



FEDERAL BUDGET 2021-22

BUDGET IN BRIEF

Government of Pakistan
Finance Division
Islamabad

PREFACE

Budget in Brief is a synopsis of the Federal Budget 2021-22 and is published to provide concise and simple information for clear understanding.

It highlights the key areas of focus and broad priorities of the Federal Government, the measures taken by the Government during the last ten months of Current Financial Year (CFY) for recovery and stabilization, the challenge of Covid-19 and Government response to combat it. Furthermore, the budget approach is also briefly explained.

'Budget at a Glance' offers a quick overview of the Federal Budget Estimates for FY 2021-22. The Budget Estimates for FY 2021-22 have been given along with comparison of outgoing FY 2020-21. The information on fiscal deficit and financing has also been tabulated.

This document offers a quick view on revenues and expenditures, budgeted for FY 2021-22 as well as budget estimates for CFY 2020-21. The details of subsidies, grants and transfers along with break-up of current / development / investments for ensuing fiscal year has also been given. Further, the detail of provincial share in Federal taxes are also available.

Detailed information is available in the relevant budget documents i.e Annual Budget Statement and Explanatory Memorandum on Federal Receipts.

Revised Estimates for FY 2020-21 included in Demands for Grants and Appropriations (Part-I) were based on the data extracted from the SAP System as on 3rd May, 2021. While the revised estimates included in this 'Budget in Brief' have been prepared on the basis of information collected as on 06th June, 2021, in an effort to provide latest information to the readers. The actual reconciled data will be finalized and made available on the web site of Finance Division by September, 2021.

After the annual Budget presentation in the National Assembly, budget books, including the Budget in Brief, are uploaded on the website of Finance Division: www.finance.gov.pk.

I hope that this document will be useful for all those who seek a clear understanding of Budget for FY 2021-22.

Yusuf Khan
Secretary to Government of Pakistan

Finance Division
Islamabad, the 11th June, 2021

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PART - I

Key Priorities of the Federal Government for FY 2021-22

During the last three years of the present Government, it has faced numerous economic challenges, aggravated by the Covid 19 Pandemic. The Government has successfully progressed from recovery and stabilization to sustainable growth. The Government's priorities are as follows:

- a) Inclusive and sustainable economic growth
- b) Pro-poor initiatives and social safety net through the Ehsaas Programme's vertical and horizontal expansion
- c) Reduction in inflation and price control and monitoring
- d) Increased development spending for more job creation
- e) PM's initiatives including Kamyab Jawan and Kissan Programmes
- f) Impact mitigation of Covid-19, and the continuation of the Stimulus Package
- g) Circular debt financing and power subsidies
- h) Revenue mobilization without new taxes
- i) Support of the Housing Sector and the Construction Industry through Naya Pakistan Housing Scheme and SME support programs
- j) Facilitating expatriates remittances and savings through Roshan Digital Account
- k) Pakistan Remittances Initiatives and other schemes

Ten months (July-April) performance for FY 2020-21

While approving the budget estimates for the FY 2020-21, it was imperative to control the adverse economic impacts of Covid 19 Pandemic, manage twin deficits, recover and stabilize the economy, and provide relief to the vulnerable segments of the society. With these objectives, the achievements of the first ten months of FY 2020-21 are as under:

- a) Pakistan's economy has witnessed a V-shaped recovery after contracting by 0.47% in FY 2020-21.
- b) The provisional GDP growth rate for FY 2021 is estimated to be 3.94% against the targeted growth of 2.1% through the policy initiatives undertaken during FY 2020-21.
- c) The nominal GDP for FY 2021 is projected to increase from Rs45,567 billion to Rs47,709 billion.
- d) The Economic Stimulus of Rs1.24 trillion announced in March 2020 has been extended for the FY 2021 and an amount of Rs155 billion has been released to mitigate the socio economic impacts of Covid 19 pandemic.

- e) The Current account balance during Jul-Apr, FY 2020-21 posted a surplus of \$0.8 bn (0.3 % of GDP) against a deficit of \$4.7 bn (-2.1 % of GDP) last year.
- f) Exports during Jul-Apr FY 2020-21 increased by 6.5% to \$21.0 bn (\$ 19.7 bn last year). On YoY basis, exports increased by 61.3 % to \$2.3 bn in Apr, 2021 (\$ 1.4 bn in Apr, 2020).
- g) Remittances grew significantly by 29.0% to \$24.2 bn and surpassed the target of \$21.5 bn as compared to \$18.8 bn during Jul-Apr, FY 2020-21 during same period last year.
- h) LSM posted a growth of 8.99% during Jul-Mar FY 2020-21 against a negative growth of 5.10% for last year.
- i) The inflation based on Consumer Price Index (CPI) during Jul-Apr, FY 2020-21 is down to 8.6% as against 11.2% during the same period last year.
- j) FBR tax collection grew by 14.4% to Rs.3,780 bn during Jul-Apr FY 2020-21 against Rs.3,303 bn last year.
- k) Fiscal consolidation helped in containing the fiscal deficit to 4.2% of GDP during Jul-Apr, FY 2020-21, against 5.3% of GDP last year.
- l) Primary balance posted a surplus of Rs.159 billion during Jul-Apr FY 2020-21, against the deficit of Rs.205 billion last year.
- m) Refund of Rs.253 billion was issued by FBR to the business community during Jul-April, FY 2020-21, which are 66.5% higher than previous year's Rs.151.8 billion issued during the same period last year.
- n) Private Sector has borrowed Rs.454.5 bn during Jul-Apr FY 2020-21, compared to Rs.318.5 bn during the same period last year, a growth of 43%.
- o) Fixed investment loans disbursement increased to Rs140.4 billion during Jul-Apr FY 2020-21, as compared to Rs 0.4 billion during the corresponding period last year, thus registered a significant growth.
- p) Pakistan has entered the international capital market after a gap of over three years by successfully raising USD 2.5 billion.
- q) World Bank recognized Ehsaas Emergency Cash Programme as amongst the top four social protection interventions in the world in terms of numbers of people covered.

