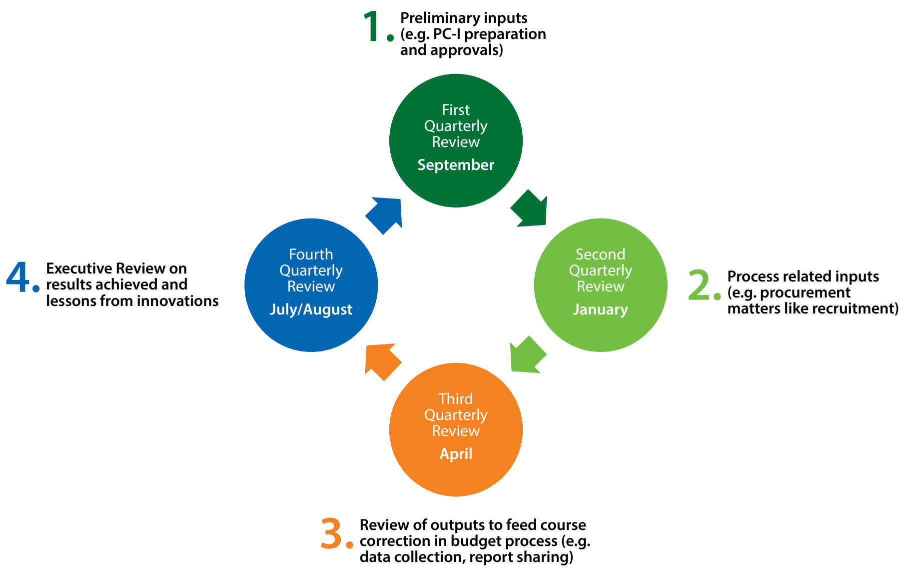
Q3 Review: The third quarter review in April will consider the outputs in order to feed in any course correction measures into the upcoming budget process. For this purpose, data collection and reporting processes will be organized to provide timely analysis and information. It will be used to consider draft ADP/AIP by sector.

Q4 Annual Review / Development Forum: The fourth quarter review will be instituted in late July/ early August and will largely focus on the results achieved and lessons from innovations / special emphasis program areas during the previous fiscal of implementation.

Table 2: AIP Planning Calendar

MONTH	ACTIVITY
January	Integrated Budget Call Circular and AIP Guidelines. **Q2 Review:** The second quarter review in January will focus on process related inputs (e.g., procurement matters like recruitment), and further align efforts with accelerated implementation.
February	Departmental workshops to finalize Programming Approaches / Analytics and Result Measures (PAM).
March	Departments submit draft project proposals to P&D demonstrating alignment with PAM.
April	**Q3 Review:** The third quarter review in April will consider the outputs in order to feed in any course correction measures into the upcoming budget process. For this purpose, data collection and reporting processes will be organized to provide timely analysis and information. It will be used to consider draft ADP/AIP by sector. Priorities Committee meeting to finalize draft ADP / AIP.
June	Draft AIP submitted to Provincial Assembly for approval.
July	Commencement of implementation. Submission of PC-1's for new projects. **Q4 /Annual Review/Development Forum:** The fourth quarter review will be instituted in late July/ early August and will largely focus on the results achieved and lessons from innovations / special emphasis program areas during the previous fiscal of implementation.
September	All new projects submitted approved by PDWP.
October	**Q1 Review:** The first quarter review in September will focus on the preliminary inputs (e.g., PC-I preparation and approvals) and establish the pace of implementation and install course correction measures into implementation.

Figure 14: Periodic Reviews for Course Correction



To organize a result-oriented AIP implementation, the PAMFRAMES will serve as templates for data collection, tracking progress and reporting on results. These matrices list a number of input, output and outcome indicators. To assess progress of implementation and AIP results, a baseline of key development indicators will be established. This will be done for all the important sectors. In general, for these indicators, the following data sources will be used. For some special data requirements, for innovations, surveys will be organized.

Table 3: Data for Monitoring and Evaluation

DATA FOR MONITORING AND EVALUATION	SOURCE	FREQUENCY
INPUTS		
Project implementation	Sector Programmes and Departments	Quarterly
Financing	Planning & Development Department	Quarterly
Recruitments	Departments	Quarterly
Infrastructure and construction	Sponsoring Departments, Communication & Works Department	Quarterly
Equipment procurement	Departments	Quarterly
Trainings	Sector Programmes and Departments	Quarterly
Other inputs	Departments	As the case may be
OUTPUTS		
Education outputs	Education Management Information System	Annual/Quarterly
Health outputs	Health Management Information System	Annual/Periodic
Justice cases	Home Department's reports	Quarterly
Jobs	Bureau of Statistics Economy Survey	Annual/Periodic
Citizen satisfaction	Survey	Annual
Student learning objectives	Education	Annual
Status of population health	Health Surveys	Periodic
Household income	Pakistan Social and Living Standards Measurement Survey	4 years

M&E, their value addition to implementation and success depends upon timely data collection and review processes. A major part of data collection will be using reporting sources of the existing departmental processes, and the Khyber Pakhtunkhwa Bureau of Statistics where required. In addition, as a complement, special data collection will also be instituted as mentioned above. For the series of SEPs, impact evaluations will be instituted at pre-determined points in implementation. Adequate reporting formats will be developed to ensure they are easy to comprehend and used for review purposes.

#4 [INFRASTRUCTURE RELATED IMPLEMENTATION ARRANGEMENTS]

Under the AIP, a large number of projects and schemes will be implemented. They will add to the stock of infrastructure. Schools, health facilities, roads, dams and irrigation channels and other types of infrastructure will be created. This will require not only rapid implementation but also high quality completion for operations. Rather than following the existing implementation modalities, all possible options for accelerated implementation will be considered and where optimal these will be adopted. These will include existing government departments, other federal government agencies and autonomous entities. In this connection, useful lessons will be absorbed from other places in Pakistan like the experience accumulated in Punjab to avoid pitfalls and avoid delays.

Infrastructure-related work in principle falls under the C&W Department located in Peshawar, with attached departments of chief engineers present at the district level. There are exceptions, like the development authorities lying in the domain of Local Government and Rural Development Department, which carry out large urban projects. Many other government departments have their infrastructure development facilities like Housing, Development Authorities, Forests, Minerals, etc.

For road constructions, one major reform in the C&W Department has been the creation of the Pakhtunkhwa Highways Authority (PKHA) to cater specifically to the network of larger roads across the province as well as toll collection on some of those roads. However, smaller roads are still dealt with by the C&W Department and the chief engineers' establishments. Historically, district councils, municipal corporations and municipal bodies as well as the Local Government and Rural Development Department have been carrying out road construction on a smaller scale and in the rural areas. Similarly, the Police Department has created its own office for building works. Therefore, police related building work is no longer carried out by the C&W Department.

The Government also has relationships with other organizations for civil works implementation purposes; these relationships include the Frontier Works Organization (for roads) as well as National Engineering Services Pakistan - NESPAK (a consultancy firm which was recently involved in the upgrading and refurbishment of higher secondary schools). Besides these essentially federal government organizations, another federal government organization that has the potential to be involved in both buildings as well as roads construction is the National Logistics Cell.

Small infrastructure items like primary schools will be implemented as in the past through the C&W Department. However larger, specialized works like small dams, will be undertaken either through the provincial Energy and Power Department or through the Water and Power Development Authority of the federal government. Any new highways or upgradation of existing highways will be done through the C&W Department or through the PKHA. On the other hand, smaller road networks connecting villages to the larger road network will need local identification and local feasibilities, and therefore will be undertaken at the local government level. C&W Department also has extensive experience of outsourcing design and supervision through independent private sector consultants, and thus where complexes of buildings is required to be constructed then this can be the mechanism which can be used.

Using experience from Punjab, a special authority may be created for rapid and high quality implementation of large projects. This category can include dams, major hospitals, and other such projects. The creation of Infrastructure Development Authority Punjab (IDAP) repeals the Punjab Highways Authority Act 1989, and the new Authority is empowered to deal with both road infrastructure as well as government buildings. The Government of KP will examine the Punjab experience and consider the possibility of creating such an authority for expeditious, quality work.

Table 4: Implementation Arrangement for Infrastructure

TYPE OF INFRASTRUCTURE	IMPLEMENTATION AGENCY OPTION	SHORT TERM PRIMING
First Level Buildings	Communication & Works Department, Provincial Reconstruction, Rehabilitation & Settlement Authority (PaRRSA)	Review standards, add capacity, invest in quality PC-Is and cost estimates
District and Intra-district Roads	Communication & Works Department, Roads Implementation Unit	Review standards, add capacity, invest in quality PC-Is and cost estimates Bundling to access higher capacity contractors
Small Reservoirs	Irrigation Department	Review standards, add capacity, protocols for community engagements
Large Connectors	Frontier Works Organization	Review and revise standards Invest in quality PC-Is and cost estimates
Large Dams	National / International Contractors	Design consultancy, top supervision, contract administration
Buildings with Unique Features	PaRRSA, IDAP type Authority with special institutional mandate and processes	Legislation and institutional development
Projects in hard to reach / security risk areas	Frontier Works Organization	Administrative support

Note: Contract administration capacity will be required in the departments and special units.

#5 [FINANCING FOR IMPLEMENTATION]

The German analogy is apt for the merger of FATA into KP province. East Germany joined West Germany in 1990. From 1991 to 1999, the German government spent 6.5 percent of its GDP, DM180 billion per annum, to integrate the poorer and underdeveloped East Germany into the West's economy even though East Germany was 1/4th of the West German population. Compared with the German example of spending 6.5% for the greater cause of integration, if Pakistan decides to spend Rs.100 billion per year to bring human development and public services in MA closer to the rest of Pakistan, it will only amount to 0.002 percent of GDP.

The lag in development in the MA is a direct manifestation of chronic public underspending over the last 7 decades. Provinces with their meagre own-source revenue derive most of their funds from the fiscal transfers under the National Finance Commission (NFC) awards. In the last decade, these transfers contributed to keep mean values of Rs. 15,930 per capita per annum public expenditures for Punjab, Rs. 17,436 in Sindh, Rs. 19,787 in Balochistan and Rs. 17,079 per capita in KP. FATA never enjoyed such mandated transfers and consequently the level of public expenditure in FATA remained at a mean value of Rs. 8,205 per capita that is manifestly low.

This therefore shows that mean spending in the provinces under NFC transfers remained at levels well above FATA, in some cases twice the per capita spending in FATA. No wonder that schools and health facilities in FATA remained below par. At present, 0.45 million children remain out of school, falling prey to all kinds of negative persuasions. Road connectivity despite the difficult geographic terrain remains 0.26 km per square kilometre, hampering access to markets and the meagre public services. Maternal mortality at 375 mothers losing lives during childbirth is one of the highest in the world.

Table 5: Fiscal Incidence in FATA (compared with rest of Pakistan)

Years	PER CAPITA EXPENDITURE (RS.)							Population[e] (Pt)	Funding Gap (Pt*Ct) (Rs.)
	Punjab[a]	KP[b]	Sindh[c]	Balochistan[d]	Mean (At)	MA (Bt)	Ct=At-Bt		
2008-09	15,960	12,642	17,987	18,597	16,296	7,078	9,218	4,131,315	38,082,990,802
2009-10	14,097	14,181	17,414	18,285	15,994	7,340	8,655	4,231,230	36,620,269,033
2010-11	13,275	14,637	17,189	19,277	16,095	5,760	10,335	4,333,563	44,785,483,297
2011-12	13,669	16,789	16,996	19,224	16,670	6,968	9,702	4,438,370	43,059,960,229
2012-13	15,040	16,905	14,947	18,433	16,331	7,989	8,342	4,545,712	37,920,231,916
2013-14	14,791	13,708	15,093	18,627	15,555	8,062	7,493	4,655,650	34,882,826,425
2014-15	15,561	14,878	15,048	19,396	16,221	7,931	8,290	4,768,247	39,527,754,803
2015-16	17,713	18,522	19,627	21,386	19,312	8,671	10,641	4,883,567	51,967,555,084
2016-17	18,570	21,863	19,837	22,823	20,773	9,265	11,508	5,001,676	57,561,663,688
2017-18	18,703	22,416	20,519	21,880	20,880	10,361	10,518	5,122,642	53,881,812,288
2018-19	17,853	21,325	17,136	19,729	19,011	10,832	8,178	5,246,533	42,908,758,037
Total									**481,199,305,603**

[a] Statement of Comparison of Budget and Actual Amounts by Functions of the Audited Financial Statements of the Government of Punjab issued by Controller General of Accounts for the years 2007-08 to 2018-19

[b] Statement of Comparison of Budget and Actual Amounts by Functions of the Audited Financial Statements of the Government of KP issued by Controller General of Accounts for the years 2007-08 to 2018-19

[c] Statement of Comparison of Budget and Actual Amounts by Functions of the Audited Financial Statements of the Government of Sindh issued by Controller General of Accounts for the years 2007-08 to 2018-19

[d] Statement of Comparison of Budget and Actual Amounts by Functions of the Audited Financial Statements of the Government of Balochistan issued by Controller General of Accounts for the years 2007-08 to 2018-19

[e] Population figures have been projected based on the growth rate of the population derived from the population census of the year 1998 and 2017.

[f] Real expenditures are calculated using 2018-19 as the base year.

