



## Functions & Working of Planning Commission / M/o Planning, Development & Reform

January, 2017

### Historical Background

- 1948 – Development Board – Established in EAD
- 1957 – National Planning Board, Prime Minister as Chairman
- 1961 – Planning Commission, President as Chairman
- 1982 – Reconstitution of Planning Commission, Minister for Finance as Chairman
- 2006 – Planning Commission revamped, Prime Minister as Chairman
- 2013 – Planning Commission restructured with expanded role, Prime Minister as Chairman

## Main Functions

- Preparing National Plans and evaluating their implementation
- Defining national vision and undertaking strategic planning
- Evaluating economic situation and coordinate economic policies
- Assessing the material and human resources of the country and formulating proposals for augmenting such resources

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## Main Functions

- Assisting the Government in providing a conducive macroeconomic and regulatory framework
- Monitoring and evaluating implementation of major development projects and programmes
- Preparation of sound projects in regions and sectors lacking adequate portfolio

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## Main Functions

- Promoting role of the private sector as engine of growth
- Promoting and coordinating reform and innovation in government in partnership with relevant Ministries / Organizations
- Promoting and developing social capital with stakeholders (MDGs, poverty alleviation, social harmony)

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## Main Functions

- Promoting and coordinating economic and infrastructure initiatives towards developing regional economic integration
- Monitoring Pakistan's economic competitiveness and developing strategies for its enhancement
- Promoting development discourse in the country towards participatory and collaborative planning and development

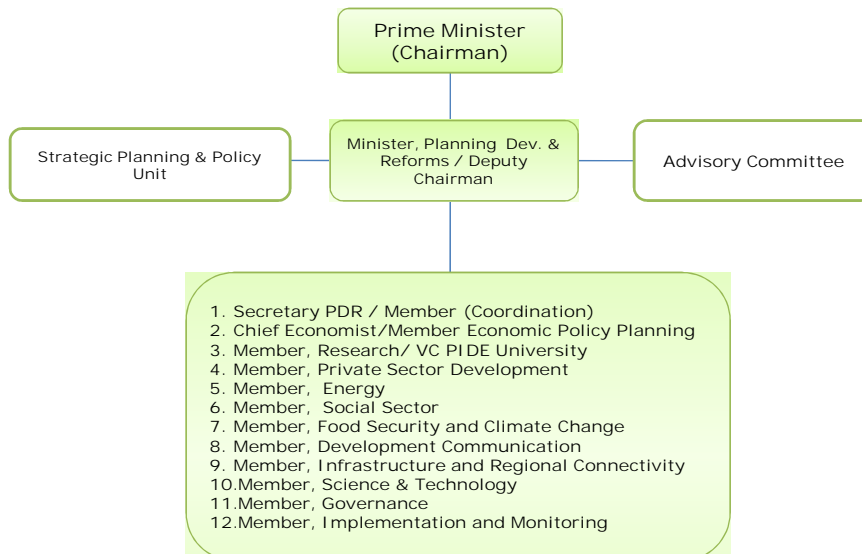
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## Main Functions

- Organizing research and analytical studies for economic decision making
- Study and evaluate impact of new technologies on development and develop appropriate national responses
- Facilitating capacity building of agencies involved in development