- r) The IMF and Pakistan have resumed the \$6bn Extended Fund Facility and completed second to fifth review under the program. The IMF has appreciated that the Government policies have been crucial in supporting the economy and saving lives and livelihoods in the Covid 19 Pandemic .
- s) Inflows of foreign exchange through the *Roshan Digital Account* (RDA) crossed the \$1 *billion mark* in a short span of time after the launch of the scheme.
- t) Moody's rating agency upgraded Pakistan's outlook to '**Stable**' from '*under review for downgrade*' (in August, 2020). Fitch affirmed Pakistan's rating at B- with stable outlook.

The Budget Strategy for FY 2021-22

The Budget 2021-22 is a growth budget it is based on a well thought out strategy to boost the economic growth earlier outlined in the Medium Term Budgetary Strategy Paper for FY 2021-22 to FY 2023-24, which gave a clear roadmap of the strategic priorities, revenue and spending policies of the Government, and was approved by the Federal Cabinet in April, 2021. The main priorities of the Federal Government for FY 2021-22 are:

- 1) Sustainable economic growth
- 2) The Prime Minister Special Initiatives
- 3) Optimal mobilization of revenue
- 4) Increased Development Funding by M/o PD&SI
- 5) Expeditious disposal of refund claims

Main Objectives of Budget 2021-22

- a) Striking a balance between fiscal deficits due to Covid 19 and boosting growth of the economy
- b) Keeping primary balance at a sustainable level
- c) Protection of social spending under the Ehsaas Program to support vulnerable segments of the society
- d) Resource mobilization with required changes in tax structure
- e) Successful continuation of the IMF program

- f) Carrying forward of Stimulus Package
- g) Keeping development budget at an adequate level to stimulate sustainable economic growth coupled with policy support
- h) Funding of crucial Housing initiatives including Naya Pakistan Housing project to boost the construction sector
- i) Funding for special areas i.e erstwhile FATA, Azad Jammu & Kashmir and Gilgit Baltistan to ensure their development
- j) Continuation of special initiatives led by the Prime Minister like Kamyab Jawan, Sehat Card, Billion tree Tsunami, etc.
- k) Austerity and control of non-productive expenditure
- l) Rationalization of subsidy regime to provide targeted subsidy to the deserving segments of the society
- m) Revisiting of the NFC award. Moreover, persuading the provinces to fulfill their funding commitments made at the time of the merger of erstwhile FATA

PART - II

Table - 1
Budget 2021-22 at a Glance

Table-1 presents position of overall Resources and Expenditure for the FY 2021-22.

(Rs. in Billion)

RESOURCES		EXPENDITURE	
Tax Revenue (FBR)	5,829	A. Current	7,523
Non-Tax Revenue	2,080	Interest Payments	3,060
a) Gross Revenue Receipts	7,909	Pension	480
b) Less Provincial Share	3,412	Defence Services	1,370
I. Net Revenue Receipts (a-b)	4,497	Grants and Transfers to Provinces & Others	1,168
II. Non Bank Borrowing (NSSs & Others)	1,241	Subsidies	682
III. Net External Receipts	1,246	Running of Civil Govt.	479
IV. Estimated Provincial Surplus	570	Provision for Contingencies & Fund	25
V. Bank Borrowing (T-Bills, PIBs, Sukuk)	681	Provision for Disaster / Emergency/ Covid	100
VI. Privatization Proceeds	252	Provision for Pay & Pension	160
<u>TOTAL RESOURCES (I to VI)</u>	<u>8,487</u>	B. Development	964
		Federal PSDP	900
		Net Lending	64
		<u>TOTAL EXPENDITURE(A+B)</u>	<u>8,487</u>

Table - 2
Fiscal Deficit & Financing of Budget 2021-22

Table-2 shows Fiscal Deficit and Financing for FY 2021-22.

Fiscal Deficit		Financing	
A) Federal Revenue (Net)	4,497	A) Net External Financing	1,246
B) Total Federal Expenditure (i+ii)	8,487	Multilateral & Bilateral Sources	369
i) Current Expenditure	7,523	Commercial Sources	877
ii) Development and Net Lending (a+b)	964	B) Net Domestic Financing	2,492
a) Federal PSDP	900	National Saving Schemes and Others	74
b) Net Lending	64	Bank (Govt. Securities)	2,417
		C) Privatization Proceeds	252
C) Federal Deficit (A-B)	-3,990	Total Financing (A+B+C)	3,990

(Rs. in Billion)

Table - 3
Budget Estimates of FY 2021-22

Table-3 presents important percentages for the FY 2021-22.

(Rs. in Billion)

	Budget 2020-21	Budget 2021-22
Revenue Receipt (FBR)	4,963	5,829
Non Tax Revenue	1,610	2,080
Gross Revenue (FBR+NTR)	6,573	7,909
Less: Transfer to Provinces (-)	-2,874	-3,412
Net Revenue for Federal Government	3,700	4,497
Expenditure	7,137	8,487
Federal Budget Deficit	-3,437	-3,990
Provincial Surplus	242	570
Overall Budget Deficit	-3,195	-3,420
Overall Fiscal Deficit as %GDP	-7.0%	-6.3%
Primary Deficit	-249	-360
Primary Deficit as %GDP	-0.5%	-0.7%
Nominal GDP	45,567	53,867

PART - III

COMPARISON OF BUDGET ESTIMATES
FY 2020-21 - FY 2021-22

TABLE - 4
TAX RECEIPTS

Table-4 provides details of total Tax Revenues as given in Table-1, Part-II.

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
A. FBR TAXES (I + II)	4,963,000	5,829,000
I. Direct Taxes	2,043,000	2,182,000
- Income Tax	2,032,557	2,171,839
- Workers Welfare Fund	3,969	8,054
- Workers' Profit Participation Fund	3,750	1,545
- Capital Value Tax	2,724	562
II. Indirect Taxes	2,920,000	3,647,000
- Customs Duties	640,000	785,000
- Sales Tax	1,919,000	2,506,000
- Federal Excise	361,000	356,000

TABLE - 5
NON TAX REVENUE RECEIPTS

Table-5 provides details of Non Tax Revenues as given in Table-1, Part-II.