If the underfunding of FATA comes to Rs. 481 billion in 2018-19 rupees over the last one-decade alone, projected for the last 7 decades since independence, the total size of underfinancing of FATA comes to at least Rs. 3,367 billion. All along, the residents of FATA have continued to bear a proportionate burden of the indirect taxes that in turn contribute 60 percent of total national revenue at the federal level. Only in recent years, FATA received Rs. 50 billion of public expenditure per year in the previous decades. Given the accumulated lag in spending, the MA have missed almost 50 fiscal outlay, 50 fiscal years of development.

FATA merged in KP when the constitutional amendment passed on May 28, 2018. During the current fiscal year (2018-19), KP did not get its constitutional share in NFC transfers as the population, poverty related needs and thinly spread population of FATA have not been included in computing KP's share in transfers. The greatest question of national importance therefore today is how to right the wrong, and how quickly; and how soon to regain the lost 50 years of development for the people of FATA. Post-25th Constitutional Amendment, the Government of KP is mandated to carry out all the service delivery functions. It will use its efforts to mobilize adequate resources for implementation of the TDS and AIP, and deliver on the national commitments to the development of these areas.

Like the rest of Pakistan, the residents of the MA have a comparable claim on national resources. Equal access to public services is the inviolable right of the citizens of Pakistan, irrespective of their place of residence. Access to service delivery is possible only through availability of fiscal resources. The TDS is the manifestation of the national commitment to the development of the MA. This commitment was indicated in the federal government announcement that 3% of the Divisible Pool under NFC shall be mandated for development expenditures in these areas. This commitment was also elucidated as at least Rs. 100 billion per annum allocations for the purpose.

The MA are a new addition of people and area, responsibilities and development needs, and aspirations and national priorities assigned to the Government of KP. The constitutional requirement that spells out calculation of KP's share in NFC transfers with updated variables in the NFC formula will be addressed in the NFC. In addition to these sources of funds, the federal government has committed to continue financing development at the baseline level of FATA Annual Development Programme (ADP).

Government of KP envisages that this commitment to financing will continue from the federal government to address the historical lag in financing FATA. While seeking value for money and economy in implementing AIP, there remains a sizeable financing gap. This gap persists over time and would need to be bridged by additional resources during implementation.

A three-part strategy will be adopted to finance AIP. The first component emanates from the federal commitment to recover the historical lag in development. This will require a continued federal financing to fill the historical lag in financing development of FATA. The second component is to add synergies from existing provincial systems and save on costs. The third will comprise of resource mobilization to meet the required level of annual financing of development, systems building and service delivery in the MA.

The following figures indicate the medium and long-term resource requirements of AIP and TDS, respectively alongside available resources. The gap will be filled through additional resources.

Keeping in mind the TDS and its indicative figures for financing requirements as the context, the allocations for the first year of the TDS (the AIP, 2019-20) amount to a total of Rs. 59 billion for development and Rs.24 billion for current expenditure.

Figure 15: Financing Gap for AIP

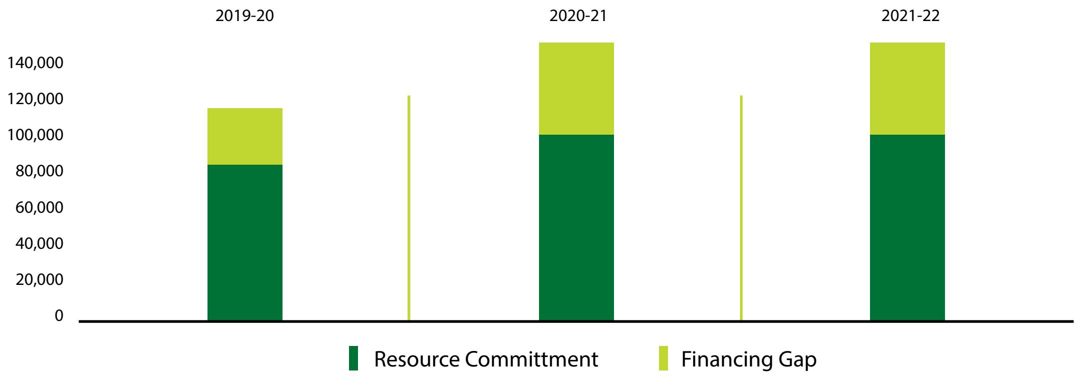
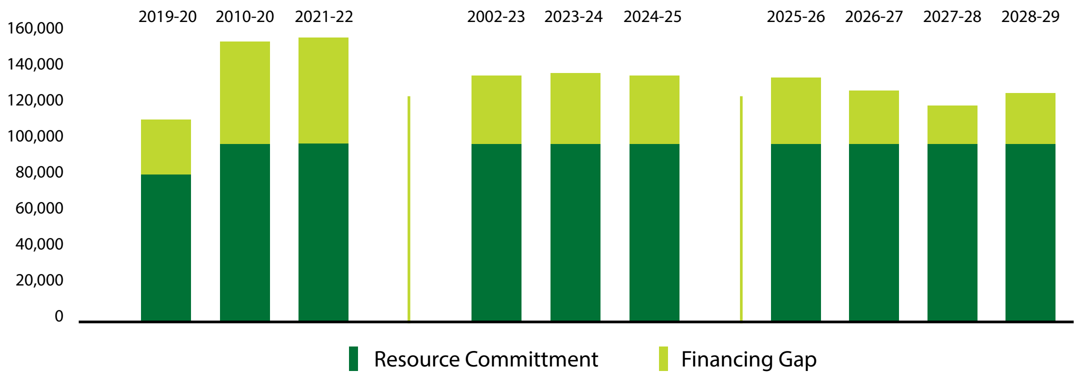


Figure 16: Phase-wise Financing Gap of TDS



Note: The resource commitment of Rs. 83 billion for 2019-20 includes Rs. 59 billion for development investments and Rs. 24 billion for meeting the associated current expenditure

Annexes

Annex I:
Accelerated Implementation Plan (AIP) 2019-20

Sector: Governance and Rule of Law

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Settlement and Land Record / digitization of Land records (for 7 districts) / creation of record of property rights		**400**
Mapping of public infrastructure, assessment studies and geological surveys, and utilization status/gap identification of existing infrastructure	Mapping of public infrastructure including GIS mapping of roads, health and education establishments, water and electricity mapping, assessment studies and geological surveys of mines and other economic activity generating sectors, and utilization status / gap identification of existing infrastructure	**200**
Support to public and private sector for provision of amenities	Mobile, Internet / Fiber Optics, Passport, Banks / ATMs, NADRA, PTCL	**300**
Special Implementation Arrangements		
Establishment and functioning of Accelerated Development Unit		**20**
M&E Framework and District M&E Units		**200**
Transactional Advisory Services		
Rule of Law		
Parole and probation, prison and prosecution, judicial lockup, levies transformation, police stations and levy lines and training programmes including legal literacy (awareness of general masses about new criminal justice system)		**3500**
Relief, Rehabilitation and Settlement		
Compensation for land utilization in district North Waziristan		**2,928**
Total		7,548

Sector: Municipal Development and Local Government

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Construction of bus terminals, fruit & vegetable markets, parks, traffic management, public toilets, sports facilities, parking places and beautification in selected urban areas		**600**
Total		**600**

Sector: State Offices for Services

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Establishment of government offices	Construction of 7 District and Judicial Complexes	**3,000**
	Construction of 25 Tehsil Complexes	
Establishment of emergency rescue services (Rescue 1122) in 7 Tribal Districts of Khyber Pakhtunkhwa		**735**
Establishment of emergency rescue services (Rescue 1122) in Tribal Sub-Divisions (Ex-FRs) of Khyber Pakhtunkhwa		**366**
Total		**4,101**

Sector: Education

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)	
Provision of stipends and scholarships for students of merged areas (Elementary & Secondary Education)	Girls secondary (15,000 @ Rs. 1,000 / month)	90	**2,540**
	Boys secondary (20,000 @ Rs. 1,000 / month)	150	
	Girls primary (300,000 @ Rs. 1,000 / month)	1,500	
	Boys primary (400,000 @ Rs. 500 / month)	800	
Provision of stipends and scholarships for students of merged areas (Higher Education)	Girls college (5,000 @ Rs. 2,000 / month)	80	**750**
	Boys college (10,000 @ Rs. 1,000 / month)	80	
	Scholarship for girls (2,000 @ Rs. 100,000 / annum)	170	
	Scholarship for boys (2,000 @ Rs. 100,000 / annum)	170	
	Graduate level education at professional institutions (1,000 @ Rs. 300,000 / annum)	250	
Provision of Basic Infrastructure, Teachers and other inputs at Educational Facilities	Furniture (300,000 @ Rs. 2500)	500	**4,210**

NAME OF SCHEME	SCOPE		ALLOCATION FOR 2019-20 (PKR MILLION)
	Toilet blocks (1,000 @ Rs. 400,000)	300	
	Drinking water (2,000 @ Rs. 50,000)	100	
	Boundary wall for schools (200 @ Rs. 2,000,000)	300	
	Repair of existing class rooms (4,000 @ Rs. 100,000)	350	
	Additional classrooms for overcrowded schools (2,000 @ Rs. 1,000,000)	800	
	Provision of free textbooks (600,000 @ Rs. 500)	250	
	Provision of free basic stationary and school bags (600,000 @ Rs. 500)	200	
	Development of play areas (500 @ Rs. 500,000)	150	
	Establishment of IT labs (200 @ Rs. 1,000,000)	180	
	Establishment of science labs (200 @ Rs. 1,000,000)	200	
	Provision of teachers at primary level (2,000 Teacher @ Rs. 25,000 / month)	180	
	Provision of teachers at middle level (1,000 Teacher @ Rs. 30,000 / month)	150	
	Provision of teachers at high level (1,000 Teacher @ Rs. 40,000 / month)	200	
	Early Childhood Education ECE Programme (1000 @ Rs. 400,000)	300	
	Strengthening of Parent-Teacher Councils (PTCs) (1,000 @ Rs. 50,000)	50	
Private sector engagement to address access, equity and quality education challenges	Education Voucher Schemes (EVS) (20,000 @ Rs. 1,200 / month)	120	466
	Private sector's access to finance (loans to private schools through banks where government takes interest rate and default risk)	50	
	New School Programme (NSP) (200 schools, 80 Students/school, @ Rs. 1,000 / month	96	
	Foundation assisted schools (FAS) for public/ private (200 schools, 200 students / schools @ Rs. 1000/ month)	200	
Rapid enrolment, quality improvement and school governance reform project			**200**
Solarization of schools			**200**
Institutional strengthening and capacity enhancement of higher education	Strengthening and rehabilitation of existing colleges (General + Commerce)	270	**1,811**
	Strengthening of BS Programme	146	
	Provision of transport facilities to higher educational facilities (operational cost through third party transport providers)	450	

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)	
	Establishment of HEMIS System in Higher Educational Institutions in newly merged districts	45	
	Performance based package for the teaching faculty	220	
	Capacity building programme for college faculty	180	
	Provision of staff to existing colleges (Commerce + General)	500	
Feasibility studies for educational establishments / institutes	Feasibility for establishment of another cadet college in district North Waziristan	70	**265**
	Feasibility for the establishment of university in district North Waziristan	70	
	Feasibility for the establishment of Education City at Barwand Mehsud Area in district South Waziristan	125	
Establishment of 4 Nos. Degree Colleges (2 for Girls in district Orakzai, 1 each for boys and girls in Wana, district South Waziristan)			**250**
Total			**10,692**

Sector: Health

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)	
Saving Maternal & Infant Lives Accelerated Program	Rural Ambulance Service - 50 (4x4) ambulance transporting 4,500 expectant mothers from home-PHC-SHC @ Rs. 3,000 per case	359	**2,174**
	Introduction of Portable Ultrasounds at 24/7 BEMOC facilities including training of SBAs	200	
	Revamping of 85 BHUs for provision of 24/7 SBA services / Rapid Diagnostic Tests (RDTS) AND rehabilitation / revamping of remaining Basic Health Units (BHUs)	325	
	Revamping of all 9 Rural Health Centers (RHCs)	150	
	Conversion of BHUs into Comprehensive Health Unit (CHUs)	480	
	Topping-up of MNCH Programme	380	
	Strengthening of NP for Family Planning	280	
Regional Blood Transfusion Regime	Regional Blood Center along with screening, storage, transportation of blood to DHQs		**400**
Revamping of Secondary Hospitals (all 7 DHQs and THQs / THQ equivalent)	Rehabilitation of basic infrastructure of DHQs / Secondary level hospitals	450	**4,120**
	Provision of standard medical equipments / non-medical equipment at secondary hospitals	900	