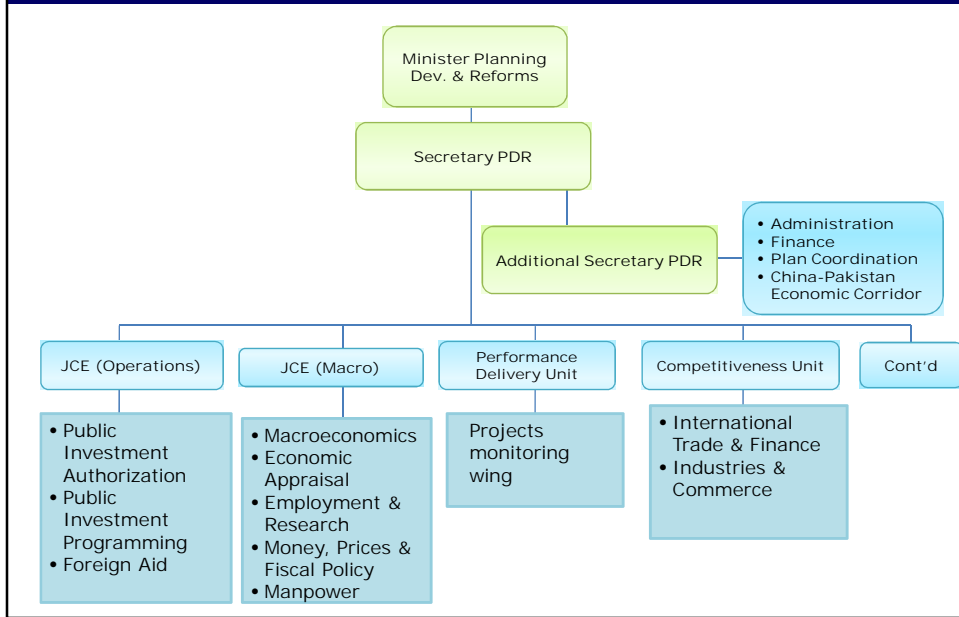
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## Planning Commission