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
A. LEVIES & FEES	26,300	29,503
- Mobile Handset Levy	5,800	9,000
- Fee collected by ICT Administration	20,475	20,453
- Airport Fee	25	50
B. INCOME FROM PROPERTY & ENTERPRISE	210,708	265,839
Pakistan Telecom Authority (Surplus)	2,000	4,000
PTA (3G / 4G Licenses)	27,000	45,436
Regulatory Authorities (Surplus/ Penalties)	542	508

Contd...

			(Rs in Million)	
Classification			Budget 2020-21	Budget 2021-22
Mark up (Provinces)			26,843	35,532
Mark up (PSEs & Others)			93,345	90,000
Dividends			60,978	90,363
RECEIPTS FROM CIVIL	ADMINISTRATION AND OTHER			
C.			645,616	684,105
- General Administration			3,440	7,114
- SBP Profit			620,000	650,000
- Defence			18,431	20,274
- Law and Order			1,198	2,695
- Community Services			1,097	2,538
- Social Services			1,450	1,485
D. MISCELLANEOUS RECEIPTS			727,602	1,100,518
- Economic Services			2,096	2,980
- Foreign Grants			22,517	20,000
- Petroleum Levy			450,000	610,000
- Natural Gas Development Surcharge			10,000	36,000
- Citizenship, Naturalization & Passport Fee			25,000	35,000
- Royalty on Crude Oil			23,000	35,000
- Royalty on Natural Gas			53,812	65,000
- Discount Retained on Local Crude Price			17,000	20,000
- Windfall Levy against Crude Oil			8,000	10,000
- Gas Infrastructure Development Cess			15,000	130,000
- Petroleum Levy on LPG			5,516	7,600
- Extraordinary Receipts (UNO)			28,045	47,360
- Extraordinary Receipts (others)			41	45
- Others			67,575	81,534
Total (A+B+C+D)			1,610,226	2,079,965

TABLE - 6
DETAILS OF DIVISIBLE POOL TAXES

Table-6 provides part (Pool) of Taxes that are transferred to provinces as per NFC, other transfers / grants after excluding refunds and province wise share.

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
A. DIVISIBLE POOL TAXES	2,817,212	3,310,489
- Income Tax	1,156,193	1,232,877
- Capital Value Tax	1,744	322
- Sales Tax (Excl. GST on Services)	1,098,916	1,435,588
- Federal Excise (excl. Excise Duty on Natural Gas)	198,403	197,285
- Customs Duties (excl. Export Development Surcharge)	361,957	444,416
B. STRAIGHT TRANSFERS	106,506	101,370
- Gas Development Surcharge	15,867	16,468
- Royalty on Natural Gas	52,736	51,564
- Royalty on Crude Oil	23,199	21,604
- Excise Duty on Natural Gas	14,705	11,733
TOTAL (A + B):	2,923,719	3,411,858
- Tax Refund	50,000	-
AFTER TAX REFUND	2,873,719	3,411,858
PROVINCE- WISE SHARE		
Punjab	1,439,116	1,691,098
Sindh	742,030	848,208
Khyber Pakhtunkhwa	477,519	559,257
Balochistan	265,054	313,296
Tax Refund	-50,000	-
TOTAL PROVINCIAL SHARE	2,873,719	3,411,858

TABLE - 7
CAPITAL RECEIPTS (NET)

Table-7 explains Capital Receipts (Net) and their sources. It comprises of Net Lending of PSEs, (Table-1) which is the difference between disbursement minus recovery of loans by PSEs (Others).

The second part shown at Sr. No.II of this table relates to the Non Bank Borrowing as indicated at Sr. No.II of Table-1 of Part-II.

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
TOTAL CAPITAL RECEIPTS (I + II)	1,326,053	1,439,879
I. Recoveries of Loans & Advances	147,167	273,352
- Provinces	89,025	95,361
- Others	58,142	177,990
II. Non Bank Borrowing	1,178,886	1,166,527
Public Debt Net (1 + 2)	1,178,886	1,166,527
1. Permanent Debt	864,067	1,974,495
2. Floating Debt	314,819	(807,967)

TABLE - 8
PUBLIC ACCOUNT (NET)

Table-8 indicates the position of Public Account (Net):

Classification	(Rs in Million)	
	Budget 2020-22	Budget 2021-22
1 National Savings Schemes	223,279	66,137
2 G.P. Fund	4,000	(8,000)
3 Deposits and Reserves (Net)	(11,659)	16,058
TOTAL:	215,620	74,195

TABLE - 9
EXTERNAL RESOURCES

Table-9 contains receipts from External Resources. Net External Receipts shows details of inflow minus repayments. The details of Net External Receipts is indicated in Table-1 of Part-II.

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
I. EXTERNAL LOANS (A to C)	2,157,500	2,693,338
A. Project Loans (i+ii)	218,153	259,943
i Federal Government	66,822	93,713
ii Provinces	151,331	166,231
B. Programme Loans	503,567	438,195
C. Other Aid	1,435,781	1,995,200
II. EXTERNAL GRANTS	20,667	31,636
D. External Resources (I + II):	2,178,167	2,724,974
E. Project Loans & Grants Outside PSDP	44,751	22,817
GROSS EXTERNAL RESOURCES (D+E):	2,222,918	2,747,792
Foreign Loans and Repayment (-)	1,228,880	1,427,592
Repayment of Foreign Credits (-)	183,691	74,405
NET EXTERNAL RESOURCES:	810,347	1,245,795

TABLE - 10
CURRENT EXPENDITURE

Table-10 contains Current Expenditure, already given at A in Table-1, Part-II, in summarized form.

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
Current Expenditure	6,345,502	7,523,248
(i) Mark-up Payment	2,946,135	3,059,682
- Mark-up on Domestic Debt	2,631,000	2,757,176
- Mark-up on Foreign Debt	315,135	302,506
(ii) Pension	470,000	480,000
- Military	359,000	360,000
- Civil	111,000	120,000

Contd....

