SUMMARY OF THE

Tribal Decade Strategy 2020-2030

PROGRAMMING FOR EFFICIENCY, VALUE AND RESULTS

THE GOVERNMENT OF KHYBER PAKHTUNKHWA

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TDS and its Implementation Context

The Government of Khyber Pakhtunkhwa (GoKP) has a strong commitment to the sustained development, prosperity and well-being of the people of the Merged Areas (MA) and intends to carry out an accelerated development program to enhance human potential, generate economic opportunities and improve livelihoods. This is further augmented by a similar resolve at the Federal level. This combined committment to ensure that the level of development within the tribal communities reaches parity with the rest of Pakistan is now being converted into an implementable programme. These policy commitments have been given shape in the form of the Tribal Decade Strategy (TDS), 2020-2030 to address the historic development lag in a time-bound manner and to provide the citizens living in MA with the same opportunities - political, social and economic - enjoyed by all Pakistanis.

Contemporary Lags of Historic Underdevelopment

The development indicators of the MA clearly reflect a dire need for immediate and sustained intervention. For example, MA literacy is 33.3%, whereas the national figure is 58%; the maternal mortality rate is 395 per 100,000 and infant mortality ratio is 86, while for the rest of the province it is 275 and 60 respectively; 38.3% of households have flush latrines, whereas the figure for Pakistan is 71%. These indicators are not only adverse compared with the rest of Pakistan but some are also among the worst in the world. The TDS is cognizant of the Sustainable Development Goals (SDGs) and has a corresponding timeline of 2030 in terms of ambition. Because of the larger gap between the SDGs ambitions and the situation in the MA, investments will need to be context specific and implemented effectively and efficiently to meet 10 year objectives.

Figure 1: School Enrolment Rates vis-à-vis SDG Targets

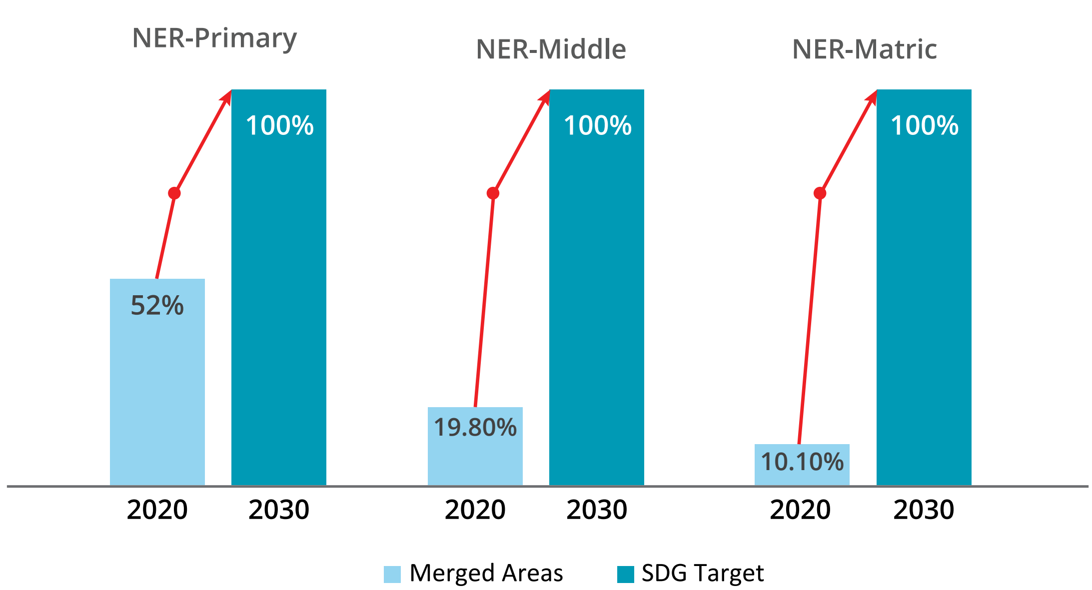


Figure 2: Health Indicators vis-à-vis SDG Targets

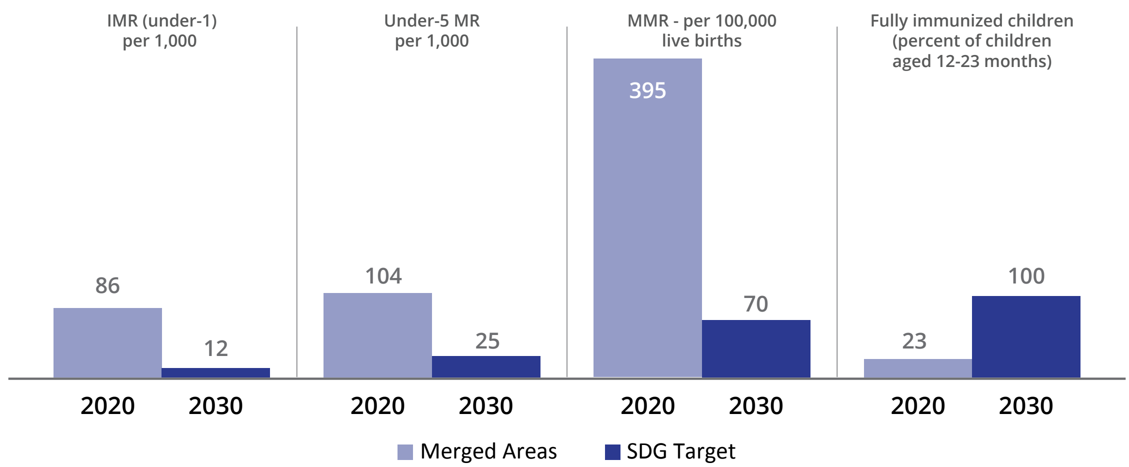
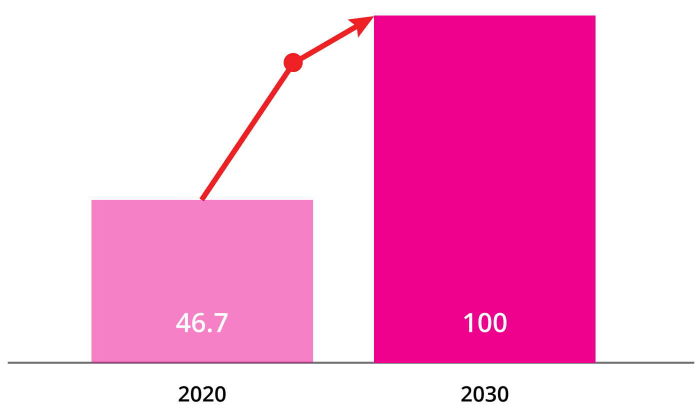


Figure 3: Access to Improved Drinking Water Sources in Merged Areas (percent of population)



Consultations: Embedding Local Knowledge and Demands

Beyond just departmental workshops, consultations with the people of the MA has been central to the development of the TDS so that a strategy could be created that had the endorsement and local knowledge of the people embedded within it. A scientific phone-based preference elicitation survey was carried out, as well as face to face consultations at the district level and sub-divisional levels through structured sessions. The participants included tribal elders, youth and civil society organizations. The consultations highlighted basic needs of the residents, chief among them electricity and natural gas supply, drinking water, employment, and law and order.