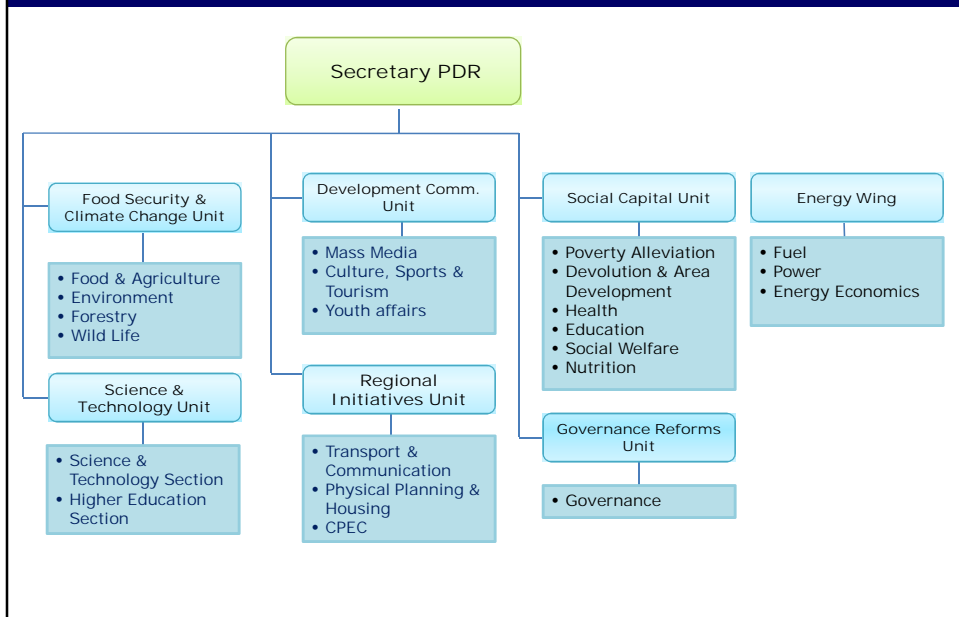


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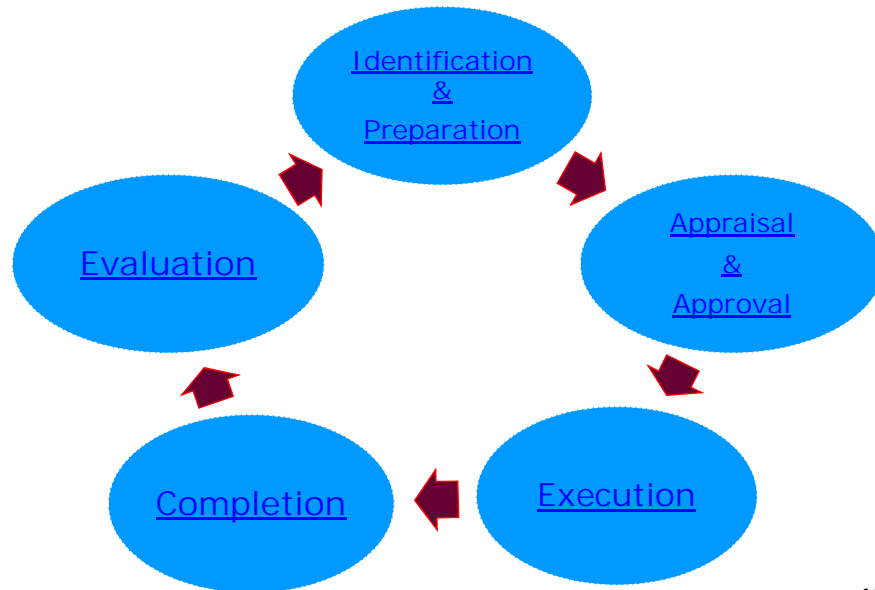
## Planning, Development & Reforms Division



## Planning, Development & Reforms Division



## Project Cycle



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## Project Planning Formats

PC – I	(Project Document) <a href="#">Infrastructure</a> <a href="#">Social</a> <a href="#">Production</a>
<a href="#">PC - II</a>	(For Preparation of Feasibility Study)
PC – III	(Quarterly Progress/Monitoring Report) <a href="#">PC-III-A for physical targets</a> <a href="#">Activity Chart</a> <a href="#">PC-III-B for Monthly Progress Reporting</a>
<a href="#">PC - IV</a>	(Project Completion Report)
<a href="#">PC - V</a>	(Post Completion Annual Impact Evaluation Report for 5 years)

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## National Plan Approval Forums

Forum	Chairperson	Nature of Policies
Policy and Plan		
<a href="#">NEC</a>	Prime Minister	Long-term policies and plans
<a href="#">ECC</a>	Finance Minister	Short/immediate nature policies
Projects		
<a href="#">ECNEC</a>	Finance Minister	Cost > Rs 3 billion
CDWP	Deputy Chairman (PC)	Cost Rs 3 billion
DDWP	Secretary of concerned Ministry	Cost Rs 60 million (Excluding projects involving external financing of 25% or above)
PDWP	Chairman, P&D Board/ Addl Chief Secretary	Cost Rs 10 billion (Provincial Funding) Excluding: <ul style="list-style-type: none"> <li>• Water sector projects</li> <li>• Projects having 25% or more external financing</li> </ul>

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## Public Sector Development Strategy

- Basic infrastructure development for social service delivery (schools, hospitals etc)
- Human resource development according to manpower planning
- Growth Enabler (communication network, railways, airports, Power etc)
- Balanced regional development – spending more in backward areas

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## Public Sector Development Programme (PSDP)

- One of assigned functions of Planning Commission is to formulate Annual Development Programme.
- Public Sector Development Programme (PSDP) is an integral part of public sector investment and reflects Govt's economic priorities
- PSDP provides much needed physical and social infrastructure in the country for uplift of the economy
- PSDP is source of employment generation and poverty alleviation
- Increase in PSDP spending results in corresponding increase in GDP growth.
- PSDP is aligned towards objectives / targets of annual / five year plans / vision through implementation of viable projects

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## Process for formulating PSDP

- Indication of overall size by [Finance Division](#)
- [Indicative Budget Ceilings](#) (for Ministries/ Divisions)
- Budget Call [Circular](#) ([Annexes](#))
- [Priorities Committee](#)
- [Annual Plan Coordination Committee](#) (APCC)
- National Economic Council (NEC)
- Approval of PSDP & Annual Plan by Cabinet
- Passage by Parliament with Budget

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## PSDP Operations

### ▪ Release of PSDP Funds

- With the start of a Financial Year, Finance Division issues release strategy (1st & 2nd Qtrs. 20%, 3rd & 4th Qtrs. 30%)
- Ministries/Divisions are required to submit their quarterly release requests on prescribed proforma as per given instructions duly signed by the concerned Secretary/PAO
- The release requests are examined vis-à-vis status of utilization of earlier released funds and authorization is issued to AGPR/Finance Division for further processing
- Ministries / Divisions issue sanction letter on basis of release authorization.
- Release sanction is punched in SAP System by PD&R