		(Rs in Million)	
Classification		Budget 2020-21	Budget 2021-22
(iii)	Defence Affairs and Services	1,289,134	1,370,000
(iv)	Grants and Transfers	904,644	1,167,518
	- Grants to Provinces	85,000	106,250
	- Grants to Others	819,644	1,061,268
(v)	Subsidies	209,000	682,000
(vi)	Pay and Pension	-	160,000
(vii)	Provision for Contingencies & Fund	50,000	25,000
(viii)	Running of Civil Government	476,589	479,048
(xi)	Provision for Disaster / Emergency/ Covid	-	100,000
Total: CURRENT EXPENDITURE		6,345,502	7,523,248

TABLE - 11
FUNCTION-WISE EXPENDITURE

Table-11 contains function wise expenditure, i.e. how much is utilized for various functions of the Government.

		(Rs in Million)	
Classification		Budget 2020-21	Budget 2021-22
1)	General Public Service	4,428,960	5,435,200
2)	Defence Affairs and Services	1,292,943	1,373,275
3)	Public Order and Safety Affairs	169,961	178,511
4)	Economic Affairs	71,751	115,243
5)	Environment Protection	431	436
6)	Housing and Community Amenities	35,680	34,597
7)	Health Affairs & Services *	25,494	28,352
8)	Recreation, Culture and Religion	9,822	10,372
9)	Education Affairs and Services	83,363	91,970
10)	Social Protection	230,907	255,292
TOTAL:		6,349,311	7,523,248

* An amount of Rs: 100 billion has been allocated for COVID related expenditure during FY 2021-22

TABLE - 12
SUBSIDIES

Table-12 gives the details of subsidies for which a single figure is given in Table-1, Part-II.

(Rs in Million)		
Classification	Budget 2020-21	Budget 2021-22
Power	139,500	596,000
- WAPDA/ PEPCO	129,000	245,000
- KESC	10,500	85,000
- PHPL & IPPs	-	266,000
Petroleum	10,000	20,000
PASSCO	7,000	7,000
Utility Stores Corporation	3,000	6,000
Others	49,500	53,000
- Wheat Subsidy to GB	6,000	8,000
- Metro Bus	2,000	1,000
- Fertilizer Plant	6,000	6,000
- Others	5,500	5,000
- Naya Pakistan Housing Authority	30,000	30,000
- Mark-up Subsidy Naya Pakistan	-	3,000
TOTAL	209,000	682,000

TABLE - 13
GRANTS AND TRANSFERS

Table-13 gives the details of Grants and Transfers, for which a single figure is given in Table-1, Part-II.

(Rs in Million)		
Classification	Budget 2020-21	Budget 2021-22
I. GRANTS IN AID & MISCELLANEOUS ADJUSTMENTS	85,000	106,250
SPECIAL GRANTS	85,000	106,250
- Punjab	-	-
- Sindh	19,000	19,250
- Khyber Pakhtunkhwa	56,000	77,000
- Balochistan	10,000	10,000

Contd....

(Rs in Million)		
Classification	Budget 2020-21	Budget 2021-22
II. GRANTS TO OTHERS	819,644	1,061,268
- Contingent and Misc.	416,000	440,000
- Pakistan Railways	40,000	42,000
- Provision for Relief etc.	3,000	7,000
- Competition Commission of Pakistan	250	200
- Reimbursement of TT Charges	22,477	19,107
- Pakistan Remittance Initiative	23	25
- Wallet Accounts	500	100
- Scheme For Marketing Home Remittance	2,000	3,000
- Audit Oversight Board	35	50
- Azad Jammu and Kashmir	54,890	59,500
- Gilgit Baltistan	32,000	47,000
- Bait-ul-Maal	6,105	4,200
- Pakistan Machine Tool Factory	500	500
- BISP	200,000	246,000
- FMU, Karachi	300	400
- DLTL	10,000	20,000
- Artist Welfare Fund	3,000	100
- PPAF	2,000	2,000
- ECP (LG Election)	2,500	5,000
- NDMA	5,000	-
- Medical Equipments	5,000	-
- Relief to SME & Agriculture	10,000	-
- Others	3,938	-
- Pakistan Banao Certificate	112	-
- Standarad Chartered Bank	14	-
- Grant to HEC	-	65,250
- Security Enhancement	-	40,000
- Viability Gap Fund	-	100
- AML / CFT Supervisory Board (CDNS)	-	50
- Association for Welfare of Retired Pensioners	-	10
- TDRP & Foreign Grants through EAD	-	6,000
- Credit Guarantee Scheme for Small Farmers	-	100
- Crop Loan Insurance	-	600
- Live Stock Insurance Sceheme	-	500
- Grants for Reconstruction in Afghanistan	-	300

Contd....

(Rs in Million)

Classification	Budget 2020-21	Budget 2021-22
- Public Financial Management & Accountability (MOF P4R)	-	1,443
- Public Financial Management & Accountability (Provinces P4R)	-	600
- Payment of PLIC/PPOD Liabilities (Principal+Interest)	-	8,000
- PM Kamyab Jawan Programme / Kissan Programme	-	10,000
- PMYBL / All PM old schemes & Widows	-	600
- Gas Infrastructure Development Cess	-	10,000
- Budget Computerization /SAP FD	-	100
- Conversion of DCS Pension	-	200
- SME/ Risk Sharing Facility	-	5,000
- Covid Tax Loan Guarantee (CTLG) Scheme	-	5,000
- Naya Pakistan Certificates	-	1,000
- Refinance and Credit Guarantee Scheme for Collateral Free Lending to SMEs	-	1,190
- National Remittance Loyalty Program (NRLP)	-	1,768
- NEECA	-	175
- Anti Rape Fund	-	100
- 7th Population and Housing Census	-	5,000
- Pakistan Population Fund	-	1,000
- National Disaster Risk Management Fund	-	1,000
TOTAL GRANTS (I+II):	904,644	1,167,518

TABLE - 14
CURRENT LOANS & ADVANCES

Table-14 explains the Current Loans and Advances to various PSEs, States and Friendly Countries.