> Text Box 1.
> **Consultations**
>
> - More than 3,000 participants – elders, youth, academia, media, political activists – participated in district consultations
> - Responses were received from 20,586 residents of Merged Areas through phone-based surveys

Figure 4: Tribal Needs and Concerns (1) - (Based on Tribal Consultations)

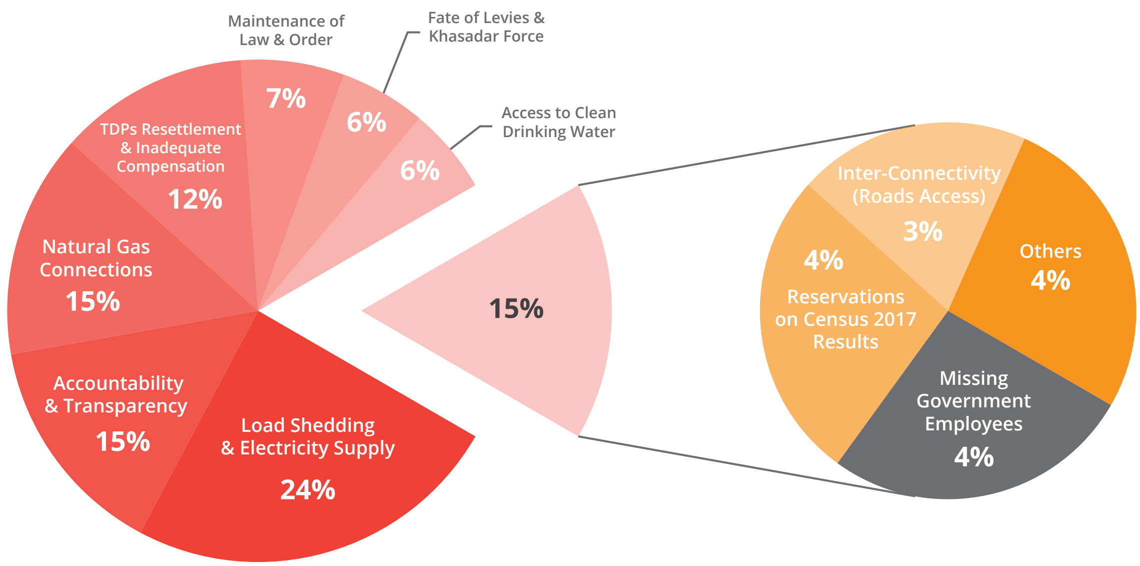
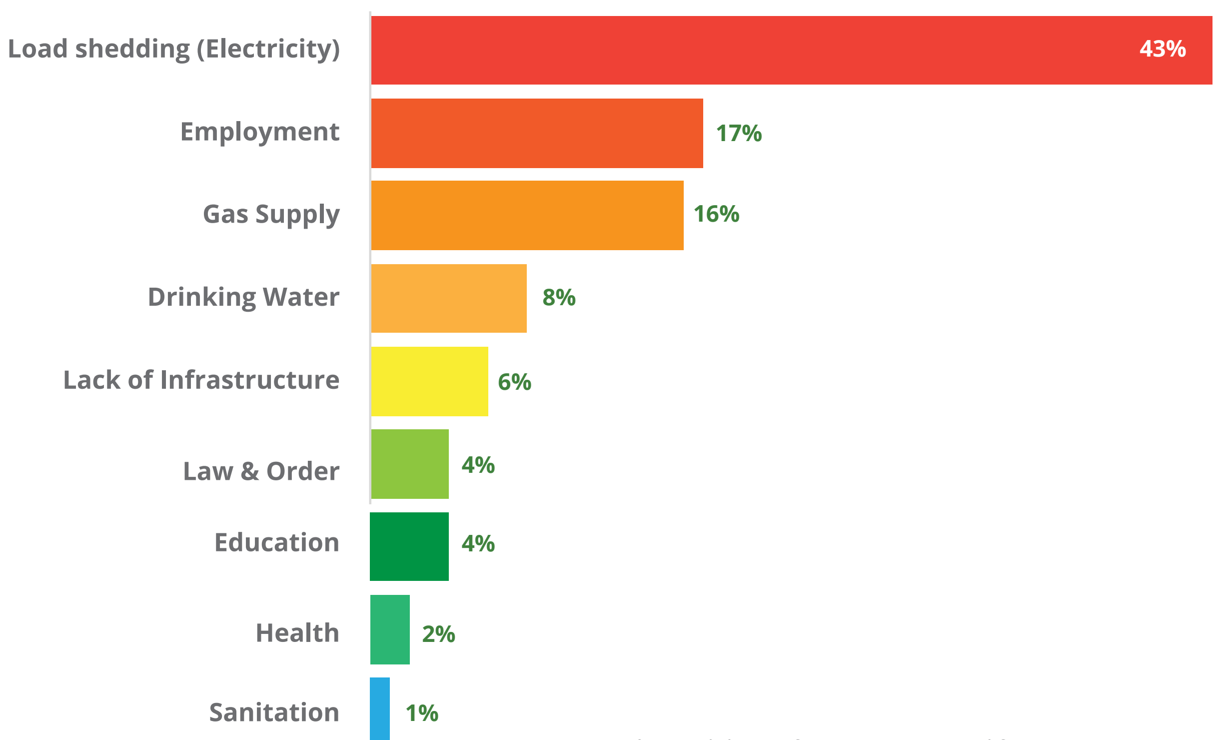


Figure 5: Tribal Needs and Concerns (2) - Based on Phone Survey

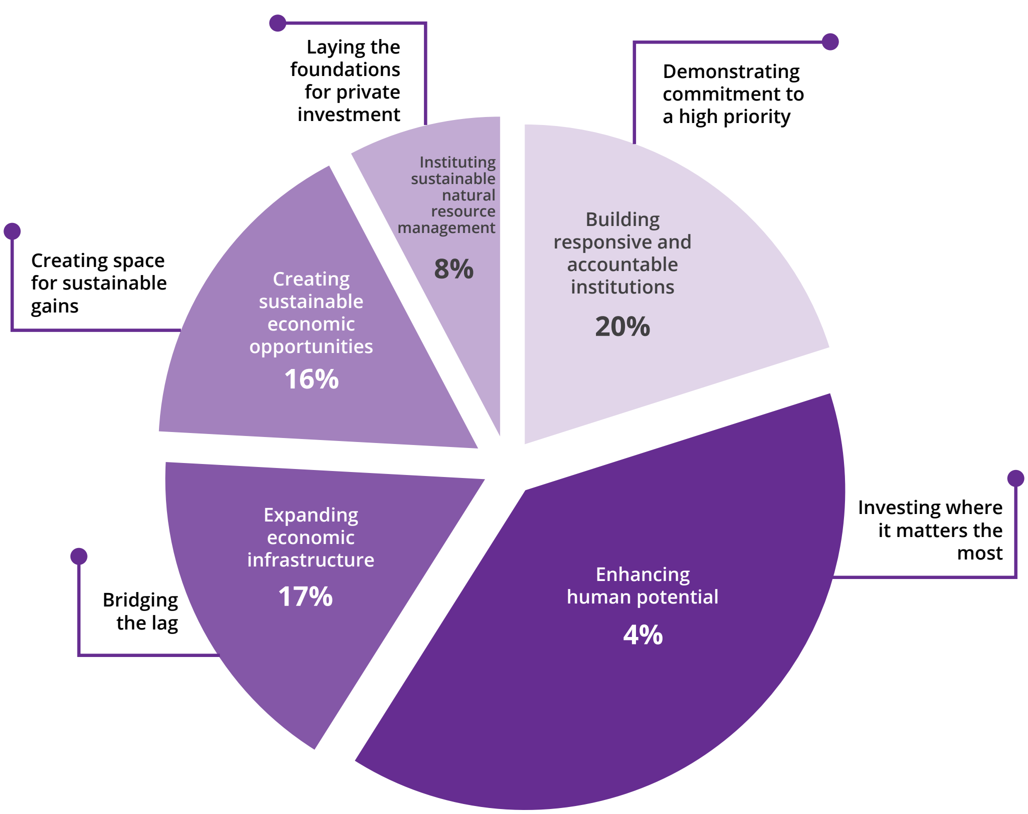


* - Breakdown of responses received from 20,586 respondents / residents of Merged Area districts only

Funds Following Priorities

The development approach taken in the TDS is comprised of a pentad of development, namely: building responsive and accountable institutions, enhancing human potential, expanding economic infrastructure, creating economic opportunities for sustainable development, and instituting sustainable resource management. Implementation seeking developmental parity for the MA requires over Rs.100b per annum for ten years, whereby 39% is to be allocated to human development, governance reform related expenditures comprise 20%, public infrastructure including roads take up 17%, economic opportunities related to agriculture, fisheries, livestock, industries, are allocated 16%, and 8% is dedicated to sustainable management of natural resources like forests, mines, oil and gas with the objective of leveraging private sector investment. Accelerated development in a time bound manner, in the unprecedented context of the merger, requires special implementation arrangements which will be housed in the Accelerated Development Unit (ADU) of the provincial Planning and Development Department (P&DD).