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## PSDP Operations

### ▪ Re-Appropriation of PSDP Funds

- Funds are re-appropriated from one project to another project / one budget classification to another with an objective to provide additional funds to fast track projects for their timely completion

### ▪ Quarterly Reviews

- Quarterly Reviews are held to assess the progress of projects undertaken by various Ministries/ Divisions
- 1<sup>st</sup> Quarter Review of PSDP 2016-17 held from November 1 to November 8, 2016
- 2<sup>nd</sup> Quarter (Midyear) Review is scheduled to be held from January 24 to January 31, 2017

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## PSDP Operations

### ▪ Monitoring & Evaluation

In 1983, Projects Wing was created by merging the implementation and Progressing Section of P&D Division with the following objectives:

- Monitoring of PSDP financed Projects
- Evaluation of PSDP financed Projects
- Regular submission of projects reviews to the cabinet & P.M Secretariat.
- To facilitate executing agencies in better project implementation for their timely completion within their scope & cost limits.

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***Thank You***

## Strategic Policy and Planning Unit

- Develop a long term vision for Pakistan
- Liaise with Ministries and support them in developing effective sectoral strategies and policies
- Capacity building to enhance Ministries' strategic capabilities
- Review the strategy and policy of Planning Commission
- Identifying key challenges for the Government and suggest measures to tackle these
- Provide policy advice in line with the priorities of Govt.
- Develop medium term development plan and annual plan
- Engage with the stakeholders and formulate framework for economic projections

## Advisory Committee

Chairman: Minister for Planning Development & Reform

Members:

- Private Sector:
  - Private sector representatives
  - Experts
  - Academicians
- Parliamentarians
- Member / Secretary Planning, Development and Reform
- By Special Invitation:
  - Federal Secretaries
  - Chairman Board of Investment
  - Chairman FBR
  - ED(IPDF)
  - Provincial Governments – Heads of Provincial P&D bodies
  - VC PIDE

## TORs of Advisory Committee

- i. Promote public and private sector interface and develop participatory approach in decision making
- ii. Work as a strategic think tank on policy issues of Planning Commission / Ministry of Planning, Development & Reform
- iii. Guide Planning Commission/Ministry of Planning, Development & Reform in policy formulation and reform
- iv. Build consensus on policies and strategies of the Planning Commission/Ministry of Planning, Development & Reform
- v. Provide input to and seek feedback from non-government stakeholders to the policies and performance of the Planning Commission / Ministry of Planning & Development

Advisory committee meets quarterly

## Performance Delivery Unit

- Develop KPIs for performance evaluation of Planning Commission in consultation with the technical and economic sections
- Support Ministries in developing their KPIs in consultative manner
- Devise reporting mechanism for assessing and reporting performance against the set targets
- Support Prime Minister's Office as and when needed
- Devise/help devising strategy for achieving set annual targets

## Pakistan Competitiveness Unit

Continuously review Pakistan's global ratings in the following areas:

- Global Competitiveness
- Ease of Doing Business
- Governance
- Fragility
- Transparency and Anti-corruption

Communicate with public and private organizations to:

- Share correct information for analysis by public and private organisations
- Rebuttal incorrect information or analysis
- Share Government's perspective on development in media
- Disseminate steps taken to address weaknesses

## Food Security & Climate Change Unit

- Plan and monitor developments in agriculture including fertilizer, plant protection, improved seeds, mechanization, agriculture extension, soil conservation, land development, agriculture economics and statistics, agriculture education, agriculture research, marketing, food grain storage, fisheries and animals
- Preparation of government policies for agricultural development
- Collect and update data on food availability, analyze it and suggest measures to remain in food secure countries list
- Provide overall objectives, strategies and physical and financial targets to achieve the environment objectives
- To ensure that environment considerations are included in the national plans and consortium documents