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)	
	Outsourcing of non-clinical services (janitorial, security, MEP, etc.)	450	
	MHSDP standardization of secondary hospitals	900	
	Implementation of EMR / HMIS at DHQs	180	
	Roll out Hospital Waste Management Regime at DHQs	180	
	Provision of Independent Express Lines (electricity) at DHQs	180	
	Strengthening of Trauma / Accidents and Emergencies at DHQs	480	
	Provision of Biometric System / Surveillance Cameras	100	
	Establishment of ICUs / CCUs / NICUs at DHQs	300	
Provision of quality medicines, vaccines, disposable and other supplies (X-Rays, reagents, etc.) at health facilities of MA	Procurement, warehousing, transportation of medicines and vaccines, disposable and other supplies (X-Rays, Reagents, etc.) (Rs. 0.5M / BHU, Rs. 3M / RHC, Rs. 15M / THQ, Rs. 50M / AHQ) and topping up for diseases such as Hepatitis, HIV, TB and NCDs		**900**
Provision of quality medical professionals and technicians at hospitals	Addition of 100 Specialists (consultants) @ Approx. Rs. 450,000 / month with contractual KPIs for key specialties	225	**1,345**
	Provision of doctors at far flung areas (+300 doctors @ Rs. 200,000 / month)	330	
	Provision of EMOs at Secondary hospitals (15/ AHQ and 6/THQ @ Rs 300,000 / month)	330	
	Provision of Nurses, LHVs, paramedics and medical technologists (+500 nurses @ Rs. 80,000 / month; +200 Technologist @ Rs. 80,000 / month; +200 LHVs; +100 technologists)	330	
	Attracting matriculate females for joining nursing / LHV / paramedic programmes through provision of scholarships on annual basis (+500 @ Rs. 50,000/month)	130	
Promoting Public Private Partnerships	PPPs for 06 Type D Hospitals of Merged Areas through Health Foundation		**420**
Medical Education and Tertiary Facilities	Upgradation of DHQ Kurram and feasibility for the establishment of Medical College (Kurram) through Public-Private Partnership		**750**
	Introduction of tele-diagnostic facilities in North and South Waziristan		
	Upgradation of DHQ (North and South Waziristan) and feasibility for establishment of medical colleges (North and South Waziristan)		
Health Financing	Extension of Health Insurance		**0**
Total			**10,109**

Sector: Drinking Water and Sanitation

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Rehabilitation / solarization of existing Drinking Water Supply Schemes with amended operational timings		750
Feasibility study for construction of Greater Drinking Water Supply Scheme – Shalman to Landi Kotal based on river Kabul and other water resources in the vicinity (Pumping / Gravity Based)		30
Construction and solarization of new Drinking Water Supply Schemes including Gravity Based schemes		550
Total		**1,330**

Sector: Social Welfare and Social Protection

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Extension of the Prime Minister's EHSAS Program including conditional cash transfer program for elderly, vulnerable, handicapped, marginalized communities, and creating jobs and livelihood and development of human capital		330
Creation of jobs through livelihood development (multi-sectoral programme) (To be implemented by SDU)		150
Auqaf, Hajj, Religious & Minorities Affairs		
Special Package for mainstreaming of minorities		150
Solarization of mosques & worship places		150
Total		**780**

Sector: Sports, Youth, Tourism and Culture

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Establishment, upgradation & rehabilitation of Sports Facilities		1000
Holding of Sport Activities		250
Establishment / Development of Tourist Destinations, Tourism Information Centres, Picnic Spots and Rest Areas		1,000

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Promotion / holding of tourism activities and festivals		400
Development of Tourist Services		120
Youth Development Package and Establishment of Youth Facilities		1,000
Economic Uplift of Youth (Start-up Program)		600
Establishment of Art and Culture Centres		400
Promotion of Cultural Activities		250
Protection and Management of Archaeological and Cultural Heritage		100
Total		**5,120**

Sector: Gender

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Gender mainstreaming and empowerment programme		280
Total		**280**

Sector: Connectivity and Roads

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Strengthening of East-West connectivity of Merged Areas with Settled Districts and important links	Dual carriage ways for inter & intra-district trunk roads	
	Farm to Market Roads	
	Improvements of trade routes	
	Rehabilitation and improvements of existing roads	
	Construction of road linking Mehsud area from Shawal to Afghan border (balance portion of 15 kilometers)	
	Improvement and rehabilitation of Frontier Road from Matani to Takhtabaig (28 kilometers)	
	Improvement of Tanai-Gulkatch Road (42 kilometers)	
	Improvement of road from Khar to Timergara and Toor Ghundi-Khar Road, 15 kilometers	
	Improvement of Khar Mamad Gat (Mohmand Boundary) Road, 28 kilometers	

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
	Improvement of Thall Mirali (North Waziristan) Road, 54 kilometers	
	Construction of balance portion of road from Inzar Gori Khel to Ladha 20 kilometers District South Waziristan	
	Improvement of Okh Kandau- Feroz Khel-Ziara Road (17 kilometers)	
	Improvement of Ghiljo- Nikah Ziarat (Kurram) Road (35 kilometers)	
	Improvement and rehabilitation of road from Pir Qala to Ghalanai (balance portion)	
	Improvement of border crossing roads (50 kilometers)	
	Construction of 100 kilometers internal roads in Spinkai and Wana, district South Waziristan	
	Improvement, rehabilitation and construction of new bridges	
Total		**5,000**

Sector: Energy and Power

NAME OF SCHEME	ALLOCATION FOR 2019-20 (PKR MILLION)
Up-gradation of 66 KV Grid Station Kalaya to 132 KV, Orakzai Tribal District (A)PDWP 08/05/2019	**146**
Up-gradation of 66 KV Grid Station Ghiljo to 132 KV (A)PDWP 08/05/2019	**265**
Up-gradation of 66 KV Grid Station Alizai to 132 KV Kurram District (A)PDWP 08/05/2019	**255**
Up-gradation of 66 KV Grid Station Sadda to 132 KV Kurram District (A)PDWP 08/05/2019	**261**
Providing New/Bi-furcation / reconductoring of 11 KV Feeder in North Waziristan, South Waziristan, Bnnu, Lakki, Tank and D.I.Khan (A)PDWP 08/05/2019	**196**
Providing New/bi-furcation/ reconductoring of 11 KV Feeder in Tribal Districts Kurram, Orakzai TSD Darra & Sub-Division Hassan Khel, Peshawar (A)PDWP 08/05/2019	**167**
Providing new / bi-furcation / reconductoring of 11 KV Feeder in Tribal Bajaur, Mohmand and Khyber (A)PDWP 08/05/2019	**233**
Chappari Charkhel Hydro Power Project Kurram (A)/PDWP/7.3.2019	**1643**
Upgradation of Grid-Stations in Wana District South Waziristan	**250**
Total	**3,418**

Sector: Water Management and Irrigation

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)	
Construction of Jabba Dam, District Khyber			**700**
Construction of Bara Dam, District Khyber			**230**
Development of command area under completed small dams			**230**
Construction /rehabilitation of other feasible dam schemes	Rehabilitation of Danday small dam in district North Waziristan	150	**1690**
	Construction of check dams / storage reservoirs on need basis across merged districts	380	
	Construction of small dams at feasible sites across merged districts	380	
	160308- Gomal Zam Dam Multipurpose Project (merged areas share) (A) ECNEC 24/01/2014	680	
	Kurram Tangi Dam Multipurpose Project (Stage-II)	100	
Improvement of existing and construction of new irrigation system / resources	Construction of Kundiwan Weir in district South Waziristan	320	**1100**
	Construction / improvement of irrigation channels / water ponds on need basis	380	
	Need assessment and construction of new solar tube wells and solarization of existing tube wells	100	
	Institutional strengthening, capacity building and construction of official setup of irrigation department	100	
	Remodeling & extension of Bara River Canal System District Khyber	200	
Total		**3,950.00**	

Sector: Agriculture

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)	
Integrated Agricultural Development	Special Program including behavioral science based adaptation for the production of high value horticultural crops	350	**750**
	Virus free seed production in Kurram & Orakzai, etc.	180	
	Land reclamation & solarization of agriculture dug wells / tube wells	220	
Merged Areas contribution to the Prime Minister's National Agriculture Emergency Programme	Crop productivity enhancement of maize & wheat	130	**640**

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)	
	Crop productivity enhancement of areas specific oilseed (sunflower, mustard, groundnut, etc.)	120	
	Crop productivity enhancement of area specific pulses	120	
	Land & water resources, improvement & development to enhance productivity	270	
Other important initiatives	Construction of check dams / rainwater harvesting	330	**580**
	Lining and improvement of water courses in Merged Areas	250	
Total			**1,970**

Sector: Accelerated Skills Development

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)	
Accelerated Skill Development (15,000 Scholarships) TEVTA		600	**230**
Total			**600**

Sector: Industries and Enterprise Development

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Insaf Rozgar Scheme (Rs. 1100 Million released during 2018-19)		**0**
Interest Free Microfinance Schemes (IFMS) for entrepreneurship development in MA		**600**
Total		**600**

Sector: Qabail Led Development

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Qabail Led Development - Multi-Sectoral Programs, one each for all Districts and one for Tribal Subdivisions (Ex-FRs)		**600**
Total		**600**

Sector: Livestock, Poultry and Dairy Development

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Establishment of small scale livestock farms / integrated livestock development		**500**
Construction of 10 cattle markets		**200**
Livestock productivity enhancement		**300**
Establishment of livestock research & development facilities		**100**
Total		**1,100**

Sector: Forestry, Environment and Wildlife

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
MA integrated development forestry sector project		**350**
Total		**350**

Sector: Mines and Minerals

NAME OF SCHEME	SCOPE	ALLOCATION FOR 2019-20 (PKR MILLION)
Interest free loans and soft loan schemes for mining sector through banking channel		**350**
Special dispute resolution mechanism for mining sector disputes		-
Construction of mine to market roads / shingle roads in mineral bearing areas		**400**
Establishment of weighing stations		**100**
Total		**850**

Annex II:
Departmental Roles and Responsibilities

Mapping Planned Interventions onto the Departmental Mandates

	AIP SECTORS	MANDATED DEPARTMENT(S)
Section 1	**Building Responsive and Accountable Institutions**	
Sub-Section 1.1	Governance and Rule of Law; Core State Functions	Home, Administration, Police, District Judiciary, Local Government
Sub - Section 1.2	Municipal Development and Local Government	Local Government
Sub - Section 1.3	State Offices for Services	Establishment
		Excise & Taxation
		Finance
		Food
		Home
		Inter-Provincial Coordination
		Information & Public Relations
		Law, Parliamentary Affairs & Human Rights
		Local Government
		Revenue
		Relief, Rehabilitation & Settlement
		Planning & Development
		Population Welfare
		Science & Technology, and Information Technology
		Transport
		Tourism
		Zakat and Ushr
Section 2	**Enhancing Human Potential**	
Sub-section 2.1	Education	Elementary & Secondary Education, Higher Education
Sub-section 2.2	Health	Health
Sub-section 2.3	Drinking Water and Sanitation	Public Health Engineering, Local Government
Sub-section 2.4	Social Welfare and Social Protection	Social Welfare
Sub-section 2.5	Gender	Social Welfare, All Departments
Sub-section 2.6	Sports, Youth, Tourism and Culture	Culture, Sports, Tourism, Archaeology & Youth Affairs

	AIP SECTORS	MANDATED DEPARTMENT(S)
Section 3	**Expanding Economic Infrastructure**	
Sub-section 3.1	Connectivity and Roads	Communication & Works
Sub-section 3.2	Rural Electrification, Transmission, Distribution and Generation	Energy & Power, TESCO, PEDO
Sub-section 3.3	Water Management and Irrigation	Irrigation
Section 4	**Creating economic opportunities for sustainable enhancement in wellbeing**	
Sub-section 4.1	Agriculture	Agriculture
Sub-section 4.2	Livestock, Poultry and Dairy Development	Agriculture
Sub-section 4.3	Fisheries	Agriculture
Sub-section 4.4	Industries and Enterprise Development	Industries & Commerce
Sub-section 4.5	Accelerated Skills Development for Employment	Industries & Commerce
Sub-section 4.6	Qabail Led Development	Planning & Development
Section 5	**Instituting Sustainable Natural Resource Management**	
Sub-section 5.1	Forestry, Environment and Wildlife	Forestry, Environment & Wildlife
Sub-section 5.2	Mines and Minerals	Minerals
Sub-section 5.3	Oil and Gas	Khyber Pakhtunkwa Oil and Gas Company, Energy & Power

	Implementation Arrangements	**Planning & Development**

Annex III:
Programming Approaches / Analytics & Measures (Sector PAMFRAMES)

The AIP process has produced preliminary Programming Approaches / Analytics and Measures (PAM) for the AIP key sectors, organized as PAM Frameworks (PAMFRAMES). The PAMFRAME lays out an approach for each sector by identifying inputs, outputs and outcomes, and indicating rational linkages between them to plan investments for progress towards the development outcomes of the sector. While some are illustrated below as samples, all sector PAMFRAMES will be finalized and periodically updated in a series of workshops as part of the planning calendar.