Figure 6: Percentage Shares in the Pentad



Implementation Arrangements: A New Approach

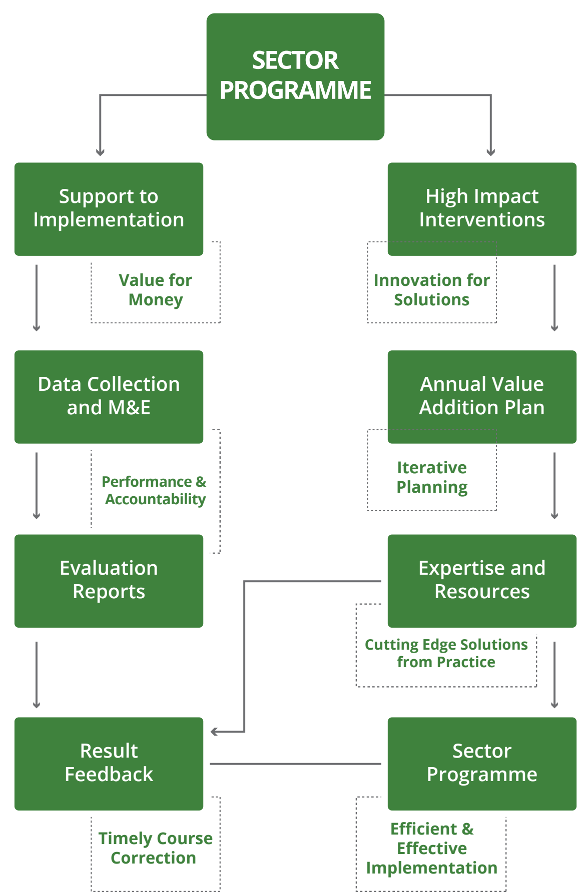
Beyond the developmental gap in the MA, the merger and the need for time-bound accelerated development in the region poses an unprecedented challenge for the provincial government and federal government machinery, whereby the response relies upon changing the usual incremental development approach into a transformative one based on iterative planning and development which will require special implementation arrangements.

The driver for change and the housing for these special arrangements will be the ***Accelerated Development Unit (ADU)*** located in the P&DD, whose functions will include programming of funds dedicated to TDS and other federal grants to the MA. The ADU will also provide support to the development of project designs and documents, carry out specially designed programmatic initiatives, produce periodic assessments, follow key indicators, commission research to feed decision making and produce analytic reports which will form the basis for iterative development. The ADU will keep track of spending in the MA and report on it.

The TDS approach will be different from business as usual, with the ADU not only tracking investments in MA but also reporting upon them. This timely and open reporting, for example using public access websites, available to the general public as well as being addressed to specific stakeholders (provincial government and its components, federal government, development partners) will contribute towards ensuring that it is not business as usual in terms of implementation of TDS and investments in MA and add a layer of accountability and integrity to the TDS. Whereas the ADU will be tracking key output and outcome indicators, it will also arrange quarterly meetings to be chaired by the Chief Minister and attended by all the departmental secretaries in person. This forum will be

> Text Box 2.
> **Bringing innovation in implementation**
>
> **The ADU will be the catalyst for closing the development gap in the Merged Areas. It will bring together technical expertise from practitioners with expert academic knowledge to find innovative developmental pathways.**

Figure 7: Course Correcting Processes for Accelerated Development



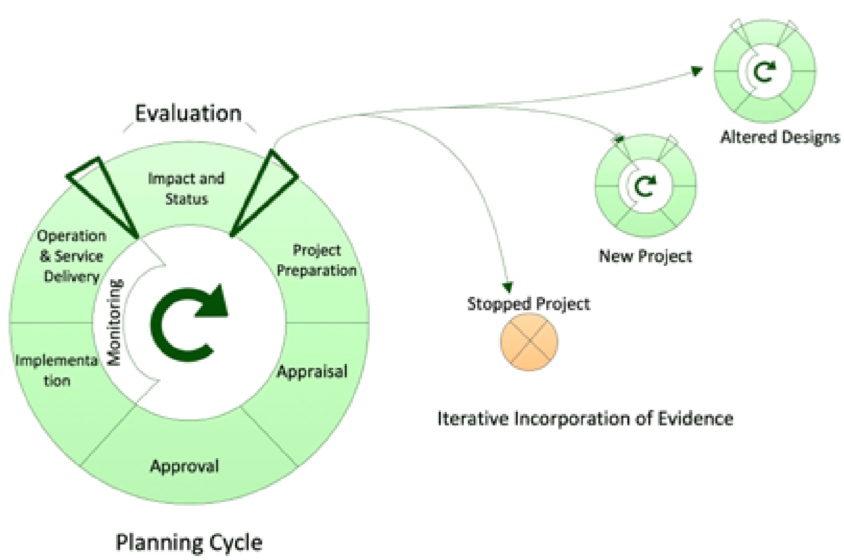
specific to the MA, and will serve the multiple purposes of progress review, troubleshooting, coordination and course correction.

Administratively, ADU will be attached to the P&DD, with the Director of the Unit reporting to the Additional Chief Secretary. The latter will chair a Steering Committee for the same purpose. The Unit will be comprised of two tiers, one staffed by full time specialists on time-bound performance contracts, and the other staffed by national / international experts that can be periodically called upon to contribute in terms of best practices, innovation and special evaluations to feed into the iterative planning and development process.

The Unit will work with the departments to identify interventions that can result in major gains, and will collaborate with departments in high potential areas. They will also follow through with implementation support where required. The interventions will be designed keeping in view that innovations and changes can overload existing systems and capacities. Where possible, existing data collection systems within the departments will be used, and where needed, the provincial Bureau of Statistics will be commissioned and other special data collection activities will be carried out when required. Ultimately, the ADU's robust analysis will provide stakeholders with actionable information.

The objective of rigorous monitoring and evaluation will remain evidence-based resource allocation and decision making. The fundamental objective will be to utilize the practitioners' experience existing in the provincial departments together with cutting-edge research in academia to feed results back into the iterative planning process. This Strategy also indicates inter-sectoral synergies, as well as the need for coordination, identifying sectors in which departmental domains overlap. Specially designed processes will be housed in ADU to get the best possible value for money.

Figure 8: Percentage Shares in the Pentad

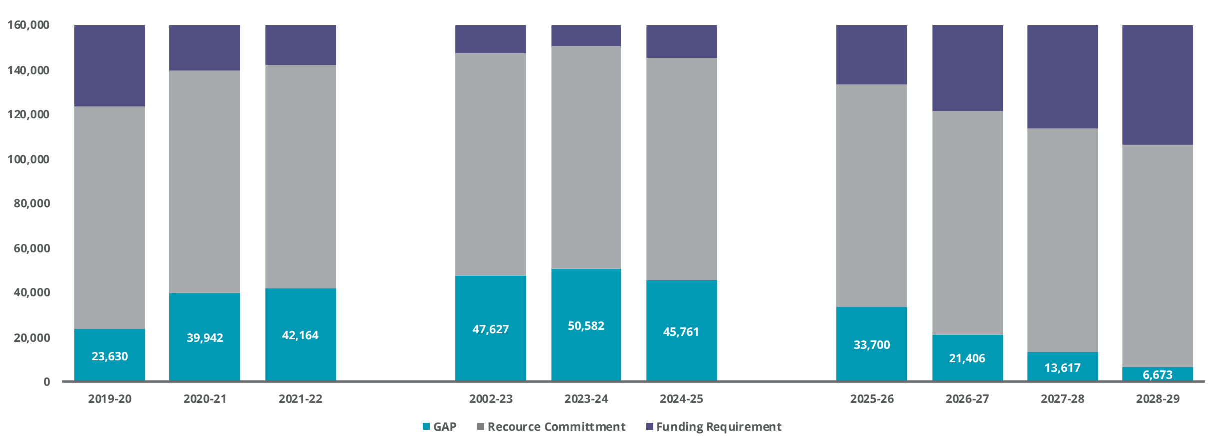


Financing the End of the Development Gap

The TDS is a manifestation of the national commitment to the development of the MA. This commitment has been formalized by the Federal Government in its announcement that 3% of the Divisible Pool under NFC shall be mandated for development expenditures in these areas. This commitment has been variously elucidated as at least Rs.100 billion 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. A constitutional requirement spells out calculation of KP's share in NFC transfers with updated variables in the NFC formula. In addition to these sources of funds, the Federal Government has committed to continue financing development at the baseline level of FATA ADP. While seeking value for money and economy in implementing TDS, there remains a sizeable financing gap. This gap persists over the years and would need to be bridged by additional resources while implementing the TDS.