## Development Communication Unit

- Promotion of development dialogue in the media
- Raise awareness of development issues and solutions
- Share information on international good practices through media
- Promote values for sustainable and inclusive growth
- Highlight good practices for social change for development
- Seek cooperation from non-government agents in implementing good development practices
- Promote and propagate cultural change needed for nurturing the culture of development in Pakistan

## Social Capital Unit

Promote development of :

- Education for all, specially the marginalized
- Skill development for every able person
- Address the problems of Youth in order to prepare them face the challenges of practical life
- Create awareness on Health and related issues
- Business and Social Networks for change
- Address needs of challenged persons
- Community Development

## Energy Wing

- Analyze policies related to the projects and recommend to the superiors
- Provide input to tariff determination of power & fuel
- Modeling supply/demand to forecast energy requirements
- Analyze policies in fuel sector
- Evaluation of the plans and programs of the fuel sector agencies
- Energy modeling
- Prepare technical/analytical reports relating to energy sector issues

## Science & Technology Unit

- Recommended policy measures for development of science and technology in the country along scientific lines
- Support HEC in devising plans and projects for promotion of higher education in the country
- Collect and maintain relevant statistics regarding science and technology activities in the country
- Prepare long, medium and short term plan for development of Science & Technology and higher education in the country

## Strategic Regional Initiative Unit

- Create awareness about significance of China-Pakistan Economic Corridor in Pakistan's economy
- Initiate debate on regional issues
- Highlight strengths of Pakistan in tackling /resolving regional issues
- Initiate /promote joint research on assessing benefits of regional development for Pakistan

## Reform and Innovations Unit

- Promote and conduct research on institutional reform and innovation
- Coordinate and support ministries in reform and innovation
- Build institutional capacity for change management
- Promote use of IT in institutional reforms
- Help institutions develop /bring innovation in management, processes and performance



## Identification & Preparation

- Project Identification
  - Projects in various sectors are proposed and prepared by concerned ministries/departments
  - Identification is done by the project's relevance to the National and Annual Development Plans
- Project Preparation
  - Feasibility (PC-II) in case of big projects
  - Project Document / PC-I covering all aspects of projects – Costing, Objectives, Scope, Phasing, Financing etc.

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## Appraisal & Approval

- Project Appraisal
  - Appraisal involves a careful checking of the basic data, assumptions and methodology used in project preparation
  - An in-depth review of the work plan, cost estimates and proposed financing, an assessment of the project's organizational and management aspects
  - Validity of the financial, economic and social benefits expected from the project
- Project Approval
  - Approval of PC-I from relevant Forum
  - Authorization by PIA Section
  - Administrative Approval by Implementing Agency

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## Implementation / Execution

- Project Implementation / Execution
  - This consists of a set or series of actions in parallel or sequence - represented by Bar Charts or a Network Diagram - whereby words are transformed into works and the potential of the project becomes a physical fact
  - Monitoring (physical monitoring, quarterly reviews etc.) (PC-III)

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## Completion

- Project Completion (PC-IV)
  - Physical completion as per scope
  - Financial close

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## Evaluation

- Project Evaluation (PC-V)
  - Looking systematically at the elements of success and failure in the project experience to learn how to plan better for the future

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## Composition of NEC

<b>FEDERATION</b>	
The Prime Minister	Chairman
Mr. M. Ishaq Dar, Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization	Member
Mr. Ahsan Iqbal, Minister for Planning, Development & Reform	Member
Mr. Ghulam Murtaza Khan Jatoi, Minister for Industries & Production	Member
Khawaja Muhammad Asif, Minister for Water & Power	Member
<b>Balochistan</b>	
Chief Minister	Member
Mr. Abdur Raheem Ziaratwal, MPA	Member
<b>Khyber Pakhtunkhwa</b>	
Chief Minister	Member
Mr. Muzafar Said, Minister for Finance	Member