Governance and Rule of Law PAMFRAME

1 Inputs

Extend laws

Establish offices

Recruit resource

Carry out trainings

Procure equipment

Design and implement legal literacy programme

Provide criminal justice related transport

Construct and operationalize police stations/prisons/lockups/probation

Transform levies

2 Outputs

Crime rate lowered

Property rights formalized

Land record related transaction services functionalized

Successful prosecution increased

Case resolution expedited

Crime reporting through formal criminal justice system increased

Police response time to complaint lowered

Readiness to seek dispute resolution, including contract enforcement through formal legal system increased

Confidence in criminal justice system increased

3 Outcome

Citizen's satisfaction and trust in state institutions built and manifested

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Timely notifications for establishment approval, administrative approvals, management decisions

Procurement carried out, high capacity implementation agents contracted, optimal contract management

Timely notifications for establishment approval, administrative approvals, management decisions

Professionally high-quality modules developed, officials made available

Transparent and timely procurement decisions made

Approvals granted, quality assured design approved

Procurement carried out, optimal contract administration implemented

Timely notifications for establishment approval, administrative approvals, management decisions

Administrative decisions made in a timely manner

All programmes, projects, and initiatives are implemented optimally

The overall internal security situation remains stable

Municipal Development and Local Government PAMFRAME

1 Inputs

Establish TMA offices

Construct TMA office blocks

Establish VC and NC offices

Construct VC and NC meeting areas

Train local officers in planning and budgeting

New municipal services added in new TMAs

2 Outputs

Households served by municipal services increased

Households benefiting from town planning increased

Access to improved water increased

Access to safe water increased

Access to improved sanitation

Waste disposal improved

Water availability improved

Local expenditures financed by OSR increased

Bye laws addressing local issues adopted

Redress of grievance mechanisms functional

Local political participation through councils increases

3 Outcome

People interacting with responsive and locally accountable institutions, determining the mix and level of public goods established

Elections held in time, positions approved in time, and enough allocations with timely releases made

Projects approved in time, enough allocations, and timely releases made

Enough allocations and timely releases made

Enough allocations and releases made in time

Training plan implemented in time

Education PAMFRAME

1 Inputs

- Recruit teachers at various levels in light of HR plan
- Construct schools
- Construct additional classrooms
- Carryout school rationalization
- Provide text books
- Provide teacher trainings
- Implement innovative teaching methodology programme
- Launch OOSC programme
- Implement head teachers' management capacity programme
- Provide stipends and vouchers
- Extend scholarships to students
- Develop and implement assessment and examination systems
- Take parent focused school participation initiatives
- Innovate with Head Teachers autonomy
- Operate and manage community schools
- Innovate with performance incentives for teachers
- Upgrade education systems with digital technologies
- Provide basic facilities
- Provide missing facilities
- Implement PTC capacity building
- Study/identify OOSC
- Design and implement remedial programmes to ensure no child is left behind

2 Outputs

- Enrolments increased
- School years completed by more students
- Female enrolment increased
- More children pass exams
- Improved methodologies deployed
- Teachers training implemented
- Optimal teacher student interaction attained
- Optimal classroom size utilized

3 Outcome

SLOs achieved and a situation aware, adequately skilled, and civic responsible labor force and citizenry created

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- School based recruitment policy
- Teacher rationalization

- Elections held in time, positions approved in time, and enough allocations with timely releases made
- Projects approved in time, enough allocations, and timely releases made
- Enough allocations and timely releases made
- Enough allocations and releases made in time
- Training plan implemented in time

Health PAMFRAME

1 Inputs

Recruit HRH through special package, add doctors, nurses, specialists, para professionals
Recruit community health workers to enhance outreach of preventive care
Conduct HRH Training
Increase access to medicine
Improve PHC infrastructure
Procure equipment for BHUs & RHCs
Top up EPI with vaccinators, vaccines, cold chain, IT solutions
Implement context specific innovations addressing fragmented services, EmOC, EmNOC
Establish transport link for BEmOC& CEmOC
Provide Sehat Insaf card
Introduce ambulance service
Design and implement health literacy programme
Extend contraceptive services along with provision of contraceptives
Implement vertical programmes; TB Control, HIV Control, Hepatitis B Control
Institute mobile health services for underserved areas
Improve secondary health facilities infrastructure
Procure equipment for secondary health facilities
Introduce blood transfusion and quality assurance
Ensure centralized supply of oxygen
Implement NCD programme
Integrate fragmented health service through reorganization and referrals
Develop allied services
Launch E-medical records
Extend medical education facilities
Implement Infection control activities including hospital waste management
Introduce GP based referral system
Solarize health facilities
Extend HMIS and field monitoring activities
Procure biometric attendance equipment
Implement food health and safety regulations

2 Outputs

Disease prevalence decreased
Burden of major communicable diseases decreased
Burden of major non communicable diseases decreased
Women completing pregnancy without morbidity and mortality increased
Infant survival increased
Children enjoying healthy early childhood increased
More children protected from vaccine preventable diseases
Nutritional status of children improved
Health seeking behavior adopted
Life expectancy improved
Morbidity/mortality by major disease decreased
Birth spacing improved
Out of pocket expenditure for purchase of medicines reduced
System of early detection and timely management of major communicable and non-communicable diseases established and made functional
Functionality of healthcare system improved

3 Outcome

Individuals' health status and productivity increased enabling them to maximize availing opportunities of life

Special package will incentivize retention of high performing HRH
Enough women are available and willing to become LHWs
Trainings will increase capacity and willingness to perform duties
The supply chain will remain reliable
Enough market capacity is available to undertake revamping work, especially in hard to reach areas
Staff available at BHU is capable of using this equipment
Social norms and culture do not inhibit vaccination drive
Patient fallout from healthcare service chain will decrease if proper referral system is available
Access to healthcare depends greatly on availability of transport to and from healthcare facility
Reducing out of pocket expenses will improve access
Every household will have ancillary facilities such as access to phones
Access road and other infrastructure will be available for ambulances to reach target population
Health literacy will improve uptake of health services
Availability of contraceptives is the only barrier to use of contraception
Establishment of service delivery points will ensure utilization of healthcare services and adoption of health seeking behavior
Introducing mobile health units will ensure 100% geographical coverage of healthcare services
Enough market capacity is available to undertake revamping work, especially in hard to reach areas
There is enough capacity to procure, deliver and install equipment in HFs, with HFs having enough expertise to use it
System has enough capacity to implement a blood transfusion regime which calls for other safety protocols as well, such as handling of blood contaminated equipment, identifying bad samples etc.
Availability of central oxygen will reduce hospital mortality by ensuring safer surgeries and post-op care
People are actively seeking guidance on controlling NCDs
Patient dropout from healthcare service chain will decrease
Enough people are willing to attend paramedical schools
Local health facilities have the capacity to manage electronic records
Supply of eligible students to enter medical colleges is available
System personnel has all other ancillary controls in place, such as training on segregating waste, proper waste identification, and management etc.
Enough GPs are available and motivated to register
Availability of power source is a key factor in healthcare service delivery
Monitoring will be completely objective and not prone to any corrupt practices thereby correctly identifying any ground level problems
Doctors and nurses will be present in health facilities and perform better, knowing that their attendance is being monitored
Regulations will be implemented

Introducing disease specific programmes will influence personal attitudes and inclination towards healthier living
Making infrastructure such as ambulances and BEmONC and CEmONC facilities available will translate into usage of these facilities
All children have access to vaccinations, good nutrition and healthy living discounting for differences in attitudes, personal living styles, and disparity in households etc.
Vaccine provided is effective, and has been maintained properly through cold chains
Social norms allow parents to administer vaccines to their children
Low functionality of healthcare system, and not the negative attitude/beliefs towards healthcare is a reason of disenchantment
Increasing healthcare availability will also increase access and utilization of healthcare services
Introducing disease specific programmes will influence personal attitudes and inclination towards healthier living
No social and cultural barriers exist in family planning
Ensuring free healthcare will translate into a healthier population, more able and willing to undertake their roles (economic or otherwise) in society
Provision of service will result in high utilization and thereby, effective management of CD and NCD
Availability of EPHS will also improve access and local willingness to utilize services

Drinking Water and Sanitation PAMFRAME

1 Inputs

Upgrade existing water supply schemes

Solarize existing water supply schemes

Construct new gravity-based water supply schemes

Construct new groundwater supply schemes

2 Outputs

Access to safe water increased

Access to improved water increased

Access to safe sanitation

Waste disposal improved

3 Outcome

Human wellbeing and productivity enhanced through healthy lives

Design standards and specs account for climatic and socio-cultural demands of the population and reflect the state-of-the-art scientific knowledge

Funds are made available for solarization

Respective Dept has the capacity and outreach to solarize the schemes

Source with good quality and quantity is available and the topography is feasible for gravity-based schemes

Funds are available

Source with good quality and quantity is available

Funds are available

Reliable source of energy (either grid based or solarized) is available

Design of WSS takes care of the water quantity demands of the households served

Water source is free from contaminants, and is delivered without contamination in the networks

Funds stay available for O&M of WSS

The drains and/or sewers are properly maintained in operational conditions without blockages or overflows

Treatments levels ensure meeting the NEQS

Water Management and Irrigation PAMFRAME

1 Inputs

Collect data for water management and planning

Develop analysis-based water storage designs

Develop technically sound water storage facilities

Develop medium and small sized water storage

Line water channels and water courses

Provide solar energy to tube wells and dug wells

Develop spate irrigation systems for surface water management

Develop check dams/Leaky dams for ground water recharge

Promote water harvesting techniques

2 Outputs

Enhanced storage capacity

Storage and distribution system losses reduced

Increased reach of irrigation network

Efficient water use achieved

Improved practices of ground water management

Economic productivity of water increased

3 Outcome

Higher returns on efficient water management practices contributing to human wellbeing achieved

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Irrigation Department outsources work to a national or international expert/firm

Irrigation Department build its capacity to maintain regular data collection for water resource planning

Irrigation Department collaborates with concerned universities for knowledge exchange and dissemination.

Irrigation Department outsources work

Irrigation Department outsources work where capacity is deficient

Irrigation Department enhances its capacity to execute interventions

Pattern of rainfall does not change substantially over the planned period

Local contractors and construction material is available

Land disputes on dam site have been resolved during the feasibility stage

Local contractors and construction material is available

Private sector has the capacity to provide solar power equipment and allied services

Irrigation Department 's capacity to execute interventions

Local contractors and construction material is available

Irrigation Department enhances its capacity to execute interventions

Local contractors and construction material is available

Irrigation Department' s capacity to execute interventions

Pattern of rainfall does not change substantially over the planned period

Local contractors and construction material is available

Irrigation Department's capacity to execute interventions

Adopt water conservation techniques and new technology

Irrigation Department outsources development of ground regulatory framework

Provincial government legislates and enforces its legislation in MA.

Farmers adopt and accept water conservation techniques and new technology

Agriculture PAMFRAME

1 Inputs

- Conserve soil
- Convert culturable waste to farmland
- Introduce sustainable farmland management
- Incentivize supply of improved seed varieties
- Build research capacity to produce seeds etc. that are ecologically suitable
- Establish nurseries for hard-to-propagate varieties
- Produce disease resistant varieties in the local environs
- Extend and enhance functionality of agriculture extension (transport and non-salary)
- Introduce IT based innovative extension services
- Introduce IT based market linkages
- Improve access to credit
- Apply demonstration techniques to promote adoption of improved varieties and farming techniques
- Implement behavioural science based accelerated adoption schemes
- Introduce high yield farming techniques for horticulture (vegetables)
- Introduce high value horticulture coupled with improved irrigation techniques (fruit orchards)
- Design and implement a special programme for new and high value horticulture

2 Outputs

- Farm yields increased
- Orchard yields increased
- Diversification of crops and horticulture achieved
- Marketable produce increased
- High value horticulture adopted
- Market linkages created

3 Outcome

Farm incomes increased, resource managed sustainably, and deleterious effects on environment minimized

- Institutional overlap exists with Forestry Dept
- Researches get the institutional and required financial support
- Internet connectivity exits
- Extension workers have the right capacities
- Continuous technical support is available till the first harvest
- Continuous technical support is available till the first harvest
- Farmers are willing to adopt new technologies

- All the right inputs like seeds, fertilizers, insecticides, credit facilities and technical advisory services both from public and private sectors are available.
- Farmers identified according to set criteria, e.g. ownership of land between 10 to 15 acres
- Coping mechanism to pull along farmers' families in lag period exists
- Technical and material support is available
- Farmers risk adverse behavior subsidized
- Farmers have access to internet

Forestry, Environment and Wildlife PAMFRAME

1 Inputs

- Strengthen forest management through HR recruitment and capacity building
- Procure equipment and materials for inventory assessment and management
- Strengthen forestry research capacity
- Establish sustainable forest management regime
- Raise nurseries and saplings through public-private partnership
- Plantation, dry afforestation, seed sowing, dibbling and aerial broadcasting on the available lands
- Replant and rehabilitate existing forests
- Implement community based social forestry
- Implement watershed management and soil conservation measures
- Designate critical wildlife habitats as protected areas
- Incentivize establishment of local forest-based SMEs
- Build capacities for value addition of NTFPs and develop market linkages

2 Outputs

- Increased forest cover
- Increased population of representative species
- Increased economic value of the forest produce
- Local SME linked to forestry developed

3 Outcome

- Sustainable forest management achieved, maximizing livelihoods, economic and ecological effects

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- Adequate human and financial capacities for sustainable management of forest goods and services exit
- Precipitation pattern, in terms of quantity, quality and timing, remains conducive for the plantation
- Communities are willing to partner with the government for forest development and management

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- Adequate human and financial capacities for sustainable management of forest goods and services exit

Annex IV:
PAMFRAME Details

Further details of some of the key sector PAMFRAMES covered in Annex III are given below. The PAMFRAME offers an organized view of sector inputs, outputs and outcomes, linked through maintained assumptions and planning precepts. All the Departments of the Government of KP will be working through a series of workshops to develop their sector specific PAMFRAMES, which will form the basis of overall monitoring and progress tracking of the AIP implementation and results.