Any wavering in the federal commitment to financing the TDS (which requires over Rs.100 billion per annum for ten years) will affect the outcomes envisioned in the Strategy. It is understood that in the early stages of the TDS period, at least in the first fiscal of 2019-20 the Federal Government will provide the necessary funds for implementation, with the expectation that these will be non-lapsable, and that this commitment to financing will continue from the Federal Government until the National Finance Commission produces a more durable settlement of the issue in terms of the increased share of the province in the resources. It is essential that federal financing is predictable and that the NFC process is timely.

Figure 9: Phase-wise Financing Gap



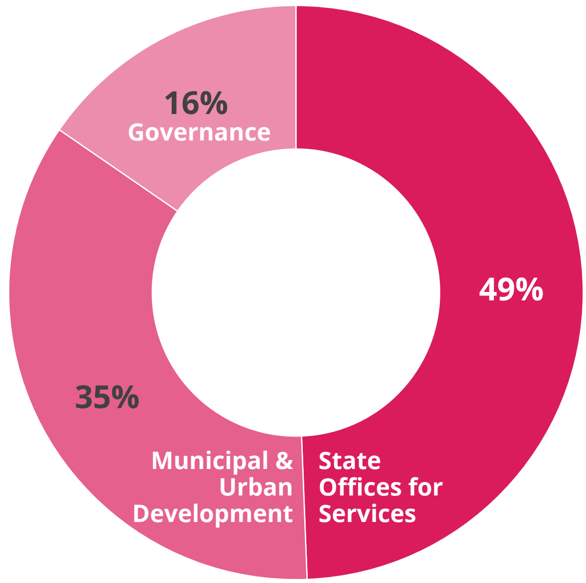
New Priorities, New Institutions, New Institutional Cultures

Ownership of provincial departments of accelerated development of the MA in their respective spheres will be equally crucial to effective implementation of the TDS. This will involve not only an institutional change (the directorates of former FATA Secretariat need better integration into corresponding attached departments of the Provincial Government) but also a culture change (in terms of provincial departments and attached departments exercising ownership beyond the required reorganization, establishment of reporting lines, modifications in accountability systems, etc.).

A. Building Responsive and Accountable Institutions

The objective of development is to enable residents of the MA to manage their own institutions, to commission services through them, to decide what level of services they want and to chalk out the direction of their sustainable development. As a priority, the legal foundation for responsive and accountable governance has already been laid. However, institutional infrastructure will be created to provide the wider range of services to citizens. Through investments in government offices and local governments, responsive institutions will be created to provide the complete range of public services that are available to people in other parts of Pakistan. A breakdown of spending outlay on building responsive and accountable institutions is given below.

Figure 10: Building Responsive and Accountable Institutions



Governance. Providing a range of public services, including those focusing on dispute resolution, the protection of property rights and enforcement of contracts, aims to promote investments and economic activities in the MA. An important component of development will be setting up local representative institutions. The 25th Constitutional Amendment lays the legal foundation for integration and expansion of all the state institutions into MA. It also mandates creation of local governments as grassroots institutions for local services. The Government is committed to building responsive and accountable institutions in the MA for improved service delivery. The establishment of Rule of Law institutions in the MA for dispute resolution and protection of rights, instituting local bodies and transforming the capacities of various law enforcement agencies remains a governance priority. TDS will be undertaking the following initiatives: (a) establish infrastructure for local governance; (b) build essential spaces for grassroots participation in service delivery and representation; (c) put in place legal systems for dispute resolution and protection of rights through operationalizing the required number of judicial complexes/offices and other allied services; (d) extend police and (e) institutionalize corrections systems.

Building on the traditions in the area, local governments will be established. In all 25 municipal administrations and 702 community level Village Councils will be established. Enforcement and protection of civil rights was a long-standing demand in the Merged Areas. A major impetus of the effort was built on the demand for reform of the legal provisions governing FATA and for establishment of systems to protect civil rights. Government accords priority to building legal systems to afford protection of civil rights to the residents. At the same time, the protection of property rights and enforcement of contracts through the legal system will create a supportive environment for economic activity.

While the restructuring of the Levies and Khasadar forces and their subsequent amalgamation into the extended police force continues, TDS will cater to the physical infrastructure required by the police to operate in the MA. Proper probation and reclamation structures and separate provisions for juveniles need to be established. A program of legal literacy and legal aid will be created to ensure access to justice, especially for marginalized communities. Similarly, land “settlement”, formal land records, and therefore the land titling system does not exist in most of this region, which painstaking task will be performed in MA.

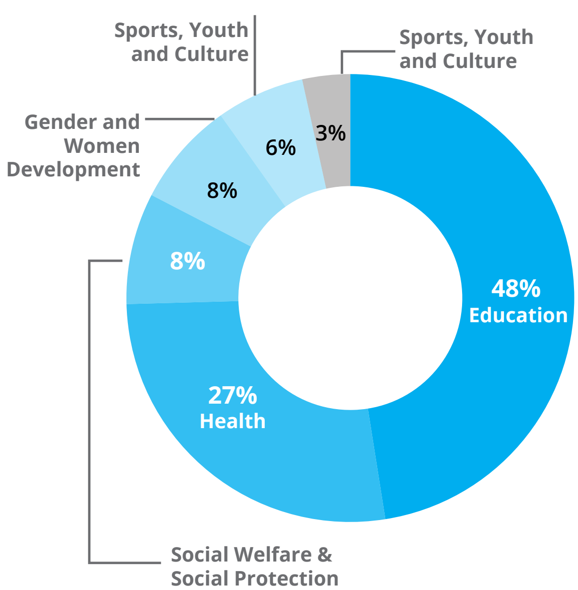
Municipal development. One important priority of development of the MA is to provide institutions of local governance where the citizens can decide on the type and level of local services they want for themselves. Therefore, building on the traditions in the area, local governments will be established. In all 25 municipal administrations will be established and support urban settlements in the area which has 97 percent of population living in rural conurbations. To provide them a solid foundation as important offices of the state, essential infrastructure for their operations will be created under the TDS. This will include public infrastructure to house places for their formal meetings and offices. These structures will be properly designed and implemented in cost efficient manner.

State offices for services. Post-merger, the jurisdiction of provincial departments has been extended to the MA. Departments and implementing directorates will either be moving to this area for the first time or their strength is likely to increase. To gain from agglomeration and economies of scale, the offices and residences of officials will be constructed in the form of Admin Complexes at District Head Quarter and Sub Divisional Head Quarter levels. The complexes will be planned and designed using the standards approved by the ECNEC (Executive Committee of the National Economic Council) and the National Manual on Infrastructure Standards.

B. Enhancing Human Potential

The Government aims to prioritize investments directed at enhancing human potential. The objective of these investments is to provide opportunities for acquiring appropriate and adequate sets of skills to participate in the national and global markets and achieve gainful employment while also enabling the residents of the Merged Areas to enjoy the opportunities of life. In case, where specific needs arise special government programmes should be in place to meet those needs, so that people continue to access opportunities of life and achieve high levels of wellbeing. The objective of investments to enhance human potential will be to have citizens who are socially responsible and economically productive. These investments will also compliment investments in infrastructure including power transmission as investments in these two sectors produce great synergies. The breakdown of spending outlay on enhancing human potential is given in the figure below.

Figure 11: Enhancing Human Potential



Education. Among the proposed interventions, TDS gives priority to the primary tier of education with the logic that improvements here will provide the impetus that is needed at the subsequent levels of education. Similarly, the other prong of the TDS in the education sector is giving priority to girls' education in order to reduce the gender gap. Investing in girls' education will have implications for the medium to long terms. Educated females are more likely to send their children to school, their childbirth is better spaced and they are more likely to access medical services. Ultimately, investing in girls' education creates a desirable cycle. This will be done not only by investing in girls' community schools, but also by skewing infrastructure investments so that girls' education receives 2/3 of these. A pilot girls' stipend programme to encourage enrolment and retention through the primary schooling tier will be tried out for potential expansion based on findings. To optimize investments, the robustness of data will be ensured by for example in the case of the Education Management Information System, using surveys to establish its accuracy, in the case of out of school children conducting a census, and using mapping and surveying to identify potential low-cost private schools for a voucher scheme. Teacher rationalization in terms of deployment and recruitment

Text Box 3.