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## Composition of NEC

<b>Province of Punjab</b>	
Chief Minister	Member
Mian Mujtaba Shuja ur Rehman, MPA	Member
<b>Province of Sindh</b>	
Chief Minister	Member
Syed Murad Ali Shah, Advisor to the Chief Minister	Member
<b>Special invitation for all items of the agenda</b>	
1.	Governor, Khyber Pakhtunkhwa
2.	Prime Minister, Azad Jammu & Kashmir
3.	Chief Minister, Gilgit – Baltistan
4.	Secretary, Finance Division
5.	Secretary, Economic Affairs Division
6.	Secretary, Planning, Development and Reforms Division

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## Composition of ECC

<b>Minister for Finance</b>	<b>Chair</b>
Federal Ministers for:	
<ul style="list-style-type: none"> <li>Commerce,</li> <li>Communications</li> <li>Industries &amp; Production</li> <li>Information &amp; Broadcasting</li> <li>Law, Justice &amp; Human Rights</li> <li>National Food Security &amp; Research</li> <li>PD&amp;R</li> <li>Railways</li> <li>Water &amp; Power</li> </ul>	

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## Composition of ECC

### Special Invitees:

Governor State Bank  
Chairman SECP  
Chairman, BOI

### Federal Secretaries:

Commerce  
Communications  
EAD  
Finance,  
NFS&R, PD&R, P&NR,  
Railways, Revenue, Statistics,  
Textile Industry, Water and Power

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## Composition of ECNEC

### Minister for Finance

### Chair

### Federal Ministers for:

PD&R  
Industries & Production  
Water & Power  
National Food Security & Research  
Science & Technology  
Information & Broadcasting

### Minister of State for:

IT & Telecomm  
P&NR  
Railways

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## Composition of ECNEC

Mr. A R Ziaratwal, MPA, Balochistan  
Minister for Finance, Khyber Pakhtunkhwa  
Minister for Finance, Punjab  
Syed Murad Ali Shah, Advisor to CM on Finance, Sindh

### Federal Secretaries for:

EAD  
Finance  
PD&R  
Statistics

### Provincial Governments:

Chairman, P&D Board, Punjab  
Addl. Chief Secretaries, Sindh, Khyber Pakhtunkhwa &  
Balochistan

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## Macroeconomic Framework (Current Market Prices)

In bill Rs

Item	2013-14	2014-15	2015-16
	Revised	Provisional	Targets
GDP (bp)	23,904	25,822	28,873
Indirect Taxes (Net)	1,164	1,562	1,799
GDP (mp)	25,068	27,284	30,672
Net Factor Income from Abroad	1,429	1,678	1,825
GNP (mp)	26,497	29,061	32,497
External Resources Inflow (net)	322	166	295
Total Resources /Uses	26,819	29,227	32,792
Total Consumption	23,063	25,087	27,354
Total Investment	3,756	4,140	5,438
Fixed Investment	3,355	3,702	4,948
Public incl. General Govt.	842	1,057	1,212
(of which Fed PSDP)		542.0	700.0
Private	2,513	2,645	3,735
Changes in Stocks	401	438	491
National Savings	3,434	3,974	5,144
	As % of GDP (mp)		
Total Investment	15.0	15.1	17.7
Fixed Investment	13.4	13.5	16.1
Public incl. General Govt.	3.4	3.9	4.0
Private	10.0	9.7	12.2
National Savings	13.7	14.5	16.8
External Resources Inflow (net)	1.3	0.6	1.0
Memo Items			
Inflation	6.9	3.6	6.0
GNP (mp) Per Capita (Rs.)	1,42,312	1,53,060	1,67,915

Source: PBS & Planning Commission

## Composition of Priorities Committee

Secretary Finance Division, Secretary  
Planning Division and Secretary  
Economic Affairs Division

Co Chair

1. Secretary of the Sponsoring Ministries
2. Financial Advisor
3. Additional Chief Secretary of Province
4. Secretary, P&D, Provincial  
Government/ Federal Areas

## Composition of APCC

Minister for Planning, Development & Reform/  
Deputy Chairman Planning Commission

Chair

1. Governor Khyber Pakhtunkhwa (for FATA Affairs)
2. Governor State Bank of Pakistan
3. Provincial Finance Ministers
4. Provincial Planning Ministers
5. Finance and Planning Ministers of AJ&K
6. Finance & Planning Ministers of Gilgit-Baltistan
7. Secretary, Planning & Development Division
8. Chief Economist, Planning Commission
9. Members of Planning Commission

Contd.....