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
1 Ways & Means Advances to the Govt. of AJK for repayment of principal & interest	15,000	15,000
2 Junagadh and Kathiawar Chiefs	21	21
3 Loans and Advances to Governments Servants + PNRA	15,500	11,000
4 Loans/Advances to Friendly Countries	200	200
5 Gilgit-Baltistan for Repayment of Principal and Interest	10	60
6 Interest free Loans to WAPDA For Operation and Maintenance, Hub Dam & Khanpur Dam	20	-
7 Loan to State Engineering Corporation	25	25
8 Current Loans to PIA	20,000	20,000
9 Loans to Pakistan Steel Mills Karachi	16,000	16,000
10 Ways and Means to Provinces	-	15,000
11 Markup Payment of Pakistan Steel Mill Loan No.2	-	500
12 Loan to Pakistan Machine Tool Factory	-	-
TOTAL:	66,776	77,806

TABLE - 15
CURRENT INVESTMENTS

Table-15 explains Current Investments through equity, etc. in various entities.

(Rs in Million)		
Classification	Budget 2020-21	Budget 2021-22
1 GoP Contribution in Equity of Pak China Investment Co. Ltd. Islamabad	200	100
2 GoP Equity injection in Sarmaya-e-Pakistan Ltd	200	200
3 Paid up Capital for EXIM Bank of Pakistan	1,000	5,000
4 4th General Increase of Capital Stock Islamic Development Bank (IDB)	1,263	1,000
5 Pakistan Mortgage Refinance Company Ltd. PMRCL	1,550	2,000
6 GoP Equity in DISCOs through PHPL for payment of DSL of STFF	6,000	10,000
7 Pakistan's Annual Contribution to Inter Governmental Group IF 24 (G-24)	4	8
8 International Financial Institutions GOP contribution in equity of Pak-Libya Holding Company Limited	300	100
9 MCR DOE Postal Life Insurance Company	1,000	-
10 Equity For Post Payment Company	200	-
11 Equity Pakistan Credit Guarantee	-	3,000
TOTAL:	11,717	21,408

TABLE - 16
DEVELOPMENT LOANS AND ADVANCES

Table-16 explains Domestic and External Development Loans and Advances.

Development Loans and Advances are part of project aid disbursed by foreign donors and are used to Finance PSDP. The loans are re-lent by the Federal Government to Provincial Governments and PSEs.

(Rs in Million)		
Classification	Budget 2020-21	Budget 2021-22
1 Development Loans and Advances	140,288	131,346
2 External Development Loans and Advances	286,728	313,716
TOTAL:	427,016	445,062

TABLE - 17
DISTRIBUTION OF PSDP

The Table-17 explains the Division wise distribution of PSDP, explaining the figures of PSDP given in Table-1, Part-I.

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
1 Aviation Division	1,321	3,558
2 Board of Investment	80	80
3 Cabinet Division	47,802	46,155
4 Climate Change Division	5,000	14,327
5 Commerce Division	104	1,614
6 Communications Division (other than NHA)	255	451
7 Defence Division	660	1,978
8 Defence Production Division	1,579	1,745
9 Establishment Division	283	800
10 Federal Education & Professional Division	4,526	9,700
11 Finance Division	18,667	123,131
12 Foreign Affairs Division	10	-
13 Higher Education Commission	29,470	42,450
14 Housing & Works Division	8,737	24,212
15 Human Rights Division	256	279
16 Industries and Production Division	800	2,916
17 Information & Broadcasting Division	361	1,900
18 Information Tech. & Telecom Division	6,673	9,361
19 Inter Provincial Coordination Division	929	3,735
20 Interior Division	14,758	21,049
21 Kashmir Affairs & Gilgit Baltistan Division	100,425	69,960
22 Law and Justice Division	991	6,027
23 Maritime Affairs Division	2,683	4,462
24 Narcotics Control Division	54	489
25 National Food Security & Research Division	12,000	12,017
26 National Health Services, Regulations & Coordination Division	14,508	21,723
27 National History & Literary Heritage Division	195	126
28 Pakistan Atomic Energy Commission	23,297	27,000
29 Pakistan Nuclear Regulatory Authority	350	200
30 Petroleum Division	1,786	3,250
31 Planning, Development & Special Initiatives Division	3,545	19,246
32 Poverty Alleviation and Social Safety Division	135	599

Contd...

Classification	(Rs in Million)	
	Budget 2020-21	Budget 2021-22
33 Railways Division	24,000	30,026
34 Religious Affairs & Interfaith Harmony Division	54	494
35 Revenue Division	1,697	4,025
36 Science & Technological Research Division	4,458	8,341
37 SUPARCO	4,975	7,369
38 Water Resources Division	81,250	103,473
39 National Highway Authority (NHA)	118,675	113,750
40 NTDC / PEPCO	39,650	69,485
41 ERRRA	3,000	-
42 COVID Responsive and Other Natural Calamities Program	70,000	5,000
43 VGF for PPP Projects	-	61,500
44 SDGs Supplementary Funds	-	22,000
(A) Total Federal PSDP (1 to 44)	650,000	900,000
(B) Provinces	674,000	1,235,000
TOTAL NATIONAL PSDP (A + B)	1,324,000	2,135,000

PART - IV
DETAILED BUDGET ESTIMATES

TABLE - 18
REVENUE RECEIPTS

Table-18 presents the detail of Revenues collected by FBR, Summary already given in Table-4 (Part-II):

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
FBR TAXES (I + II)	4,963,000	4,690,999	5,829,000
I. Direct Taxes	2,043,000	1,788,999	2,182,000
- Income Tax	2,032,557	1,779,924	2,171,839
- Workers Welfare Fund	3,969	7,193	8,054
- Workers' Profit Participation Fund	3,750	1,380	1,545
- Capital Value Tax	2,724	502	562
II. Indirect Taxes	2,920,000	2,902,000	3,647,000
- Customs Duties	640,000	700,000	785,000
- Sales Tax	1,919,000	1,927,000	2,506,000
- Federal Excise	361,000	275,000	356,000

TABLE - 19
NON TAX REVENUE RECEIPTS

Table-19 shows the Non Tax Revenues details realized by the other government functionaries.