Sector: Governance and Rule of Law

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Outcome:			
Citizen's satisfaction and trust in state institutions built and manifested	Citizen perception levels	Survey	All programmes, projects, and initiatives are implemented optimally The overall internal security situation remains stable
Outputs:			
Crime rate lowered	% year on year increase/ decrease disaggregating heinous and non-heinous crimes	Home Department CPO DPO	
Property rights formalized	# of record of rights created (tehsil wise)	Settlement Officer Board of Revenue	
Land record related transaction services functionalized	Tehsil wise compliance reports	Collector / DC Board of Revenue	
Successful prosecution increased	% cases successfully prosecuted	District Prosecution Office Home Department Law Department	
Case resolution expedited	Average # of days taken	PHC Case Studies	
Crime reporting through formal criminal justice system increased	# FIRs Unreported crime (%)	Monthly District police Reports Special Surveys / UNDP	
Police response time to complaint lowered	Duration in hours	Special District Police Reports / UNDP	
Readiness to seek dispute resolution, including contract enforcement through formal legal system increased	% population reporting readiness to seek dispute resolution	Survey Report / UNDP	
Confidence in criminal justice system increased	% population reporting increased confidence # citizens reporting readiness to engage with the legal system	Survey Report / UNDP	

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Inputs:			
Extend laws	Number of laws extended	Home Department	
Establish offices	# state offices established # state offices constructed	Respective Department C&W Department	Timely notifications for establishment approval, administrative approvals, management decisions Procurement carried out, high capacity implementation agents contracted, optimal contract management
Recruit human resource	% positions filled	District Department	Timely notifications for establishment approval, administrative approvals, management decisions
Carry out trainings	# trainings # trainees	District Department	Professionally high quality modules developed, officials made available
Procure equipment	% planned orders delivered	District Department	Transparent and timely procurement decisions made
Design and implement legal literacy programme	Analysis and policy proposal # interventions implemented # citizens received legal literacy messages	Home Department Law Department UNDP	Approvals granted, quality assured design approved
Provide criminal justice related transport	# vehicles procured and deployed against total sanctioned	Home Department	Home Department
Construct and operationalize police stations / prisons / lockups / probation	# functional facilities against number of planned facilities	Home Department	Timely notifications for establishment approval, administrative approvals, management decisions Procurement carried out, high capacity implementation agents contracted, optimal contract management
Transform levies	# levies force trained	Home Department	Administrative decisions made in a timely manner

Sector: Municipal Development and Local Government

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Outcome:			
People interacting with responsive and locally accountable institutions, determining the mix and level of public goods established	Citizen perception of local institutions	Surveys / UNDP	
Outputs:			
Households served by municipal services increased	# households availing municipal services	TMAs VCs / NCs	
Households benefiting from town planning increased	# new towns established New features added to existing towns % households living in planned urban areas	TMAs	
Access to improved water increased	% households with piped connection Per capita water consumption	TMAs VCs / NCs	
Access to safe water increased	# tube wells water tested % households with access to safe water	TMAs VCs / NCs	
Access to improved sanitation	Length of sanitation lines % households with access to sanitation	TMAs	
Waste disposal improved	Per capita waste disposed	TMAs	
Water availability improved	# new water supply schemes # new households with water connections	TMAs	
Local expenditures financed by OSR increased	% OSR / total revenue	NC / VC / TMA Audit Reports	
Bye laws addressing local issues adopted	# bye laws notified	TMAs	
TMAs	# complaints redressed on citizen portal	PMRU	
Local political participation through councils increases	# council sessions conducted	TMA VCs / NCs	

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Inputs:			
Establish TMA offices	# staff posted # staff recruited	Local Government Department	Elections held in time, positions approved in time, and enough allocations with timely releases made
Construct TMA office blocks	# of office blocks constructed	Financial Management Information System	Projects approved in time, enough allocations, and timely releases made
Establish VC and NC offices	# staff posted # staff recruited	Local Government Department	Enough allocations and timely releases made
Construct VC and NC meeting areas	# meeting areas constructed	Local Government Department	Enough allocations and releases made in time
Train local officers in planning and budgeting	# officers trained	Local Government Department	Training plan implemented in time
New municipal services added in new TMAs	# new municipal services and coverage	TMAs	

Sector: Education

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Outcome:			
SLOs achieved and a situation aware, adequately skilled, and civic responsible labour force and citizenry created	SLOs by grade Employability	Surveys	
Outputs:			
Enrolments increased	NER by level GER by level	MIS	
School years completed by more students	SCR by levels	EMIS	
Female enrolment increased	Gender ratio by level	EMIS	
More children pass exams	Pass percentage by level	EMIS Boards DoE	
Improved methodologies deployed	% teachers using improved methodologies	PITE DoE	
Teachers training implemented	% teachers trained	PITE	
Optimal teacher student interaction attained	Student teacher ratio	EMIS IMU	
Optimal classroom size utilized	Student classroom ratio	EMIS IMU	
Inputs:			
Recruit teachers at various levels in light of HR plan	# teachers by type	DoE	School based recruitment policy
Construct schools	# schools constructed by level # schools made functional	DEO	Teachers rationalization
Construct additional classrooms	# classrooms constructed in existing schools	DEO Site Visits IMU	
Carryout school rationalization	Survey based school rationalization plan # unviable schools # schools made viable # schools closed down	DEO IMU	

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Provide text books	% students receiving text books on time	Schools	
Provide teacher trainings	% teachers trained, CPD	PITE	
Implement innovative teaching methodology programme	% teachers practicing new methodology	PITE / UNDP	
Launch OOSC programme	# children enrolled in programme by course category # children integrated in regular schools	DEO School UNDP	
Implement head teachers' management capacity programme	# head teachers trained in school management	DoE / UNDP	
Provide stipends and vouchers	# beneficiaries, respectively	E&SED DoE ESEF	
Extend scholarships to students	% beneficiaries successfully completing	DoE	
Develop and implement assessment and examination systems	Sample based assessment implemented Centralized universal exam for class 5, class 8, and class 10	DCTE Boards DoE	
Take parent focused school participation initiatives	# parents reached Analysis and policy proposal for enrollment, SCR, PTC	DEO School / UNDP	
Innovate with Head Teachers autonomy	Evaluation report of pilot Analysis and policy proposal	DoE / UNDP	
Operate and manage community schools	# girls attending community schools	ESEF Site Visits	
Innovate with performance incentives for teachers	Evaluation report of pilot Analysis and policy proposal	DoE / UNDP	
Upgrade education systems with digital technologies	Evaluation report of system upgrades Analysis and policy proposal	E&SED	

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Provide basic facilities	# schools without basic facilities	DEO Site Visits IMU	
Provide missing facilities	# schools with missing facilities	DEO Site Visits IMU	
Implement PTC capacity building	% PTC meeting regularly and meeting defined parameters	DEO IMU	
Study / identify OOSC	Study available	E&SED	
Design and implement remedial programmes to ensure no child is left behind	Evaluation report of pilot Analysis and policy proposal	DoE / UNDP	

Sector: Health

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Outcome:			
Individuals' health status and productivity increased enabling them to maximize availing opportunities of life	% population reporting improved health status	Survey DHS	
Outputs:			
Disease prevalence decreased	Burden of Disease DALYs	DHS MICS Case Studies	Introducing disease specific programme will influence personal attitudes and inclination towards healthier living
Burden of major communicable diseases decreased	Prevalence of TB / 100,000 population Prevalence of Hepatitis B / 1,000 population Prevalence of Hepatitis B / 1000 population Prevalence of Hepatitis C / 1,000 population Prevalence of HIV / 1,000 population	NHS MICS	Introducing disease specific programmes will influence personal attitudes and inclination towards healthier living
Burden of major non communicable diseases decreased	% raised blood glucose/ diabetes among adults % raised blood pressure among adults	NHS NDS	Introducing disease specific programmes will influence personal attitudes and inclination towards healthier living
Women completing pregnancy without morbidity and mortality increased	MMR Near miss cases % pregnant women with post-partum complications and disabilities Prevalence of iron deficiency anemia % women using supplements prior to and during pregnancy	PDHS	Making infrastructure such as ambulances and BEmONC and CEmONC facilities available will translate into usage of these facilities
Infant survival increased	IMR Days reported sick	PDHS	All children have access to vaccinations, good nutrition, and healthy living discounting for differences in attitudes, personal living styles, and disparity in households etc.

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Children enjoying healthy early childhood increased	U5MR Incidence of polio Days reported sick Incidence of measles, diphtheria, diarrhoea, tetanus, chickenpox, and mumps	PDHS	All children have access to vaccinations, good nutrition and healthy living discounting for differences in attitudes, personal living styles, and disparity in households etc.
More children protected from vaccine preventable diseases	FIC (12-23 months)	PDHS	Vaccine provided is effective, and has been maintained properly through cold chains Social norms allow parents to administer vaccines to their children
Nutritional status of children improved	Prevalence of iron deficiency anaemia in children % wasted children under 5 % underweight children under 5	NNS	All children have access to vaccinations, good nutrition and healthy living discounting for differences in attitudes, personal living styles, and disparity in households etc.
Health seeking behaviour adopted	% population seeking health care % households using bed nets % households aware of TB, HIV, AIDs, Hepatitis prevention, treatment methods % population using quack solutions	PDHS Surveys	Low functionality of healthcare system, and not the negative attitude/beliefs towards healthcare is a reason of disenchantment
Life expectancy improved	Life expectancy	PDHS	Increasing healthcare availability will also increase access and utilization of healthcare services
Morbidity/mortality by major disease decreased	Morbidity rate Mortality rate Case fatality rate	Hospital Based Studies	Introducing disease specific programmes will influence personal attitudes and inclination towards healthier living
Birth spacing improved	CPR	PDHS	No social and cultural barriers exist in family planning
Out of pocket expenditure for purchase of medicines reduced	% OOPE	PDHS Surveys	Ensuring free healthcare will translate into a healthier population, more able and willing to undertake their roles (economic or otherwise) in society

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
System of early detection and timely management of major communicable and non-communicable diseases established and made functional	% high risk population screened and vaccinated % SLH providing treatment coverage for Hepatitis B, C, AIDS, MDR TB and NCDs Case detection rate Treatment success rate	EMR	Provision of service will result in high utilization and thereby, effective management of CD and NCD
Functionality of healthcare system improved	% HFs delivering EPHS % HFs with MSDS implemented % fully functional HFs	Facility Surveys	Availability of EPHS will also improve access and local willingness to utilize services
Inputs:			
Recruit HRH through special package, add doctors, nurses, specialists, para professionals	# HR recruited by type	HRMIS	Special package will incentivize retention of high performing HRH
Recruit community health workers to enhance outreach of preventive care	# new LHWs per year	HRMIS	Enough women are available and willing to become LHWs
Conduct HRH Training	# trainings conducted / year	HRMIS	Trainings will increase capacity and willingness to perform duties
Increase access to medicine	% HFs provided with more than 95% of essential drugs % HFs with zero stock outs of essential medicines % population covered with health insurance/ Sehat Insaf card	Facility Surveys LMIS	The supply chain will remain reliable
Improve PHC infrastructure	% PHF revamped	Facility Surveys	Enough market capacity is available to undertake revamping work, especially in hard to reach areas
Procure equipment for BHUs & RHCs	# BHU/RHCs ranked as EmOC/CEmOC facilities using WHO standards	Facility Surveys	Staff available at BHU is capable of using this equipment
Top up EPI with vaccinators, vaccines, cold chain, IT solutions	# vaccinators % facilities carrying vaccine stock % cold chain integrity	Surveys HRMIS	Social norms and culture do not inhibit vaccination drive
Implement context specific innovations addressing fragmented services, EmOC, EmNOC	Pilot report Analysis and policy proposal	Health Department / UNDP	Patient fallout from healthcare service chain will decrease if proper referral system is available

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Establish transport link for BEmOC& CEmOC	# rural ambulances procured	DHO Records	Access to healthcare depends greatly on availability of transport to and from healthcare facility
Provide Sehat Insaf Card	# households covered	Health Department Records	Reducing out of pocket expenses will improve access
Introduce ambulance service	# districts with 1122 ambulance service	DHO Records	Every household will have ancillary facilities such as access to phones Access road and other infrastructure will be available for ambulances to reach target population
Design and implement health literacy programme	Evaluation report of pilot Analysis and policy proposal	Health Department / UNDP	Health literacy will improve uptake of health services
Extend contraceptive services along with provision of contraceptives	% PHC providers with contraceptives	LMIS	Availability of contraceptives is the only barrier to use of contraception
Implement vertical programmes; TB Control, HIV Control, Hepatitis B Control	# service delivery points established # patients attending clinics # patients in TB regimen # patients in HIV regimen	Facility Surveys	Establishment of service delivery points will ensure utilization of healthcare services and adoption of health seeking behaviour
Institute mobile health services for underserved areas	# MHUs procured	Health Department Records	Introducing mobile health units will ensure 100% geographical coverage of healthcare services
Improve secondary health facilities infrastructure	# SHF revamped	Facility Surveys	Enough market capacity is available to undertake revamping work, especially in hard to reach areas
Procure equipment for secondary health facilities	# SHF with required equipment	Facility Surveys	There is enough capacity to procure, deliver and install equipment in HFs, with HFs having enough expertise to use it
Introduce blood transfusion and quality assurance	# SHF with safe BTU	Facility Surveys	System has enough capacity to implement a blood transfusion regime which calls for other safety protocols as well, such as handling of blood contaminated equipment, identifying bad samples etc.