## Composition of APCC

10. Secretary, Economic Affairs Division
11. Secretary, Finance Division
12. Deputy Chief Executive of Gilgit-Baltistan
13. Chairman / Additional Chief Secretary of Provinces
14. Additional Chief Secretary, FATA
15. Secretary, Planning & Development Department, G-B
16. Secretary, Finance Department of Provinces & AJ&K
17. Concerned Federal Secretaries
18. Chairmen Autonomous Bodies

## Sections of PD&R



## MMCSTY Section

- Initiating debate on development issues
- Processing policy proposals concerning the promotion of sports, culture, tourism and youth affairs
- Preparation of short and medium term plans in respect of the media development, culture, sports and youth in consultation with Federal and Provincial government and non-government agencies
- Publicity of development plans and programmes

## Food & Agriculture Section

- Monitor and review developments in agriculture including fertilizer, plant protection, improved seeds, mechanization, agriculture extension, soil conservation, land development, agriculture economics and statistics, agriculture education, agriculture research, marketing, food grain storage, fisheries and animals
- Coordinate preparation of policies for food security in consultation with the provincial governments
- Keep updated data on food availability, analyze it and suggest measures for food security in the country

## Environment Section

- Plan and monitor developments in environment sector like soil conservation, land development, environment education & research, and protection of natural habitat
- Preparation of government policies for environment protection
- Collect and update data relating to environment, analyse it and suggest measures to preserve environment
- Provide overall objectives, strategies and physical and financial targets for environment protection
- Ensure inclusion of environment considerations in the national plans and consortium documents

## Devolution and Area Development Section

- Promote integration of sectoral local plans in view of inter-sectoral bearing and requirements in consultation with the Provincial Governments, District Coordination Committees and the Technical and Economic Sections of the PD&R
- Identify problems and difficulties in the implementation of the programs and policies for the less developed areas
- Keep data updated on less developed areas
- Help less developed areas develop policies and plans for are development

## Education Section

- Provide assistance to Ministries of Education, Science & Tech., Economic Affairs Division and Provincial Governments to carryout their programmes relating to promotion of elementary, school and college education
- Plan, monitor and support schemes for literacy, primary, secondary, college, technical and library education and scholarship
- Review research on education and suggest policy measures, development plans for promotion of education in Federal Areas

## Manpower Section

- Identification/appraisal of problems, bottlenecks and remedial measures relating to manpower development including women development in the following areas:
  - Employability and employment
  - Human Resource Development
  - Functioning of the labour market
  - Wages and earnings, labour-management relations, trade unions
  - Safety and protection, working conditions, social security of industrial workers, both male and female
  - Vocational guidance and employment counseling, vocational training and apprenticeship training

## Water Resources Section

- Formulation of strategies for implementing development programme in line with the policies of the Government for optimal use of water for enhancing agricultural productivity
- Assist federal and provincial governments and other bodies in matters pertaining to the development of water resources, including surveys and investigations, multipurpose projects, irrigation, flood control, drainage and reclamation and on-farm management programmes
- Consolidation and analysis of data and information for formulating future policies and strategies for water resource conservation and development

## Transport and Communication Section

- Prepare long, medium and short term Plans for development T&C Sector in the country at national level
- Technical appraisal of the development projects/ programmes pertaining to Roads & Road Transport, Railways, Ports and Shipping and Air Transport sub-sectors
- Processing development projects relating to T&C Sector for approval of the competent for a (DDWP/ CDWP / ECNEC)

## Social Welfare Section

- Preparation of proposals for promotion of social welfare, special education for the disabled, welfare of the government servants, children, senior citizens
- Research studies on development aspects of social sectors, particularly social welfare and special education
- Processing of cases for promotion of voluntary social welfare services through voluntary and non-governmental organization