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
A. LEVIES & FEES	26,300	18,431	29,503
- Mobile Handset Levy	5,800	5,000	9,000
- Fee collected by ICT Administration	20,475	13,401	20,453
- Airport Fee	25	30	50
B. INCOME FROM PROPERTY & ENTERPRISE	210,708	177,188	265,839
- Pakistan Telecom Authority (Surplus)	2,000	2,419	4,000
- PTA (3G / 4G Licences)	27,000	33,893	45,436
- Regulatory Authorities (Surplus/ Penalties)	542	585	508

Contd...

(Rs in Million)

Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
- Mark up (Provinces)	26,843	24,963	35,532
- Mark up (PSEs & Others)	93,345	75,000	90,000
- Dividends	60,978	40,328	90,363
C. RECEIPTS FROM CIVIL ADMINISTRATION AND OTHER FUNCTIONS	645,616	727,524	684,105
- General Administration	3,440	4,303	7,114
- SBP Profit	620,000	700,000	650,000
- Defence	18,431	18,431	20,274
- Law and Order	1,198	1,850	2,695
- Community Services	1,097	1,900	2,538
- Social Services	1,450	1,040	1,485
D. MISCELLANEOUS RECEIPTS	727,602	781,301	1,100,518
- Economic Services	2,096	2,287	2,980
- Foreign Grants	22,517	12,000	20,000
- Petroleum Levy	450,000	500,000	610,000
- Natural Gas Development Surcharge	10,000	27,000	36,000
- Citizenship, Naturalization & Passport Fee	25,000	25,000	35,000
- Royalty on Crude Oil	23,000	26,000	35,000
- Royalty on Natural Gas	53,812	57,000	65,000
- Discount Retained on Local Crude Price	17,000	16,000	20,000
- Windfall Levy against Crude Oil	8,000	6,000	10,000
- Gas Infrastructure Development Cess (GIDC)	15,000	25,000	130,000
- Petroleum Levy on LPG	5,516	4,772	7,600
- Extraordinary Receipts (UNO)	28,045	35,115	47,360
- Extraordinary Receipts (Others)	41	32	45
- Others	67,575	45,094	81,534
Total (A +B+C+D)	1,610,226	1,704,443	2,079,965

Distribution of Resources Among Federation and Provinces

1. Pakistan is a Federal democracy. In order to maintain inter-governmental fiscal relationship, Article 160 of the Constitution provides for setting up of a National Finance Commission (NFC) with intervals not exceeding five years. The mandate of NFC is to make recommendations to the President for the distribution of resources between the Federal and Provincial Governments. The recommendations of the NFC are given legal cover through a President's Order. The relevant provisions of President's Order No. 5 of 2010 as amended vide No. 6 of 2015 are as under:

(i) Distribution of Revenues.—(1) The divisible pool taxes in each year shall consist of the following taxes levied and collected by the Federal Government in that year, namely:—

- (a) taxes on income;
- (b) wealth tax;
- (c) capital value tax;
- (d) taxes on the sales and purchases of goods imported, exported, produced, manufactured or consumed;
- (e) export duties on cotton;
- (f) customs duties;
- (g) federal excise duties excluding the excise duty on gas charged at well-head; and
- (h) any other tax which may be levied by the Federal Government.

(2) One percent of the net proceeds of divisible pool taxes shall be assigned to Government of Khyber Pakhtunkhwa to meet the expenses on war on terror.

(3) After deducting the amounts as prescribed in clause (2), of the balance amount of the net proceeds of divisible pool taxes, fifty-six percent shall be assigned to provinces during the financial year 2010-11 and fifty-seven and half percent from the financial year 2011-12 onwards. The share of the Federal Government in the net proceeds of divisible pool shall be forty-four percent during the financial year 2010-11 and forty-two and half percent from the financial year 2011-12 onwards.

(ii) Allocation of shares to the Provincial Governments.—(1) The Province-wise ratios given in clause (2) are based on multiple indicators. The indicators and their respective weights as agreed upon are:—

(a)	Population	82.0%
(b)	Poverty or backwardness	10.3%
(c)	Revenue collection or generation	5.0%
(d)	Inverse population density	2.7%

(2) The sum assigned to the Provincial Governments under Article 3 shall be

distributed amongst the Provinces on the basis of the percentage specified against each:—

(a)	Balochistan	9.09%
(b)	Khyber Pakhtunkhwa	14.62%
(c)	Punjab	51.74%
(d)	Sindh	24.55%
	Total:	100.00%

(3) The Federal Government shall guarantee that Balochistan province shall receive the projected sum of eighty-three billion rupees from the provincial share in the net proceeds of divisible pool taxes in the first year of the Award. Any shortfall in this amount shall be made up by the Federal Government from its own resources. This arrangement for Balochistan shall remain protected throughout the remaining four years of the Award based on annual budgetary projections.

(iii) Payment of net proceeds of royalty on crude oil.—Each of the provinces shall be paid in each financial year as a share in the net proceeds of the total royalties on crude oil an amount which bears to the total net proceeds the same proportion as the production of crude oil in the Province in that year bears to the total production of crude oil.

(iv) Payment of net proceeds of development surcharge on natural gas to the Provinces.—(1) Each of the Provinces shall be paid in each financial year as a share in the net proceeds to be worked out based on average rate per MMBTU of the respective province. The average rate per MMBTU shall be derived by notionally clubbing both the royalty on natural gas and development surcharge on Gas. Royalty on natural gas shall be distributed in accordance with clause (1) of Article 161 of the Constitution whereas the development surcharge on natural gas would be distributed by making adjustments based on this average rate.

(2) The development surcharge on natural gas for Balochistan with effect from 1st July 2002, shall be re-worked out hypothetically on the basis of the formula given in clause (1) and the amount, subject to maximum of ten billion rupees, shall be paid in five years in five equal installments by the Federal Government as grants to be charged on the Federal Consolidated Fund.