Narrowing the gender gap

The TDS prioritizes female children and investing in girls' community schools will narrow the gender gap at the primary level. In the coming years, dysfunctional structures will be replaced by properly constructed and staffed schools.

of more teachers will be accompanied by the continuous professional development of teachers, counterpoised by tracking of student learning outcomes. Strenuous efforts will be made to provide the basic facilities missing in schools as well as colleges. The policy interventions for college education are similarly primarily targeted at improvement of quality and at expansion with an emphasis on reduction in the gaps between male and female enrolment. To enhance quality, a faculty development programme is proposed through scholarships for faculty members to enhance their qualifications to PhD and MPhil levels. In line with this, a quality assurance mechanism will be developed within each college to ensure continued maintenance as well as improvement, and indicators for college performance will be developed.

Health. Rapid improvement in health services is prioritized in the TDS and health indicators dictate that priority actions should address maternal and infant mortality alongside child vaccination. A major increase in health spending is only one indicator of the Government's prioritization of this sector. TDS aims to address facility functionality rapidly along with instituting outreach programs to enhance ANC, diagnostics using portable technology, and timely identification of mothers requiring specialist or SBA care and specialist care. These programmes will adopt innovative approaches to accelerate addressing the health issues of the vulnerable populations of mothers and infants in MA. Vaccination is another priority area where public expenditures will use technology enabled robust monitoring tools to deepen outreach and increase the FIC rapidly to reach ultimately the required levels of herd immunity. Investment in health will minimize the effects of economic shocks on the MA households. Investments in the range of preventive, diagnostic and curative services provided through the primary and secondary healthcare systems will be organized on the principle of an accelerated

Text Box 4.

Reducing MMR

The TDS aims to reduce the Maternal Mortality Rate from 395 deaths per 100,000 live births to below 200 deaths per 100,000 live births within 3 years by:

- Upgrading 70 BHUs to 24/7 BHU+ facilities (ensuring 4 BEmONC facilities per 500,000 people)
- Transporting 35,000 to 40,000 cases of pregnant women to BEmOC or CEmOC facilities for delivery
- Achieving 90% SBA through registration of pregnancies per LHW through integrated referral system
- Increasing community coverage through increased LHW workforce
- Implementation of EPHS and MSDS across BHUs/ RHCs

Text Box 5.

Ensuring better quality of life and enhancing life expectancy

- 250,000 members of the general population to be screened for Communicable Diseases such as Hepatitis, HIV and TB every year.
- 50% of the high-risk population will be screened within first year
- Implement Electronic Medical Record at all facilities to feed into the central Disease Surveillance System
- Roll out of Food Safety Regime across merged districts

health enhancement program. Institutional arrangements will be continually monitored and improved with periodically measured results. The planned activities will immediately intervene to strengthen primary and preventive healthcare, improve quality and access of service delivery and functionality of health facilities at various levels, strengthen the referral system reaching into the tertiary care of the neighbouring districts in the short run, improve access to medicine, recruit and retain of health workforce, ensure accountability, good governance and achieve universal health coverage. Health interventions will be implemented under the framework of iterative planning to seek efficient and effective outcomes for the people of MA.

Drinking Water and Sanitation. The water and sanitation sector has close links with both education and health, as well as productivity in terms of employment and income. Roughly 2/3 of the MA population has access to improved water sources and merely 1/4 use sanitary-hygienic facilities. Primary focus will be paid to the rehabilitation and augmentation of existing water supply schemes, including upgrading through the installation of solar power. Side by side, efforts will be made to develop new water supply projects giving preference to gravity fed systems, and where required solar energy will be used for pumping water. Low cost sanitation investments will be undertaken, like hygiene awareness practices campaigns in coordination with the Health and Education Departments. Though necessary, street paving and wastewater treatment plants will not have the same level of priority.

Social Welfare and Social Protection. With gross regional capital indicating an income well below the national average, the MA have the high proportion of population living below the poverty line. This is not just the result of historical underinvestment in the region, but also a consequence of extended periods of crisis. While the investments designed under the TDS will make a difference in the medium to long-term in ameliorating this situation, there remains a premium on augmenting the existing social safety nets. The Benazir Income Support Programme (BISP) cash transfers can be enhanced by the provincial government either by increasing the number of beneficiaries by relaxing the poverty scorecard ceiling or upwardly adjusting the amount of cash transfers to the current beneficiaries. Similarly, conditional cash transfers for education can be extended to the MA, while the mother and child cash transfer programme run by the federal government with World Bank resources can be augmented so that conditional cash transfer aspect can be expanded in the area. Keeping in view the developmental neglect over the decades as well as the extended crises that the region has gone through, immediate and appropriate investments must be made to address the poverty levels of the citizens living in this area, the most immediate and obvious with instant impact being social safety net implementation.

Text Box 6.
Expanding social safety net

An additional Rs. 3,380 Million per year will be disbursed amongst the poor as cash transfers. More than 300,000 people will now receive support, representing an increase of 118% in the number of beneficiaries.

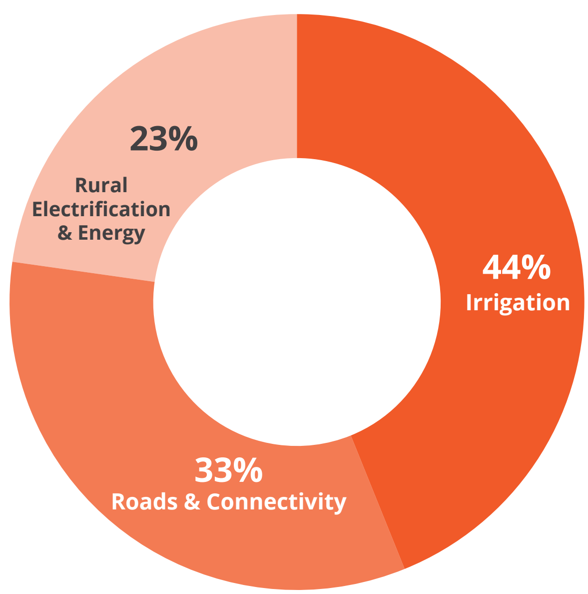
Youth, Sports and Culture. Planned investments for Youth, Sports and Culture seek to introduce salubrious activities leading youth to their productive destinies. The interventions planned in the TDS will promote cultural tourism adding to sources of income for local entrepreneurs and businesses. The substantial focus in this sector will be on the provision of loans for employment creation under the Insaaf Rozgar Scheme, while also investing in the identification, exploration and excavation of archaeological sites. Based on feasibilities, suitable sites will be selected for provision of sports facilities and infrastructure for youth. This being an often-neglected sector, creative solutions will be sought within and without the public sector under the aegis of the ADU, bringing together expertise from academia, private sector, civil society, and the public sector to identify potential for appropriate interventions. This will be the opportunity for innovative interventions which will establish state relevance and legitimacy amongst youth in the MA.

Gender. TDS investments are going to make a difference to the condition and status of women in the MA. Investments in water supply systems and sanitation will reduce the existing burden of labour and health, social safety nets will attempt to address the imbalance of effects as well as levels of poverty, extension of education infrastructure for girls will result in reduction of gender gap in education, favourably skewed investments in favour of girls will similarly reduce the literacy gap between men and women. Further specific investments will go towards increased mobility for women, as well as hubs for accessing social services and information, the creation of safe spaces linked to such hubs and to include medico-legal and psycho-social support services. An awareness campaign related to the services available for women will need to underpin these efforts. Despite the traditional patriarchal outlook in the area, opportunities exist for women to step forward and fill gaps as service providers and labour to cater to consumer needs especially in education and health.

C. Expanding Economic Infrastructure

The TDS prioritizes action on the historic lag in development, manifested in low connectivity and underdeveloped public infrastructure. This focus aims to create an armature for private sector investment and development. The 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 utilize implementation arrangement as suited to the type of project and maximize value

Figure 12: Expanding Economic Infrastructure



for money and efficiency in implementation. Breakup of spending outlay on expanding economic infrastructure is given in figure 11.

Connectivity and Roads. Development in the MA is contingent upon connectivity and road development. TDS pays due attention to it by adopting priority programming seeking to link conurbations to markets and services, and to build roads as a literal template for development. The MA are best signified in the low road density of 0.26 km per square km compared to the national average of 0.33. The TDS will add 1,800 km of roads to the existing 7,212 km of road connections including 2,121 km of shingled roads that are not suitable for heavy traffic and requiring regular and extensive maintenance. Investments under TDS will add to the roads infrastructure and build high quality assets for public use. These will be made in blacktopping and road widening projects according to local needs and development of reliable inter-district linkages. Another area of investments will be construction of bridges. Not only will these roads form a network connecting communities with each other and with markets, they will also improve citizens' access to education and health services. Investments in the road sector, combined with TDS focus on human development, are going to have synergistic outcomes which will contribute to economic growth.