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Ensure centralized supply of oxygen	# SHF with central supply of oxygen	Facility Surveys	Availability of central oxygen will reduce hospital mortality by ensuring safer surgeries and post-op care
Implement NCD programme	# NCDs service delivery points	Facility Surveys	People are actively seeking guidance on controlling NCDs
Integrate fragmented health service through reorganization and referrals	# HF with referral system	Facility Surveys	Patient dropout from healthcare service chain will decrease
Develop allied services	# Paramedical schools	Health Department Records	Enough people are willing to attend paramedical schools
Launch E-medical records	# HFs with EMR	Facility Surveys	Local health facilities have the capacity to manage electronic records
Extend medical education facilities	# new medical colleges	Health Department	Supply of eligible students to enter medical colleges is available
Implement Infection control activities including hospital waste management	# SLH with incinerators and other HWM supplies	Facility Surveys	System personnel has all other ancillary controls in place, such as training on segregating waste, proper waste identification, and management etc.
Introduce GP based referral system	% GPs registered for family medicine practice	HRMIS	Enough GPs are available and motivated to register
Solarize health facilities	# HFs with 24/7 solar back up	Facility Surveys	Availability of power source is a key factor in healthcare service delivery
Extend HMIS and field monitoring activities	# field visits by IMU/ month	Reports	Monitoring will be completely objective and not prone to any corrupt practices thereby correctly identifying any ground level problems
Procure biometric attendance equipment	# HFs with biometric attendance system	Facility Surveys	Doctors and nurses will be present in health facilities and perform better, knowing that their attendance is being monitored
Implement food health and safety regulations	Implementation status	KPFA	Regulations will be implemented

Sector: Drinking Water and Sanitation

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Outcome:			
Human wellbeing and productivity enhanced through healthy lives	% child and adult population with improved health status	PDHS	
Outputs:			
Access to safe water increased	% households using safe water Per capita consumption	Water Quality Surveys by PCRWR, EPA or line department's own labs PC1s, PCIVs and PCVs indicating the # of households connected with WSS	Design of WSS takes care of the water quantity demands of the households served Water source is free from contaminants, and is delivered without contamination in the networks Funds stay available for O&M of WSS
Access to improved water increased	% households with piped connection Per capita consumption	Water Quality Surveys by PCRWR, EPA or line department's own labs PC1s, PCIVs and PCVs indicating the # of households connected with WSS	
Access to safe sanitation	% households with own toilets (not shared with other HHs)	MICS	
Waste disposal improved	Covered drains or buried sewers as % of total drainage networks Treated effluent as fraction of total liquid waste generated	Maps developed and regularly updated by relevant departments Database to be developed and updated regularly by EPA or other overseeing agency	The drains and/or sewers are properly maintained in operational conditions without blockages or overflows Treatments levels ensure meeting the NEQS

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Inputs:			
Upgrade existing water supply schemes	% of WSSs meeting the technical design standards and specs	PCIs	Design standards and specs account for climatic and socio-cultural demands of the population and reflect the state-of-the-art scientific knowledge
Solarize existing water supply schemes	# schemes solarized	Public Health Engineering Department Local Government Department	Funds are made available for solarization Respective Department has the capacity and outreach to solarize the schemes
Construct new gravity-based water supply schemes	# gravity-based WSS constructed	Public Health Engineering Department Local Government Department	Source with good quality and quantity is available and the topography is feasible for gravity-based schemes Funds are available Respective Department has the capacity to properly survey, design and execute the schemes
Construct new groundwater supply schemes	# GWSS constructed	Public Health Engineering Department Local Government Department	Source with good quality and quantity is available Funds are available Respective Department has the capacity to properly survey, design and execute the schemes Reliable source of energy (either grid based or solarized) is available

Sector: Water Management and Irrigation

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Outcome:			
Higher returns on efficient water management practices contributing to human wellbeing achieved	Higher productivity of crops Water use per acre	Studies	
Outputs:			
Enhanced storage capacity	MAF of additional irrigation water storage capacity	On-Field Assessment Reports by Irrigation Department	Irrigation Department's capacity to execute interventions Pattern of rainfall does not change substantially over the planned period Local contractors and construction material is available
Storage and distribution system losses reduced	% reduction in water losses	On-Field Assessment Reports by Irrigation Department	Irrigation Department's capacity to execute interventions Local contractors and construction material is available
Increased reach of irrigation network	Length (in meters) of water channels	On-Field Assessment Reports by Irrigation Department	Irrigation Department's capacity to execute interventions Local contractors and construction material is available
Efficient water use achieved	Gain in efficiency in %	On-Field Assessment Reports by Irrigation Department	Farmers adopt water conservation techniques and new technology
Improved practices of ground water management	Groundwater regulatory framework developed for MA defining basin-wise sustainable extraction limits	Irrigation Department	Irrigation Department outsources development of ground regulatory framework Provincial government legislates and enforces its legislation in MA
Economic productivity of water increased	Economic productivity of water increased by 100% for each unit of water consumed	On-Field Assessment Reports by Irrigation Department	Farmers adopt and accept water conservation techniques and new technology

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Inputs:			
Collect data for water management and planning	Hydrological and meteorological data, analysis, and reports	On-Field Assessment Reports by Irrigation Department	Irrigation Department outsources work to a national or international expert/firm Irrigation Department builds its capacity to maintain regular data collection for water resource planning Irrigation Department collaborates with concerned universities for knowledge exchange and dissemination
Develop analysis-based water storage designs	Feasibility reports	Completed Feasibility Reports and PC-1	Irrigation Department outsources work
Develop technically sound water storage facilities	Geo-technical and hydrologic analysis completed as part of technical feasibility	Geo-technical and Hydrologic Analysis Report by Irrigation Department	Irrigation Department outsources work where capacity is deficient
Develop medium and small sized water storage	Feasibility and design completed # small dams, weirs and water storage ponds # farmers having access to irrigation water # hectare of land brought under cultivation	On-Field Assessment Reports by Irrigation Department	Irrigation Department enhances its capacity to execute interventions Pattern of rainfall does not change substantially over the planned period Local contractors and construction material is available Land disputes on dam site have been resolved during the feasibility stage
Line water channels and water courses	Length (in meters) of lined water channels and water courses	On-Field Assessment Reports by Irrigation Department	Local contractors and construction material is available
Provide solar energy to tube wells and dug wells	# communal irrigation tube wells and dug wells completed with solar pumps installed.	On-Field Assessment Reports by Irrigation Department	Private sector has the capacity to provide solar power equipment and allied services
Develop spate irrigation systems for surface water management	# spate diversion structures completed	On-Field Assessment Reports by Irrigation Department	
Develop check dams/ Leaky dams for ground water recharge	# check dams and delay action dams completed # monitoring boreholes installed	On-Field Assessment Reports by Irrigation Department	Irrigation Department capacity to execute interventions Local contractors and construction material is available
Promote water harvesting techniques	# flood water harvesting structures completed	On-Field Assessment Reports by Irrigation Department	Irrigation Department capacity to execute interventions Local contractors and construction material is available

Sector: Agriculture

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Outcome:			
Farm incomes increased, resource managed sustainably, and deleterious effects on environment minimized	Yield and net income per acre	Surveys by Agriculture Department	
Outputs:			
Farm yields increased	Yield per acre (by crops)	Crop Reporting Services	All the right inputs like seeds, fertilizers, insecticides, credit facilities and technical advisory services both from public and private sectors are available.
Orchard yields increased	Yield per acre (by variety)	Crop Reporting Services	Farmers identified according to set criteria, e.g. ownership of land between 10 to 15 acres Coping mechanism to pull along farmers' families in lag period exists Technical and material support is available
Diversification of crops and horticulture achieved	Cropping pattern	Survey by Crop Reporting Services	Farmers risk averse behaviour subsidized
Marketable produce increased	Kg of produce traded in market, by type	Market Analysis Reports Commissioned by Agriculture Department	
High value horticulture adopted	Acres of land used for high value horticulture	Agriculture Department	
Market linkages created	# farmers linked to domestic trader, retailer, and exporter IT enabled access created	Marketing Information System Reports of Agriculture Extension Services	Farmers have access to internet
Inputs:			
Conserve soil	# outlets # retention walls # mini dams and ponds Acreage of land levelled # trees planted	Directorate of Soil Conservation	Institutional overlap exists with Forestry Department
Convert culturable waste to farmland	# acres converted and put to agricultural use	Directorate of Soil Conservation	
Introduce sustainable farmland management	Agricultural practices documented through field visits	Crop Reporting Services / Directorate of Agriculture Extension	
Incentivize supply of improved seed varieties	Quantum of subsidy given to suppliers	Directorate of Agriculture Extension	

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Build research capacity to produce seeds etc. that are ecologically suitable	New crop varieties introduced Evaluation of cultivars/ varieties	Directorate of Agriculture Research	Researches get the institutional and required financial support
Establish nurseries for hard-to-propagate varieties	Specified infrastructure developed # seedlings produced per year	Agriculture Department	
Produce disease resistant varieties in the local environs	# fruit germplasm units established Quantity of seed produced per year	Agriculture Department	
Extend and enhance functionality of agriculture extension (transport and non-salary)	# physical assets rehabilitated # farmers training programmes (FTP) # demonstration sets # of participants trained	Monitoring by the Department Review Meetings	
Introduce IT based innovative extension services	Application, protocols, implementation report # extension workers using app	Agriculture Department / UNDP	Internet connectivity exits
Introduce IT based market linkages	Application developed # users	Agriculture Department	
Improve access to credit	# of beneficiaries	Agriculture Department ZTBL Commercial Banks	
Apply demonstration techniques to promote adoption of improved varieties and farming techniques	# farmers trained # farmers adopting new varieties and techniques	Agriculture Extension	Extension workers have the right capacities
Implement behavioural science based accelerated adoption schemes	Programme document Analysis and policy proposals	Agriculture Department / UNDP	
Introduce high yield farming techniques for horticulture (vegetables)	# farmers trained # farmers adopting new varieties and techniques	Agriculture Extension UNDP	Continuous technical support is available till the first harvest
Introduce high value horticulture coupled with improved irrigation techniques (fruit orchards)	# farmers trained # farmers adopting new varieties and techniques	Agriculture Department UNDP	Continuous technical support is available till the first harvest
Design and implement a special programme for new and high value horticulture	Analysis and policy proposal Area in acres under high value horticulture varieties – table grapes, olives etc.	Agriculture Department UNDP	Farmers are willing to adopt new technologies

Sector: Forestry, Environment and Wildlife

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Outcome:			
Sustainable forest management achieved, maximizing livelihoods, economic and ecological effects	% contribution of forest goods and services to the provincial GDP	Economic Survey of Pakistan Annual Development Statistics of KP	There is sustained policy commitment for sustainable forest management translated into adequate fiscal space for the forestry sector.
Outputs:			
Increased forest cover	Forest area as a % of total land area	Departmental Progress Reports Annual Development Statistics of KP	Adequate human and financial capacities for sustainable management of forest goods and services exit
Increased population of representative species	% increase in population of representative species	Specialized Wildlife Surveys	
Increased economic value of the forest product	% increase in revenue from the timber sale % increase in NTFPs based household income	Annual Development Statistics of KP Sample Household Surveys	
Local SME linked to forestry developed	% increase in forest-based local SMEs	Survey of Industrial Establishments Annual SME Finance Review by SBP Reports by KP Industries Department	
Inputs:			
Strengthen forest management through HR recruitment and capacity building	# staff recruited # training sessions	Forest Department	
Procure equipment and materials for inventory assessment and management	# equipment procured	Forest Department	
Strengthen forestry research capacity	# of research reports	Forest Department / Forest Institute	
Establish sustainable forest management regime	Working plans	Forest Department	Adequate human and financial capacities for sustainable management of forest goods and services exit
Raise nurseries and saplings through public-private partnership	# nurseries # saplings	Forest Department	

NARRATIVE SUMMARY	OVI	SOURCE	ASSUMPTIONS
Plantation, dry afforestation, seed sowing, dibbling and aerial broadcasting on the available lands	# hectares	Forest Department	Precipitation pattern, in terms of quantity, quality and timing, remains conducive for the plantation
Replant and rehabilitate existing forests	# hectares	Forest Department	
Implement community based social forestry	# hectares	Forest Department	
Implement watershed management and soil conservation measures	# hectares	Forest Department	
Designate critical wildlife habitats as protected areas	# protected areas notified # hectares in protected areas	Forest Department	
Incentivize establishment of local forest-based SMEs	# SMEs	Annual SME Finance Review by SBP	
Build capacities for value addition of NTFPs and develop market linkages	# women and men trained	Forest Department	Communities are willing to partner with the government for forest development and management

Annex V:
Development Lag in Merged Areas

Development Lag (Key Parameters)

INDICATOR	CATEGORY	BASELINE (2019)		TARGET (2030)	TARGET (2023)	SDG TARGET 2030
		MA	KP	MA	KP	
Education[a,e]						100% for primary and secondary level education.[3]
NER at Primary Level[4]	Male	62.3%	64%	100%, at the rate of 3.4% increase per year	77.2%, at the rate of 3.3% increase per year	
	Female	38.7%	55%	100%, at the rate of 5.6% increase per year	71.4%, at the rate of 4.1% increase per year	
	Both sexes	52.1%	59%	100%, at the rate of 4.4% increase per year	73.8%, at the rate of 3.7% increase per year	
NER at Middle Level	Male	27.2%	49%	100%, at the rate of 6.6% increase per year	67.4%, at the rate of 4.6% increase per year	
	Female	8.0%	35%	100%, at the rate of 8.4% increase per year	58.6%, at the rate of 5.9% increase per year	
	Both sexes	19.8%	43%	100%, at the rate of 7.3% increase per year	63.8%, at the rate of 5.2% increase per year	
NER at Matric Level	Male	13.9%	55%	100%, at the rate of 7.1% increase per year	71.4%, at the rate of 4.1% increase per year	
	Female	4.6%	45%	100%, at the rate of 8.7% increase per year	65%, at the rate of 5 % increase per year	

[3] Goal 4 of Sustainable Development Goals (SDGs) targets complete free, equitable and quality primary and secondary education for all girls and boys, by 2030.