## Governance Section

- Processing of development schemes of institutional development and promotion of governance sector for approval of the competent for a (CDWP / ECNEC)
- Processing human resource development cases of the officers of P&D Division and PIDE
- Act as secretariat for the committees on restructuring and rightsizing Federal Government

## Health Section

- Examination and presentation proposal for promotion of health in the country
- Examination of MOUs or foreign funded projects in health sector received from EAD
- Appraisal of the Government plans and projects relating to population welfare, mother & child health and reproductive health
- Appraising Government on health situation and issues and problems in health and population welfare sectors for policy making, taking new measures for population control and develop viable population programmes
- Coordination and collaboration with federal and provincial government agencies for health sector initiatives

## Industries & Commerce Section

- Analysis of and support for developing policies in I&C Sector such as industrial policy, mineral policy, textile policy, commercial policy, trade policy etc.
- Coordination with international organizations in matters relating to industrial, mineral and commerce sectors
- Liaison with the non-government bodies set up for promotion of industrial development and promotion of trade and commerce in the country with regard to private sector developments

## Nutrition Section

- Prepare national food balance sheets including per capita food intake, food supply and demand projections
- Study and analyze existing data on food consumption pattern and nutrition status in Pakistan
- Support and initiate research studies in food consumption, dietary intake and nutrition status for policy development
- Develop and maintain adequate database for realistic nutrition planning
- Identify and justify empirically proven set of nutrition interventions/ tested projects

## PP&H Section

- Formulation of housing, urban development, physical planning, water supply and sanitation policies, programs, plans and public sector development program
- Maintaining constant liaison with the Ministries of Housing and Works, Environment and Local Government bodies, Finance and Interior Division and Pak-PWD regarding the implementation of ongoing PP&H and WS&S projects throughout the country

## Power Section

- Examination of projects and processing for approval of competent fora
- Monitoring progress on projects, resolution of implementation issues
- Analysis of power sector development policies
- Assisting NEPRA in determination of tariff, grant of license to power generation, transmission and distribution companies
- Support PPIB board meeting in power sector issues
- Preparation of long, medium and short term plans
- Energy planning using computer models

## Fuel Section

- Examination of projects and processing for approval of competent fora
- Monitoring progress on projects, resolution of implementation issues
- Analysis of fuel sector development policies
- Analyze policies related to the project on fuel sector.
- Work with OGRA for determination of gas prices
- Preparation of long term, medium term and short term plans regarding Fuel sector
- Coal Gasification and dealing with Thar Coal Mining Company, matters relating to Coal refineries, LNG project and SSGCL import of gas



## Projects Wing

- Monitoring of development projects.
- Evaluation of completed projects.
- Annual performance evaluation of completed projects
- Ministry-wise portfolio analysis on quarterly basis.
- Facilitation in preparation of Cash/Work Plans.
- Development of Management Information System (MIS).

## Projects Wing

- Conduct trainings to enhance technical and analytical skills of the federal provincial and district governments' officers
- Conduct trainings on Project management
- Conduct trainings on social sector development, participatory planning, gender development, community development and environment protection
- Arrange post-entry training for new officers of Economists Group and Technical Sections of PD&R Division

## IT Section

- Research, analysis and identification of trends, technologies and issues related to IT and ICT for improved efficiency of government organizations
- Compilation and analyzing data on ICT indicators
- Formulation of policies, programs and plans in consultation with stakeholders and experts
- Review of development programs, strategies and policies in ICT sector
- Coordination/ liaison with various I.T industry stakeholders for promotion of ICT

## PIA Section

- Processing development projects for consideration of the CDWP/ ECNEC and arranging CDWP meetings
- Submission of summaries of projects for ECNEC
- Report on the working of the PDWPs for consideration of ECNEC
- Follow-up of CDWP/ ECNEC decisions
- Preparing annual reports for consideration of NEC on the activities of CDWP and ECNEC

## PIP Section

- Formulation of investment priorities and PSDP
- Preparing working papers/ summaries on PSDP for Priorities Committee, APCC and NEC
- Periodic review of PSDP
- Processing of cases relating to supplementary grants and re-appropriation of funds
- Processing of foreign aided projects for concept clearance