Text Box 7.

Improving roads network and socio-economic development

An additional stretch of 1,011 km of roads will be black topped and improved in the next 3 years thus increasing the road network by 20%.

Rural Electrification, Transmission, Distribution and Generation. Electricity distribution to and within MA is the responsibility of TESCO which has a 2.5 percent quota i.e. 360-400 MW for MA out of the total power generation in Pakistan, far less than the demand of 653 MW at its peak utilization. One major issue is indirect connection of TESCO grids with NTDC system; TESCO grids are connected through PESCO transmission system. PESCO transmission lines cannot transmit the load of both TESCO and PESCO, and therefore TESCO is completely dependent on PESCO and has no autonomy. MA's existing grid systems are obsolete and not capable to transmit the allocated power i.e. 2.5 percent of total generation capacity of Pakistan. Short-term investments will focus on upgrading and rehabilitating the existing power distribution network, so that in stage one it becomes capable of delivering the quota allocated to the MA, and meantime segregation of TESCO and PESCO distribution systems can be contemplated. Since even the allocated quota is not adequate to satisfy the estimated demand from this region, opportunities will be identified and invested in to be able to exploit hydroelectric and solar power generation potential. Investments in electricity transmission and distribution in MA is going to impact education and health lags in this

Text Box 8.

Meeting the energy demands of MAs population

An additional 1.8 million People – 37% of the unserved population – will be connected to the system by adding capacity and improving the energy infrastructure.

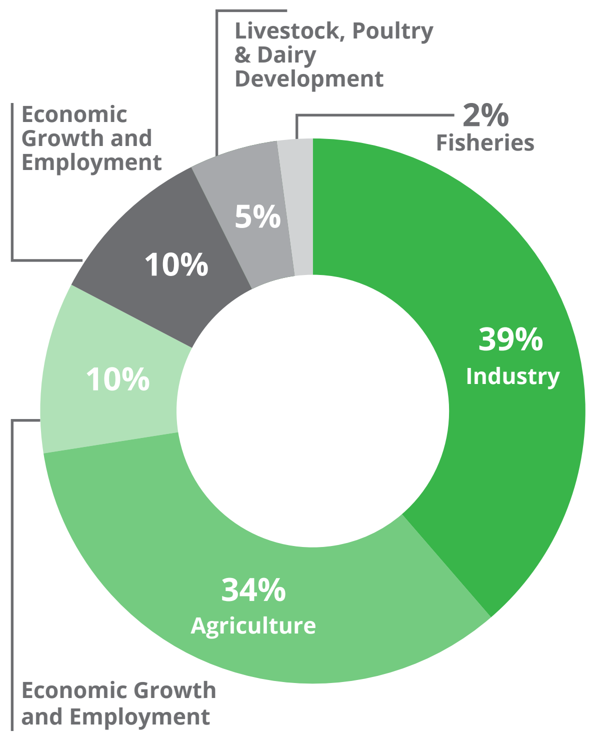
region, as well as providing an essential ingredient to economic growth.

Water and Irrigation. The MA seriously lack the necessary infrastructure to manage water resources. Currently, surface runoff drains out leading to reliance on groundwater and high aridity and flash floods cause loss of topsoil and reduce dam capacity. The situation is exacerbated by over exploitation of groundwater and low recharge, inefficient use of irrigation water and limited capacity to operate and maintain water infrastructure. Proper resource planning requires the establishment of hydro-meteorological station and installation of river and stream gauges. Major investments are also 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. Planning will also be done so that over time water charges can also be introduced.

D. Enhancing Economic Opportunities

Keeping in view the comparative advantage of MA, special programmes will be designed and implemented to create employment that will increase incomes and broaden economic opportunities for the residents. 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 roads and opportunities into new vistas of economic developments. To optimize gains from these projects, iterative planning approach will be adopted to distil lessons from implementation and channel them into projects and subsequent implementation. Breakdown of spending outlay for creating sustainable economic opportunities is given in figure below.

Figure 13: Creating Sustainable Economic Opportunities



Agriculture. The cultivated area in the MA is 0.23 million hectares, therefore making it a scare resource of the region. The current practices focus on traditional farming leaving an untapped potential for the introduction of high value crops. The TDS embodies a wide range of initiatives to develop on-farm incomes to introduce modern farming techniques that are easy to use and will increase yields per acre. A set of coordinated projects comprising the introduction of new technologies for vegetable production like

Text Box 9.

Multiplying farmer earnings by introducing high value horticulture

Farming of conventional crops like wheat and maize are making the farmers earn, on average, about Rs 40,000 per Acre. Introduction of high value crops, like supporting farmers to grow 'table grapes' will increase their earnings to more than Rs. 300,000 per Acre in the third year after cultivation and subsequently, by 5% additional income per annum till the 10th year.

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, for example high value crops like table grapes, raisins and olives, using innovative introductory and promotional interventions to add to farm incomes in the areas. Through well designed and context specific interventions, value addition along the value chain and agro business will be supported. Another set of interventions to improve soil management, water courses development and land development will add to productivity and produce positive results for farm incomes. Within this area, land reclamation and development will remain a priority. Government will work towards agronomic soil and water conservation practices, lining and improvement of channels and canals, and strengthening of extension services through information and communication technology.

Livestock, poultry and dairy development. Livestock productivity in MA is constrained due to scarcity, poor quality, poor management, disease outbreak and irregular vaccination, poor infrastructure and ill-managed pastures. Despite investment, the poultry sector cannot fulfil the local demand and poultry is normally sourced from the adjoining area of the province. Lack of electricity and controlled sheds, poor bio-security and farmers' financial capacities constrain growth of poultry production. Milk is the largest product of the livestock sector and accounts for more than 60% of the total value of livestock produce. However, poor storage facilities, inaccessibility to the market and unhygienic practices limit growth of milk production on a commercial basis. Disease diagnosis laboratories are required, as well as mass vaccination campaigns. Feed lot fattening programme for large and small ruminants, breed improvement programme, restocking of high yield animals for milk and meat, and development of dairy and meat hubs are interventions that will boost production and generate surplus. Upgrading and refurbishment of veterinary establishments, promotion of livelihood through backyard poultry, and establishment of mobile veterinary services are also envisaged under the TDS.

Fisheries Development. Even though fish farming takes place in rivers on non-commercial scale, efforts to consolidate intensive fish farming will be explored. Fisheries development will be promoted to provide alternative sources of income. The potential of the water storage dams will be harnessed for fish production. In addition, interventions will be fish stocking and monitoring in water bodies, increasing natural fish population in water bodies and adopting new measures to conserve natural fish resources and overall improvement of aquatic health. Efforts will be made to establish cold and warm water fish seed production, and promotion of fish farming in the private sector.

Industries and Enterprise Development. The MA have a low base of industrialization and the TDS affords attention to supply specific infrastructure as a public good. Attention will be paid to utilities like power supply, gas supply, water supply and sanitation services, mobile connectivity and weak road network. Tapping into comparative advantages in certain types of industry, the TDS envisions organized industrial zones in the shape of Special Economic Zones or Industrial Estates for the rapid improvement of the business environment. These investments will be based on feasibility studies conducted independently. The initiatives will support business development through improving access to finance, marketing linkages and business information. Simultaneously, several interventions will be designed with partners in the banking sector to ensure the availability of financial products. Efforts will be made to refurbish and stock the existing training institutions, as well as incrementally increase the capacity, and also special focus will be on gender and development and deployment of a women entrepreneurship development programme. Investments in industries and enterprise development will be underpinned by and will capitalize on investments in education and health services, in roads, and in improved and more reliable electrification of MA.

Text Box 10.

Priority launching of Shahkas Special Economic Zone

Shahkas Special Economic Zone (SSEZ) is ideally located to serve as an extension of the Jamrud Industrial Estate Peshawar. SSEZ will be established on 1000 acres within 3 years. This would result in a minimum of 35,000 direct jobs and attract more than Rs.10 billion of investment.