[4] Net enrolment rate at primary/middle/matric level is the number of children aged 6-10/11-3/14-15years attending primary (classes 1-5)/middle (classes 6-8)/matric (classes 9-10) level divided by the number of children aged 6-10/11-13/14-15 years multiplied by 100.

INDICATOR	CATEGORY	BASELINE (2019)		TARGET (2030)	TARGET (2023)	SDG TARGET 2030
		MA	KP	MA	KP	
	Both sexes	10.1%	50%	100%, at the rate of 8.2% increase per year	68%, at the rate of 4.5 % increase per year	
GER at Primary Level	Male	94.0%	113%	100%, at the rate of 0.5% increase per year		
	Female	55.4%	91%	100% at the rate of 4.1% increase per year	94.2% at the rate of 0.8% increase per year	
	Both sexes	77.4%	103%	100%, at the rate of 2.1% increase per year		
GER at Middle Level	Male	72.7%	53%	100%, at the rate of 2.5% increase per year	70.8%, at the rate of 4.3% increase per year	
	Female	21.0%	37%	100%, at the rate of 7.2% increase per year	59.8%, at the rate of 5.7% increase per year	
	Both sexes	51.1%	46%	100%, at the rate of 4.4% increase per year	65.6%, at the rate of 4.9% increase per year	
GER at Matric Level	Male	59.8%	80%	100%, at the rate of 3.7% increase per year	87.2%, at the rate of 1.8% increase per year	
	Female	12.6%	63%	100%, at the rate of 7.9% increase per year	74.6%, at the rate of 3.4% increase per year	
	Both sexes	40.5%	72%	100%, at the rate of 5.4% increase per year	82%, at the rate of 2.5% increase per year	
Literacy Rate (10 years & above)	Male	49.7%	71%	100%, at the rate of 4.6% increase per year	81.4%, at the rate of 2.6% increase per year	
	Female	12.7%	35%	100%, at the rate of 7.9% increase per year	58.6%, at the rate of 5.9% increase per year	

INDICATOR	CATEGORY	BASELINE (2019)		TARGET (2030)	TARGET (2023)	SDG TARGET 2030
		MA	KP	MA	KP	
	Both sexes	33.3%	53%	100%, at the rate of 6.1% increase per year	70.2%, at the rate of 4.3% increase per year	
Adult Literacy Rate (15 years & above)	Male	45.0%	66%	100%, at the rate of 5% increase per year	78.4%, at the rate of 3.1% increase per year	
	Female	7.8%	29%	100%, at the rate of 8.4% increase per year	55%, at the rate of 6.5% increase per year	
	Both sexes	28.4%	47%	100%, at the rate of 6.5% increase per year	66.2%, at the rate of 4.8% increase per year	
Youth Literacy Rate (15-24 years)	Male	62.3%	NA	100%, at the rate of 3.4% increase per year		
	Female	16.3%	52.7% [d]	100%, at the rate of 7.6% increase per year	69.9%, at the rate of 4.3% increase per year	
	Both sexes	43.6%	NA	100%, at the rate of 5.1% increase per year		
Maternal Mortality Ratio (MMR)[a]		395 per 100,000 live births	275 per 100,000 live births	70 per 100,000 live births, at the rate of 30 per 100,000 reductions in MMR per year	199 per 100,000 live births, at the rate of 19 per 100,000 reductions in MMR per year	By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births

INDICATOR	CATEGORY	BASELINE (2019)		TARGET (2030)	TARGET (2023)	SDG TARGET 2030
		MA	KP	MA	KP	
Infant Mortality Rate (IMR)[b,d]	Male	95 per 1,000 births	65 per 1,000 births	12 per 1,000 births, at an annual reduction of 8 per 1,000 live births	43 per 1,000 births, at an annual reduction of 5 per 1,000 live births	By 2030, end preventable deaths of new-borns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births
	Female	72 per 1,000 births	57 per 1,000 births	17 per 1,000 births, at an annual reduction rate of 5 per 1,000 live births	42 per 1,000 births, at an annual reduction of 5 per 1,000 live births	
	Both sexes	86 per 1,000 live births	60 per 1,000 births	12 per 1,000 births, at an annual reduction rate of 7 per 1,000 live births	42 per 1,000 births, at an annual reduction of 4 per 1,000 live births	
Under-5 Mortality Rate[b,d]	Male	110 per 1,000 births	77 per 1,000 births	22 per 1,000 births, at an annual reduction rate of 8 per 1,000 live births	78 per 1,000 births, at an annual reduction of 8 per 1,000 live births	
	Female	80 per 1,000 births	70 per 1,000 births	25 per 1,000 births, at an annual reduction rate of 5 per 1,000 live births	60 per 1,000 births, at an annual reduction of 5 per 1,000 live births	
	Both sexes	Both sexes: 104 per 1,000 live births	74 per 1,000 births	27 per 1,000 births, at an annual reduction rate of 7 per 1,000 live births	76 per 1,000 births, at an annual reduction of 7 per 1,000 live births	

INDICATOR	CATEGORY	BASELINE (2019)		TARGET (2030)	TARGET (2023)	SDG TARGET 2030
		MA	KP	MA	KP	
Immunization of Children [b,d]		33.9%	40%	100% at the rate of 6% increase in immunization of children (aged 12-23 months) per year	60% at the rate of 5% increase in immunization of children (aged 12-23 months) per year	Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all[5]
Access to Improved Drinking Water Sources [a,d]		Overall, 46.7% of the population has access to improved drinking water sources	91.3% of the population has access to improved drinking water sources	Coverage of improved drinking water to extend to 66.5% of the population at the rate of 5 percentage points increase in coverage[6]	Coverage of improved drinking water to extend to 100% of the population at the rate of 2.18 percentage points increase in coverage	By 2030, achieve universal and equitable access to safe and affordable drinking water for all[7]
Sanitary – Hygienic Facilities [a,d]	Flush latrine	Used by 38.3% of the population	Used by 71.8% of the population			By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations
	Pit latrine	Used by 51.7% of the population	Used by 7.8% of the population			
	No toilet/ lavatory	10% of the population has no toilet at all	8.7% of population	The deprived 10% of the population have access to flush/pit latrine	The deprived 8.7% of the population have access to flush/pit latrine	

[5] Sustainable Development Goal 3, Target 3.8.

[6] Piped water, hand pump water, tube well water, protected (close) well water are considered improved drinking water sources.

[7] Sustainable Development Goal 6.

INDICATOR	CATEGORY	BASELINE (2019)		TARGET (2030)	TARGET (2023)	SDG TARGET 2030
		MA	KP	MA	KP	
Communications [ca,c,f]	Telecom					
	Population per telephone	149	113	64[8]		
	Population per post office	23,310	1-5,963	15,963	Sub	
	Road density	0.26 km/ Sq.km	0.28 lm/ Sq.km	0.33 km/Sq. km	Sub	
Energy[a]	Access to electricity	83.35% of households have access to electricity		100% of the households		By 2030, ensure universal access to affordable, reliable and modern energy services[9]
	Average availability of electricity:					
	Summer	3.4 hours/ day		24 hours		
	Winter	3.5 hours/ day				
Agriculture[c]	Productivity	Huge gaps exist in yields of major crops in merged areas and Pakistan		Increase agricultural productivity so as to match the yields of major crops with that in Pakistan		By 2030, double the agricultural productivity
	Cropping intensity[10]	90.49%	102.7% [9]	Increase crop intensity[11]		By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production

[8] The target is set to match the coverage of telephone lines available to the population of the rest of Pakistan. (Development Statistics of Khyber Pakhtunkhwa, 2018, p. x).

[9] Sustainable Development Goal 7.

[10] Cropping intensity: Total cropped acreage divided by total cultivated acreage] multiplied by 100. Cropped acreage can be more than total cultivated acreage if some part of the cultivated land is sown more than once. Higher cropping intensity means that a higher proportion of the net sown area is being cropped more than once during one agricultural year. This also implies higher productivity per unit of arable land during one agricultural year.

INDICATOR	CATEGORY	BASELINE (2019)		TARGET (2030)	TARGET (2023)	SDG TARGET 2030
		MA	KP	MA	KP	
	Culturable waste land	164,351 hectares (and is about 72% of the total cultivated land)	108,000 hectares (and is about 66% of the total cultivated land) [g]	To be reduced and apportioned judiciously between agriculture and forest		
Livestock [c,f]	Percentage of cattle and buffaloes inseminate	3.8%	28.2%			
	Percentage of animals treated and vaccinated	17.4%	58%			
Social Protection	Head Count Ratio (HCR)[12]	73.7%		To reduce HCR to 45.7% at an annual reduction rate of 7%		By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day
	Multidim-ensional Poverty Index	0.337				

[11] Crop intensity has a certain maximum value determined by the climatic and soil conditions, and the irrigation potential. In case of FATA, it is observed that crop intensity has persistently decreased from 122.60 in 1998-90 to 90.49 in 2013-14. (Development Statistics of FATA, 2014). Irrigation plays an important role in raising crop intensity. However, in case of FATA, area under irrigation has decreased significantly from 103,677 hectares in 1998-99 to 80,805 hectares in 2013-14 (Development Statistics of FATA, 2014).

[12] Multidimensional poverty in Pakistan, UNDP 2015.

[a] FATA Development Indicators Household Survey (FDIHS) 2013-14

[b] FATA Multiple Indicator Cluster Survey (MICS), 2009

[d] KP MICS, 2016-17

[e] KPESED figures

[f] Development Statistics of Khyber Pakhtunkhwa, 2018 (p. x)

[g] Important District-wise Socioeconomic Indicators of Khyber Pakhtunkhwa, 2018 (Table 4, p.7)

Annex VI: SWOT and Risk Mitigation Strategies

SWOT Matrix

STRENGTHS	WEAKNESSES
1. Political consensus between federal and provincial governments regarding consolidation of merger and development of the merged areas	1. Weak technical capacity in many areas to carry out anything more than basic projects
2. A process-oriented rule bound public sector introducing predictability	2. Risk averse public sector, militating against innovation
3. Hierarchical public sector arrangements make decision-making multi-layered	3. Reluctance on part of HR to be deployed to the merged areas
4. Political capital in the shape of leadership commitment to effective and efficient implementation	4. Where local recruitment is mandated, there may not be qualified candidates in adequate numbers
5. Continued support from development partners with interest and partnership for development in the merged areas	5. Absent gender analysis tools and systems in the departments
6. Presence of law enforcement agencies ensuring a secure environment	6. Weak systems for development communication
7. Core systems and units functioning in ex FATA Secretariat	7. Slow processes and project startups
8. Professionals working in the field in the merged areas with local experience, knowledge, familiarity	8. Sub optimal project and programme designs
	9. Path dependent planning and programmes
	10. There is an absence of data in some sectors
	11. Of the data that exists, some lack reliability
	12. Data analysis and usage for decision-making not institutionalized

OPPORTUNITIES	THREATS
1. With an improved security atmosphere, basic markets for goods and services are re-established in the merged areas	1. Consistency and reliability of federal and NFC transfers for development expenditures
2. Public consultations have resulted in well vocalized need based demands of the residents	2. Weak systems for needs identification at local level
3. Increasing returns to scale	3. Increasing evidence and vocalization of less than optimal decision-making because of current accountability regime
4. Youth significant fraction of the population (%)	4. Deterioration in the security environment will compromise implementation of AIP
5. Availability of IT and technology based solutions applicable to service delivery systems	5. Service delivery seeking behaviour
6. Pre-existing social capital and egalitarian norms	6. In case of political conflict, the current consensus about need for accelerated development in merged areas can unravel
7. One-off opportunity for making governance as well as development context specific	7. Optimal development outcomes will entail social change which might result in negative reactions in a traditional patriarchal society
8. otential linkages with regional economies	8. Dispersed, small communities and increased associated costs might result in programmes focusing on more densely populated areas

SWOT

As a part of planning, risk analysis has been conducted to identify and analyse potential issues that could negatively impact AIP's intended outcomes and therefore, help avoid or mitigate those risks. The commonly used tool of risk analysis, namely, SWOT analysis has been used to help identify strengths, weaknesses, opportunities, and threats related to project planning.

A. Strengths

1. **Political consensus between federal and provincial governments regarding consolidation of merger and development of merged areas:** There is a demonstrated commitment from the federal government as well as the provincial government to initiate the process of accelerated development in the MA. The federal government has committed to allocate financial resources, which in the first year, has been topped up by the provincial government. Moreover, the provincial government has a consensus on giving special emphasis to the MA.

2. **A process-oriented rule bound public sector introducing predictability:** Public sector processes conducted in a rule-based environment are more predictable.

3. **Hierarchical public sector arrangements make decision-making multi-layered:** Decisions are matured at different levels of the hierarchical arrangement in public sector management allowing for reviews and improved decisions.