(v) Grants-in-Aid to the Provinces.—There shall be charged upon the Federal Consolidated Fund each year, as grants-in-aid of the revenues of the province of Sindh an amount equivalent to 0.66% of the provincial share in the net proceeds of divisible pool as a compensation for the losses on account of abolition of octroi and zilla tax.

(vi) **Sales tax on services.**—NFC recognizes that sales tax on services is a Provincial subject under the Constitution of the Islamic Republic of Pakistan, and may be collected by respective Provinces, if they so desired.

(vii) Recently, the President has constituted 10th NFC Award for consideration on distribution of resources afresh.

(viii) Detail of Provincial share of Federal Taxes for budget estimates and revised estimates of 2020-21 and budget estimates of 2021-22 are given below:-

TABLE - 20
DETAILS OF DIVISIBLE POOL TAXES
(TRANSFERS TO PROVINCES)

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
A. DIVISIBLE POOL TAXES	2,817,212	2,600,034	3,310,489
- Income Tax	1,156,193	993,424	1,232,877
- Capital Value Tax	1,744	418	322
- Sales Tax (Excl. GST on Services)	1,098,916	1,063,069	1,435,588
- Federal Excise (excl. Excise Duty on Natural Gas)	198,403	155,896	197,285
- Customs Duties (excl. Export Development Surcharge)	361,957	387,227	444,416
B. STRAIGHT TRANSFERS	106,506	104,130	101,370
- Gas Development Surcharge	15,867	24,200	16,468
- Royalty on Natural Gas	52,736	50,053	51,564
- Royalty on Crude Oil	23,199	19,667	21,604
- Excise Duty on Natural Gas	14,705	10,210	11,733
C. Less	50,000	-	-
Tax Refund	50,000	-	-
TOTAL (A + B - C):	2,873,719	2,704,164	3,411,858
PROVINCE- WISE SHARE			
Punjab	1,439,116	1,322,625	1,691,098
Sindh	742,030	680,479	848,208
Khyber Pakhtunkhwa (Inclusive 1% War on Terror)	477,519	443,429	559,257
Balochistan	265,054	257,631	313,296
Tax Refund	-50,000	-	-
TOTAL PROVINCIAL SHARE:	2,873,719	2,704,164	3,411,858

TABLE - 21
CAPITAL RECEIPTS (NET)

Table-21 indicates the position of Capital Receipts (Net):

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
TOTAL CAPITAL RECEIPTS (I + II)	1,326,053	1,701,184	1,439,879
I. Recoveries of Loans & Advances	147,167	184,120	273,352
- Provinces	89,025	88,119	95,361
- PSEs and Others	58,142	96,001	177,990
II. CAPITAL RECEIPTS (A + B)	1,178,886	1,517,064	1,166,527
Public Debt Net (1 + 2)	1,178,886	1,517,064	1,166,527
1. Permanent Debt	864,067	1,200,433	1,974,495
- Pakistan Investment Bonds	400,000	743,465	751,139
- Ijara Sukuk Bonds	450,000	437,410	1,200,000
- Foreign Exchange Bearer Certificates (FEBCs)	(5)	(1)	(5)
- Foreign Currency Bearer Certificates (FCBCs)	(5)	(1)	(5)
- U.S. Dollar Bearer Certificates	(3)	(0)	(3)
- Special US Dollar Bonds	(50)	(40)	(50)
- Premium Prize Bonds (Regd.)	15,000	20,000	25,000
- Pakistan Banao Certificate (3)	(199)	(128)	(1,581)
- Pakistan Banao Certificate (5)	(528)	(141)	-
- FADRA	(143)	(131)	-
2. Floating Debt	314,819	316,631	(807,967)
- Prize Bonds	(85,181)	(268,462)	(239,984)
- Treasury Bills Auction	400,000	586,951	(384,525)
- Govt. Bai-Muajjal Ijara Sukuk	-	-	(183,158)
- Other Bills	-	(1,858)	-
- Ways and Means Advances	-	-	(300)
CAPITAL RECEIPTS (I + II):	1,326,053	1,701,184	1,439,879

TABLE - 22
PUBLIC ACCOUNT (NET)

Table-22 indicates the position of Public Account (Net):

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
1 National Savings Schemes	223,279	(52,997)	66,137
2 G.P. Fund	4,000	(7,900)	(8,000)
3 Deposits and Reserves (Net)	(11,660)	(20,421)	16,058
TOTAL:	215,619	(81,318)	74,195

TABLE - 23
EXTERNAL RESOURCES

Table-23 indicates the position of External Resources as below:

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
I. EXTERNAL LOANS (A to C)	2,157,500	2,201,250	2,693,338
A. Project Loans (i+ii)	218,153	228,897	259,943
i <u>Federal Government</u>	<u>66,822</u>	<u>129,587</u>	<u>93,713</u>
- Ministries/Divisions	13,274	26,714	20,596
- Corporations/Autonomous Bodies	53,548	102,873	73,117
ii <u>Provinces</u>	<u>151,331</u>	<u>99,309</u>	<u>166,231</u>
B. Programme Loans	503,567	440,319	438,195
C. Other Aid	1,435,781	1,532,035	1,995,200
- Islamic Development Bank	165,000	128,800	160,000
- Saudi Arabia (Saudi Oil)	165,000	-	-
- Euro Bond/International Sukuk	247,500	402,500	560,000
- Commercial Banks	647,213	762,335	779,200
- China Saif Deposits	-	161,000	-
- IMF Loan for Budgetary Support	211,068	77,400	496,000
II. GRANTS	20,667	27,749	31,636
- <u>Project Aid Grants</u>	<u>20,667</u>	<u>27,749</u>	<u>31,636</u>
• Federal Departments	4,811	4,097	6,028
• Autonomous Bodies	842	6,218	259
• Provinces	15,014	17,434	25,349

Contd...

(Rs in Million)

Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
D. External Resources (I + II):	2,178,168	2,228,999	2,724,974
E. Project Loans & Grants Outside PSDP	44,751	57,859	22,817
Loans	42,411	50,450	22,139
Grants	2,340	7,409	678
TOTAL EXTERNAL RESOURCES (D+E):	2,222,919	2,286,859	2,747,792
Foreign Loans and Repayment (-)	1,228,880	841,993	1,427,592
Repayment of Short Term Credits (-)	183,691	121,944	74,405
EXTERNAL RESOURCES (Net):	810,348	1,322,922	1,245,795

TABLE - 24
CURRENT EXPENDITURE

Table-24 presents the position of Current Expenditure.