Accelerated Skills Development. Untapped potential within MA exists for employment generation for example in forestry / timber, minerals / marble, and construction sectors, which can start to be utilized once better infrastructure has been put in pace along with a regulatory regime regarding sustainability. Meantime, opportunities exist of focusing on the longstanding tradition within the area of migrating to other parts of the country or even abroad in search of employment. Industries Department investment in this area will be on the one hand in deepening the phenomenon by improved skilling, as well as broadening it by increasing the number of skilled people and increasing the number of skills themselves that can be imparted. This will require refurbishing the existing technical and vocational training infrastructure immediately, as well as expanding it over time. It will also require deeper and closer coordination at both the policy and implementation levels between the Elementary and Secondary Education Department and the Industries Department so that there is no disconnect in transition from one system to the other for young people. Industries department will work closely with National Vocational and Technical Training Commission in recognition of the fact that there are different disconnects among

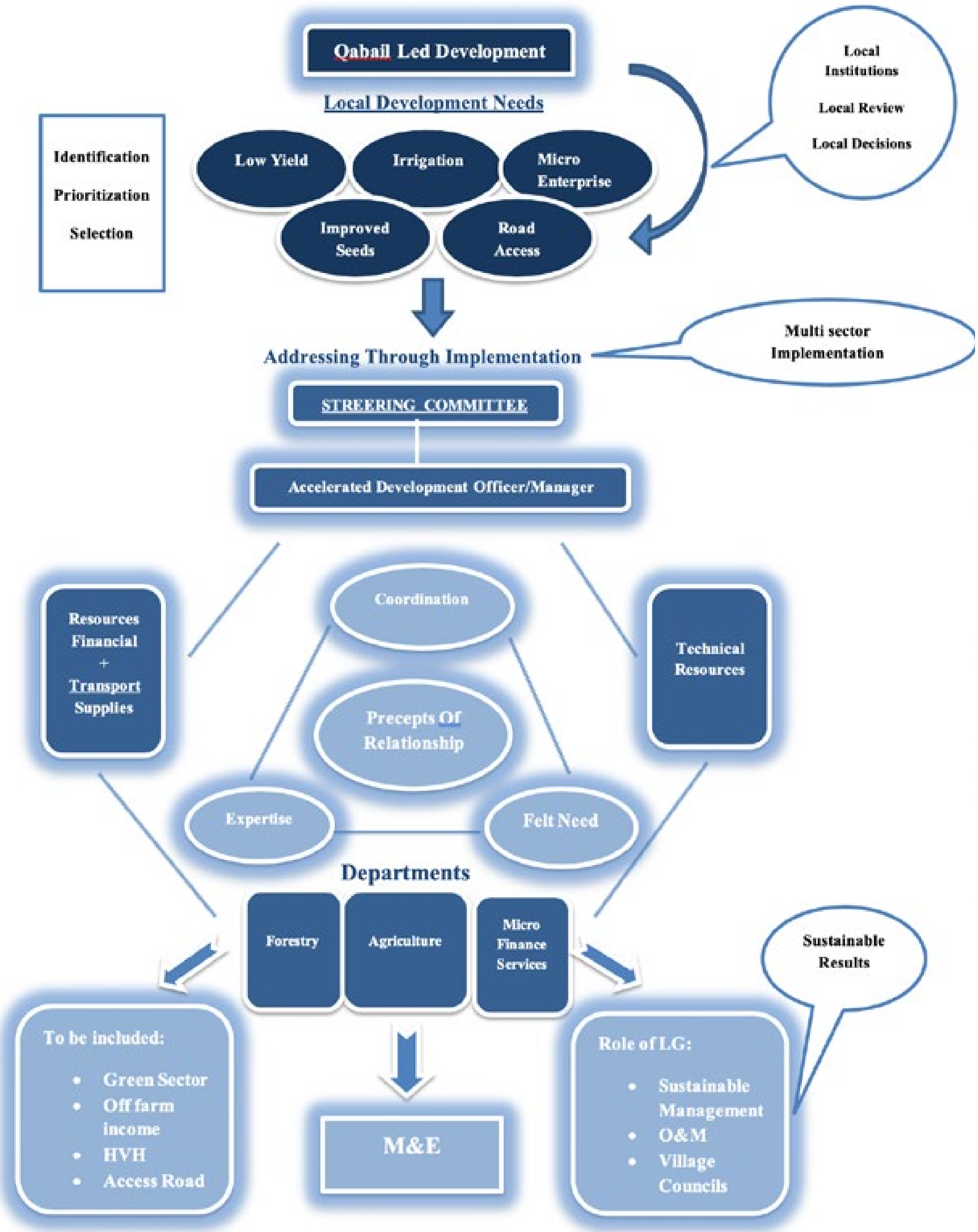
Text Box 11.
Imparting technical skills to the youth
While the demand side of institutional linkages is established between public and private sector service providers as well as industries, the supply side will be enhanced by using existing capacities within the country to impart vocational and technical skills to youths of the Merged Areas

job market demands and skill providers, industrialists and other stakeholders, and recommends that a dynamic TVET (technical and vocational education and training) demand and supply framework is needed for informing the stakeholders regarding market demands, TVET skills requirements, training facilities and job placement. In order to give some boost to the income levels in the MA, government will utilize existing capacity in the area, within the province, as well as nationally, including utilizing private sector skills training opportunities, by funding in substantial numbers scholarships for youth of MA.

Qabail Led Development. While the MA might depict lag in indicators in many domains, they possess valuable traditions of cooperation and self-managed social systems. Many times, these traditions are embodied in the tribal Jirgas as institutional arrangements for fair, equitable and participatory distribution of resources across communities. Building on these traditions, TDS includes a very important intervention in the form of a multi-sectorol jirga based development. Not only is most of the population of the MA rural in nature, but also there is considerable variation across the region in terms of terrain, natural resources, human development indicators and ease of access and communication. This variation will be addressed through area development efforts, utilizing existing tribal social capital (the jirga) and these efforts will operate under the overall umbrella of the deputy commissioner but with a district manager in charge. It will bring together provincial line departments to interface with rural habitation clusters in order to address on-farm incomes, as well as trainings and skills for off-farm income generation, supplemented with micro-finance access. Small scale village infrastructure with beneficiary participation and operation and maintenance responsibility will be part of the area specific programme and sub programmes. The QLD will be overseen by the same Steering Committee headed by the Additional Chief Secretary P&DD designated for the ADU.

Text Box 12.
Leveraging the social capital for local development
The strong social capital existing within the traditional jirga system will be utilized to voice local needs, with the public sector by responding to these needs in a multi-agency coordinated response.

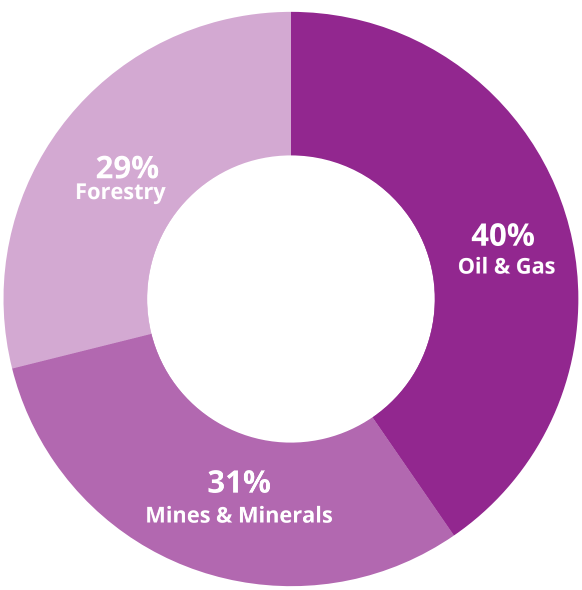
Figure 14: Structure of QLD



E. Instituting Sustainable Resource Management

The resource rich MA have a potential to provide jobs and life opportunities to their residents. Much of this requires major capital intensive programmes. Therefore, this need has been given due attention in the development Strategy. While these programmes will be aiming to develop natural resources, they will emphasize sustainable management to insure that the capital stock levels are sustainable over time. Breakup of spending outlay on instituting sustainable natural resource management is given in figure below.