4. **Political capital in the shape of leadership commitment to effective and efficient implementation:** Approval of TDS and formulation of AIP paves the way for continued political leadership and to demonstrate the resolve for its effective implementation.

5. **Continued support from development partners with interest and partnership for development in the merged areas:** Development partners intend to support and partner with the government in its development efforts in the MA.

6. **Presence of law enforcement agencies ensuring a secure environment:** Implementation of AIP and extension of state services in the MA gain from the improved security situation ensured by presence of law enforcement agencies.

7. **Core systems and units functioning in ex FATA secretariat:** With the dissolution of the FATA Secretariat, provincial line departments absorb and gain from personnel with experience of working in the MA.

8. **Professionals working in the field in the merged areas with local experience, knowledge, familiarity:** Existence of a pool of experienced professionals, familiar with local customs and traditions.

B. Weaknesses

1. **Weak technical capacity in many areas to carry out anything more than basic projects:** Constrained capacities to plan and execute complicated projects. Project cycles stay incomplete with evaluation and feedback into the planning process.

2. **Risk averse public sector, militating against innovation:** Lack of innovation in design and implementation of projects and programmes. Project planning regime incentivizes risk aversiveness.

3. **Reluctance on part of HR to be deployed to MA:** Reluctance on part of civil servants to be deployed to merged areas, even former residents and natives of the merged areas who are now settled outside the merged areas.

4. **Where local recruitment is mandated, there may not be qualified candidates in adequate numbers:** Recruitment constrained by inadequate supply of locally based, eligible human resource where hiring non-locals may not be an option.

5. **Absent gender analysis tools and systems in the departments:** Techniques and programmes to promote gender balance especially services to meet requirements of women. Lack of awareness programmes for the promotion of females. Traditional patriarchal society with almost absent mobility for women compromising development outcomes.

6. **Weak systems for development communications:** Absence of up to date and latest technology for fast e-communication (email, social media newsgroups, chat rooms, video conferencing, instant messaging, phone and fax) among the MAs. Citizens unaware of development processes, purposes, policy coherence, and desired outcomes because of insulated public sector decision-making.

7. **Low processes and project startups:** Typical slow-moving government sectors in starting any programmes. Traditional public sector development culture does not front load preparatory work before start of new fiscal year, which slows down procurement of good and services and project implementation.

8. **Sub optimal project and programme designs:** Reflection of typical and traditional non-progressive attitude of status quo in the departments. In the government organizations, a lot of suboptimal designs can be seen which is more of a copy of old / past schemes. Because of this trend, project and programme designs are sub optimal, routine mechanized exercise based on ticking boxes in the case of "development" projects, with slightly more thought going into programme documents.

9. **Path dependent planning and programmes:** status quo in the departments. Lack of will to progress and opt for new and fresh techniques. Will to come out of status quo. Path dependence militates against fresh thinking and new ideas related to development, development bureaucracy working in hierarchical desk-bound paper based fashion with inadequate creative conversations.

10. **There is an absence of data in some sectors:** Absence of data for key indicators in some sectors. Missing baselines hindering monitoring of results.

11. **If the data that exists, some lack reliability:** Non validated and poorly collected data do not support generating reliable evidence.

12. **Data analysis and usage for decision-making not institutionalized:** Decision-making of the government departments is not based on the available data and there is little impetus toward creating decision support systems informed by data and analyses. Patronage systems in the implementation context, and weak use of evidence in the bureaucracy, result in data either not being utilized as information for decision-making, or inadequately utilized.

C. Opportunities

1. **With an improved security atmosphere, basic markets for goods and services are re-established in the merged areas:** Market exchange of goods and services and private sector growth are resurgent. Supply of basic inputs and services (for example, construction services) are expected to support local economies. The markets will also spur additional private sector activities and growth of businesses.

2. **Public consultations have resulted in well-vocalized need based demands of the residents:** Public needs have been vocalized in district consultations and phone based survey. Addressing these demands would increase people's trust and confidence in state.

3. **Increasing returns to scale: With simultaneous** inputs spanning different sectors, outputs are expected to increase more than the proportional change in inputs. Cross sector effects will be positively affecting sector outputs.

4. **Youth significant fraction of the population (%):** Like in the rest of the country, the youth bulge can be used as an opportunity for growth and development.

5. **Availability of IT and technology-based solutions applicable to service delivery systems:** Uses of technology are relevant to almost everything we do and have become a major source of opportunities for improvements in service delivery. Deploying modern technologies and information technology based systems would increase efficiency and reduce costs. Current state of information and communication technology has the potential to contribute to development outcomes in all sectors.

6. **Pre-existing social capital and egalitarian norms:** Deep rooted and well entrenched tribal norms have evolved into a communal system of resource management and dispute resolutions. These mechanisms can be diffused into formal systems.

7. **One off opportunity for making governance as well as development context specific:** Constitutional and legal framework has created space for context specific institutional development. Subordinate legislation as per local need would yield better results and understanding. Similarly, while replicating systems and development solutions, there is a great potential to craft and implement context specific solutions in the MA.

8. **Potential linkages with regional economies:** Developing trade routes and access to regional economies would have a positive impact on demand of locally produced goods and services. Being border areas, economic growth can be based on and contribute to regional economies rather than just sub national or national ones.

D. Threats

1. **Consistency and reliability of federal and NFC transfers for development expenditures:** With a slowdown in economy, achieving federal tax collection targets may be a challenge and committing a given amount of resource by the federal government will be susceptible to federal tax collection.

2. **Weak systems for needs identification at local level:** Formal mechanisms for identification of needs have yet to take roots. These would be required to achieve higher allocative efficiency.

3. **Increasing evidence and vocalization of less than optimal decision-making because of current accountability regime:** Increased apprehension in the public sector about consequences of aggressive accountability resulting in sub optimal decision-making.

4. **Deterioration in the security environment will compromise implementation of AIP:** Any disruption in security situation will be adversely affect implementation of AIP by constraining increasing costs and constraining the implementation spaces.

5. **Service delivery seeking behaviour:** Extending the full menu of public goods may not guarantee their ready and complete uptake by the public and will have to factor in the attitudes of the public towards use of public services. Traditional service delivery vacuum militates against service delivery seeking behaviour even though services may be available. Barriers may include illiteracy, existing norms, transportation costs and others.

6. **In case of political conflict, the current consensus about need for accelerated development in merged areas can unravel:** Deepening of divergent political opinion can lead to slowing down the pace of development.

7. **Optimal development outcomes will entail social change, which might result in negative reactions in a traditional patriarchal society:** Traditionalists vocalizing their sentiments against social change may lead to slow down of programmes and projects. It may also engender risk averse projects and initiatives.

8. **Dispersed, small communities and increased associated costs might result in programmes focusing on more densely populated areas:** Development bias created towards population centres.

SWOT Matrix

STRENGTHS	CAPITALIZATION MEASURES
1. Political consensus between federal and provincial governments regarding consolidation of merger and development of the merged areas	Retain and strengthen consensus by improved periodic communication between the two tiers of government and sustain consensus by adequately communicating with the residents of merged areas. Quickly develop systems and tools for high intensity accelerated development to utilize the window of opportunity for development, utilizing TDS and AIP
2. A process-oriented rule bound public sector introducing predictability	Develop and define improved processes for decision-making and support implementation. Build on existing systems and delineate high productivity processes without adding management load to units and departments, using a trade-off matrix to keep management load optimal. Build on positive deviances
3. Hierarchical public sector arrangements make decision-making multi-layered	Identify and embed optimal layers in decision-making
4. Political capital in the shape of leadership commitment to effective and efficient implementation	Reinforce potential for political gains by getting Chief Minister or Cabinet Committee to review implementation quarterly, and Cabinet twice a year
5. Continued support from development partners with interest and partnership for development in the merged areas	Continue open and frank dialogue with development partners, identifying key areas and capacities where assistance is required
6. Presence of law enforcement agencies ensuring a secure environment	Improved coordination with district administration and law enforcement agencies
7. Core systems and units functioning in ex FATA Secretariat	Improved integration of these personnel in provincial department and directorates
8. Professionals working in the field in the merged areas with local experience, knowledge, familiarity	Utilize services of personnel currently or formerly deployed in the merged areas

WEAKNESSES	MITIGATION MEASURES
1. Weak technical capacity in many areas to carry out anything more than basic projects	Utilize and deploy expertise from the rest of the provincial government and districts; provide capacity through training
2. Risk averse public sector, militating against innovation	Development partners take on some of the risk by financing and assisting in implementing innovative programmes; modify decision-making and other processes to reduce innovation related potential effort and perception costs to civil servants
3. Reluctance on part of HR to be deployed to the MA	Use formal discipline provisions on ensuring deployment; provide residential facilities in the merged areas, when possible; develop a rotation policy; create incentives for personnel to volunteer for merged areas; incentive compatible placement programmes in departments

WEAKNESSES	MITIGATION MEASURES
4. Where local recruitment is mandated, there may not be qualified candidates in adequate numbers	Relax rules temporarily in order to obtain personnel locally; provide incentives like scholarships so that over time recruitment becomes easier
5. Absent gender analysis tools and systems in the departments	Disaggregate every project and programme to clearly spell out how it impacts women versus men, and modify each in order to benefit greater proportion of women
6. Weak systems for development communications	Design and implement development communication programme
7. Slow processes and project startups	Revise planning requirements and calendars in order to have preparatory work done before the start of the fiscal year
8. Sub optimal project and programme designs	Build capacity at Planning and Development Department and institute assistance programmes for the departments to be able to challenge, and help, the departments approach identification and development project and programme designs more creatively
9. Path dependent planning and programme	Create, starting with Planning and Development Department followed by other departments, periodic brain storming and creative thinking retreats with facilitation from outside professionals
10. There is an absence of data in some sectors	Commission the provincial Bureau of Statistics or outside party to collect required data, and if amenable to internalization embed the system within the department
11. Of the data that exists, some lack reliability	Existing data collection systems housed in departments should be (i) analysed from system flaws, and (ii) sample surveys used to establish reliability or otherwise of collected data
12. Data analysis and usage for decision-making not institutionalized	Revise initially Planning and Development Department processes, and other departments subsequently, with adequate checks to confirm that project documents and concepts are based on reliable data

OPPORTUNITIES	CAPITALIZATION MEASURES
1. With an improved security atmosphere, basic markets for goods and services are re-established in the merged areas	Improve access both in terms of road infrastructure to reduce costs, as well as reviewing and reforming security related access regulations to ease transit and travel
2. Public consultations have resulted in well vocalized need-based demands of the residents	Expedite development investments in sectors prioritized by the residents, with adequate information communicated to the residents, in order to add legitimacy to and confidence in the merger; invest in systems for need identification and public consultation for project designs; strengthen local governments
3. Increasing returns to scale	Departmental synergies where possible; do sector integration reviews for building on synergies actively
4. Youth significant fraction of the population (%)	In order to capitalize on the opportunity, job creation and skilling for youth requires sharper focus
5. Availability of IT and technology based solutions applicable to service delivery systems	Review all sectors from the perspective of using technology to leverage improved outcomes, especially where data collection, monitoring and evaluation are concerned

OPPORTUNITIES	CAPITALIZATION MEASURES
6. Pre-existing social capital and egalitarian norms	Capitalize on these social assets for improved development communication, as well as decisions about allocation of resources, with regular and institutionalized surveys and face to face communication with communities Design system features in state functions and governance that utilize social capital and tribal traditions
7. One off opportunity for making governance as well as development context specific	Review recently extended legislation in order to modify it to the specific context of the merged areas; ensure that subordinate legislation takes into account the unique features of the area and its residents and is able to produce better outcomes
8. Potential linkages with regional economies	Developing border crossings, reviewing and simplifying border procedures, and improving regional linkages

THREATS	MITIGATION MEASURES
1. Consistency and reliability of federal and NFC transfers for development expenditures	Work for early finalization of 9th NFC award so that KP gets its due post-merger share. Demonstrate timely and high-quality implementation of programmes so that federal government continues its financial support. Improve provincial OSR so that a minimum contribution from provincial government towards AIP
2. Weak systems for needs identification at local level	Early establishment of local government institutions with local representation and both revenues raising and expenditure powers
3. Increasing evidence and vocalization of less than optimal decision-making because of current accountability regime	Lobby for and introduce amendments in the relevant accountability laws to give more comfort to civil servants responsible for taking decisions in good faith specially in the areas of innovation
4. Deterioration in the security environment will compromise implementation of AIP	Provincial government works with federal government to ensure sustained positive security environment, as well as mainstreaming all elements through the democratic process into local and provincial governments
5. Service delivery seeking behaviour	Along with attempts at taking services closer to the residents, especially vulnerable groups, design and implement special programmes patterned on behaviour change communication
6. In case of political conflict the current consensus about need for accelerated development in merged areas can unravel	Early start to implementation of AIP, along with early institutionalization of modified and improved related processes; early mainstreaming and voice through representation in provincial legislature and establishment of local governments
7. Optimal development outcomes will entail social change which might result in negative reaction in a traditional patriarchal society	Well-designed development communication strategy, taking into account vulnerable groups, and also recognizing the need to allay potential fears of traditional segments in authority
8. Dispersed, small communities and increased associated costs might result in programmes focusing on more densely populated areas	Increased reliance on mobile essential services, especially for vulnerable groups, for example women and children in the health sector; rely on periodic citizen satisfaction surveys; elections to provincial and local governments

Accelerated Implementation Programme

AIP

Government of
Khyber Pakhtunkhwa