Figure 15: Instituting Sustainable Natural Resource Management



Forestry, Wildlife and Environmental Management. Forests acquire significance as the MA have a forest cover of over 19.5%. All of the forest land is under collective (shamilaat) ownership and forests are managed by the local tribes under customary laws. Applying the principles of sustainable resource management, non-timber forest products will be promoted. Wildlife conservation with community participation will build on successful practices from KP, with investment also going into increasing the capacity of the department to conserve and manage wildlife. Rangeland assessment and management along with watershed management will receive due attention, and adequate investment is envisaged in these areas. Over time, the departmental outreach and forest research will be extended to the MA to garner their benefits for local flora. Besides investing in essential physical infrastructure so that the department can extend its reach to the MA, including the operationalization of the Environmental Protection Agency (EPA) laboratory and strengthening the Agency's regulatory functions, efforts will be invested in classification of forests and development of integrated working plans, conservation and promotion of non-timber forest products, and development of ex-situ conservation through establishment of suitable categories of protected areas.

Mines and Minerals. Geological studies show that the MA have reserves of marble, copper, chromite, granite, nephrite, dolomite, gypsum, iron, manganese and limestone that pass the muster of economic and technologic feasibility. However, there is an absence of authentic reserve estimation and geological mapping surveys to attract private investment. The weak skill base and underdeveloped infrastructure remain other constraints. The development approach for this sector enshrines the development of databases and access to infrastructure to connect mineral rich areas to major roads to attract private sector investment. The Government will invest in greater scientific reserve estimation and geological mapping, as well as investing in the youth of the tribal areas by imparting skills related to the mining sector. The Government also envisages development of departmental capacities for regulatory functions to ensure the wellbeing of people engaged in the mines. The government will work with the private sector to modify traditional barebones mines structures to transform them based on best practices. Similarly, to safeguard the lives of the workers the government will strengthen the existing Mines Rescue, Safety and Training Centres in Darra Adam Khel and Hangu.

Oil and Gas. The oil and gas sector estimates indicate that MA have the potential to produce about 5 times the current production of KP, which is 48,000 barrels per day or 56 % of national production that is around 86,000 barrels per day. According to another estimate, it has 20 TCF gas and 2 billion barrels of oil reserves. To harness the potential of subterranean resources, region based interventions have been planned. These build on the work undertaken for development of these resources. The first three years' focus is on surveys and mapping, essentially basic geological and geophysical studies for identification of new blocks in the unleased parts of the MA, acquisition of shares in an operating block, and harnessing the potential of hydrocarbon seep sites for commercial use, that is, operationalising new exploration blocks. This is followed up by interventions seeking private sector participation.

Infrastructure Related Implementation Arrangements. Building quality infrastructure will ensure that service delivery and developmental objectives are met. To build high quality infrastructure at a rapid pace, the ADU will work with organizations per their comparative advantage and capacities. The list of such agencies includes C&W Department, Provincial Highway Authority, NESPAK and Frontier Works Organization. The section below indicates short term options to undertake infrastructure development. Below is a break up of list of projects prioritized by the P&D Department, classified into different categories, and for their implementation the services of organizations like NESPAK, FWO, C&W and KPPHA may be obtained.

Large complex infrastructure projects: These are construction projects that involve town planning and town planning principles if they are to have maximum impact, and are thus complex in nature.

1. Judicial complexes in seven tribal districts (Rs.5 billion)
2. Integrated Municipal Complexes in 25 sub-divisions (Rs.9.9 billion)
3. Development of Commercial and service areas in each of 25 TMAs (Rs.5 billion)
4. Land acquisition for urban centres in seven tribal districts (Rs.6 billion)
5. Housing schemes and townships in 7 district headquarters (Rs.14 billion)
6. Sports indoor gymnasiums in 25 TMAs (Rs.1.3 billion)

Large infrastructure projects: These are construction projects that are simpler in nature and therefore more amenable to straightforward implementation.

(i) Bajaur to South Expressway through Tirah Maida (748 km)

  a. Two lanes highway with treated shoulders (Rs.27 billion)

  b. Four lane highway (Rs.44 billion)

(ii) Expressways and dualized 4 lane highways in merged districts

  a. Dualization of road including portion in KP 557 km (Option 1) (Rs.75 billion)

  b. Dualization of roads in MA/FATA only; 321 km (Option 2) (Rs.44 billion)

Specialized projects: These are infrastructure projects but of a specialized nature.

1. Bara dam, Khyber (Rs.26 billion)
2. Chapri Charkhel Hydro Power Station, Kurram (Rs.4.4 billion)
3. Jabba dam, Khyber (Rs.8.8 billion
4. Upgradation of transmission system and grid stations (Rs.5 billion)
5. Construction of grid station in Northern Mohmand (Rs.0.8 billion)
6. Construction of grid station in Dara Adam Khel Kohat (Rs.0.9 billion)
7. Construction of grid station in Azam Warsak SW district (Rs.0.7 billion)
8. PC II Tank Zam dam project (Rs.0.2 billion)

Simpler projects: These are infrastructure projects which are simpler and more straightforward in nature:

1. Village and neighbourhood council offices (Rs.7.5 billion)
2. Solar power micro grid stations (Rs.1.8 billion)
3. Upgrading of 103 higher secondary schools (Rs.6 billion)
4. Degree college up-gradation and improvement (Rs.7 billion)

Table. Planned Investment Outlay of TDS (Rs. in Millions)

Section	Sector	2019-20	2020-21	2021-22	2002-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
Building Responsive and Accountable Institutions	Governance	15,223	14,650	13,480	14,379	13,167	12,880	12,250	11,990	11,500	11,980	131,499
	Municipal Development & Local Government	6,315	6,580	8,500	9,000	8,500	9,875	10,900	11,255	11,500	11,350	93,775
	State Offices for Services	5,045	5,070	5,980	6,125	3,300	3,240	3,025	3,150	2,980	3,100	41,015
Enhancing Human Potential	Education	26,429	27,790	25,450	25,561	25,260	21,709	22,913	22,143	23,185	24,123	244,562
	Health	13,350	12,466	13,587	14,570	13,390	15,578	14,321	13,850	12,980	15,290	139,382
	Drinking Water and Sanitation	1,550	1,760	1,840	1,950	1,710	1,690	1,678	1,890	1,790	1,940	17,798
	Social Welfare & Social Protection	3,885	3,948	4,015	3,935	3,875	4,140	3,976	4,556	4,478	4,570	41,378
	Gender	2,950	3,676	2,970	3,380	3,375	3,990	3,995	4,695	4,596	5,347	38,974
	Sports, Youth and Culture	3,110	4,215	4,150	3,500	2,930	2,875	3,210	2,950	2,880	2,980	32,800
Expanding Economic Infrastructure	Connectivity & Roads	4,418	7,659	7,453	6,239	7,680	9,530	7,600	7,500	8,111	8,500	74,690
	Rural Electrification, Transmission, Distribution and Generation	4,220	5,453	4,239	7,170	9,160	6,471	3,920	3,900	3,900	2,561	50,994
	Water Management and Irrigation	7,875	9,055	8,785	9,985	9,785	10,760	10,540	9,995	9,760	11,760	98,300
Creating Sustainable Economic Opportunities	Agriculture	5,342	6,580	6,750	8,139	7,986	7,841	7,770	8,050	7,500	7,752	73,710
	Livestock, Poultry & Dairy Development	826	1,031	1,485	1,440	1,290	1,170	1,010	1,060	1,090	1,020	11,422
	Fisheries	350	380	432	389	432	434	379	504	550	750	4,600
	Industries and Enterprise Development	7,755	10,242	9,466	8,149	9,876	9,790	9,870	7,580	5,678	5,743	84,149
	Accelerated Skills Development for Employment	2,660	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	22,100
	Qabail Led Development	3,100	3,100	3,100	3,100	3,100	3,100	3,100	-	-	-	21,700
Instituting Sustainable Natural Resource Management	Forestry, Environment and Wildlife	1,700	2,250	2,945	3,700	3,570	3,765	3,345	3,145	2,449	2,676	29,545
	Mines & Minerals	2,345	3,245	3,250	3,070	3,270	3,125	2,990	3,880	3,125	3,100	31,400
	Oil & Gas	1,300	2,890	2,750	3,200	5,907	7,109	8,057	6,280	1,818	2,000	41,311
	Total	***119,748***	***134,200***	***132,787***	***139,140***	***139,723***	***141,232***	***137,009***	***130,533***	***122,030***	***128,702***	***1,325,103***

Figure 16: Sector-wise Resource Requirement in percent of Total Ten Year Outlay

Figure 16: Sector-wise Resource Requirement in percent of Total Ten Year Outlay