(Rs in Million)

Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
(i) Mark-up Payment	2,946,135	2,850,688	3,059,682
- Mark-up on Domestic Debt	2,631,000	2,611,120	2,757,176
- Mark-up on Foreign Debt	315,135	239,568	302,506
(ii) Pension	470,000	470,000	480,000
- Military	359,000	359,000	360,000
- Civil	111,000	111,000	120,000
(iii) Defence Affairs and Services	1,286,192	1,295,000	1,370,000
- Defence Services	1,286,192	1,295,000	1,370,000
(iv) Grants and Transfers	904,644	932,394	1,167,518
- Grants to Provinces	85,000	85,000	106,250
- Grants to Others	819,644	847,394	1,061,268
(v) Subsidies	209,000	430,000	682,000
(vi) Pay and Pension	-	-	160,000
(vii) Provision for Contingencies	50,000	-	25,000
(viii) Running of Civil Government	476,589	487,897	479,048
(ix) Provision for Disaster / Emergency / Covid	-	95,000	100,000
CURRENT EXPENDITURE (i to ix)	6,342,560	6,560,979	7,523,248

TABLE - 25
FUNCTION WISE CURRENT EXPENDITURE

Table-25 shows details of Current expenditure which is divided into ten (10) functional items as per Charts of Accounts.

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
1) General Public Service	4,428,960	4,491,028	5,435,200
2) Defence Affairs and Services	1,292,943	1,299,188	1,373,275
3) Public Order and Safety Affairs	169,961	168,952	178,511
4) Economic Affairs	71,751	192,452	115,243
5) Environment Protection	431	399	436
6) Housing and Community Amenities	35,680	9,997	34,597
7) Health Affairs & Services	25,494	52,325	28,352
8) Recreation, Culture and Religion	9,822	12,160	10,372
9) Education Affairs and Services	83,363	88,090	91,970
10) Social Protection	230,907	246,411	255,292
TOTAL:	6,349,311	6,560,979	7,523,248

The detail of Expenditure under above Ten Functions (10 Tables) are as under:-

(1) GENERAL PUBLIC SERVICE

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
GENERAL PUBLIC SERVICE	4,428,960	4,491,028	5,435,200
Executive & Legislative Organs, Financial, Fiscal Affairs & External Affairs	3,664,058	3,752,261	4,235,254
- Superannuation Allowances & Pensions	470,000	470,000	480,000
- Servicing of Foreign Debt	315,135	239,568	302,506
- Servicing of Domestic Debt	2,631,000	2,611,120	2,757,176
- Others	247,923	431,574	695,573
Foreign Economic Aid	2,387	1,901	3,305
Transfers	687,355	688,780	1,149,251

Contd...

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
General Services	10,623	10,346	10,619
Basic Research	5,952	6,015	6,413
Research and Development General Public Services	15,108	16,246	16,744
Administration of General Public Services	3,149	3,149	3,827
General Public Services not elsewhere defined	40,329	12,330	9,788

(2) DEFENCE AFFAIRS AND SERVICES

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
DEFENCE AFFAIRS AND SERVICES	1,292,943	1,299,188	1,373,275
- Defence Administration	2,943	4,188	3,275
- Defence Services	1,290,000	1,295,000	1,370,000
- Employees Related Expenses	475,657	471,762	481,592
- Operating Expenses	301,109	308,970	327,136
- Physical Assets	357,756	357,393	391,499
- Civil Works	155,478	156,875	169,773

(3) PUBLIC ORDER AND SAFETY AFFAIRS

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
PUBLIC ORDER AND SAFETY AFFAIRS	169,961	168,952	178,511
- Law Courts	6,937	7,248	7,974
- Police and Civil Armed Forces	158,621	157,312	165,153
- Fire Protection	303	266	290
- Prison Administration and Operation	47	42	48
- R & D Public Order and Safety	50	60	56
- Administration of Public Order	4,003	4,024	4,990

(4)**ECONOMIC AFFAIRS****(Rs in Million)**

Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
ECONOMIC AFFAIRS	71,751	192,452	115,243
- General Economic, Commercial and Labour Affairs	14,108	87,982	31,054
- Agriculture, Food, Irrigation, Forestry and Fishing	13,696	29,400	14,098
- Fuel and Energy	10,762	12,762	20,770
- Mining and Manufacturing	1,968	2,689	2,278
- Construction and Transport	15,638	22,246	26,700
- Communications	3,779	25,716	18,916
- Other Industries	11,800	11,457	1,426
- Research & Development Economic Affairs	-	200	-

(5)**ENVIRONMENT PROTECTION****(Rs in Million)**

Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
ENVIRONMENT PROTECTION	431	399	436
Waste Water Management	431	399	436

(6)**HOUSING AND COMMUNITY AMENITIES****(Rs in Million)**

Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
HOUSING AND COMMUNITY AMENITIES	35,680	9,997	34,597
Housing Development	31,000	5,353	30,720
Community Development	4,680	4,644	3,877

(7) HEALTH AFFAIRS AND SERVICES

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
HEALTH AFFAIRS AND SERVICES	25,494	52,325	28,352
- Medical Products, Appliances and Equipment	31	31	31
- Hospital Services	22,774	16,316	23,982
- Public Health Services*	504	33,061	849
- Health Administration	2,184	2,916	3,489

* An amount of Rs: 100 billion has been allocated for COVID related expenditure during FY 2021-22

(8) RECREATION, CULTURE AND RELIGION

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
RECREATION, CULTURE AND RELIGION	9,822	12,160	10,372
- Recreation and Sporting Services	0.4	0.2	0
- Cultural Services	747	751	934
- Broadcasting and Publishing	7,500	8,912	7,677
- Religious Affairs	1,122	2,049	1,185
- Administration of Information, Recreation & Culture	453	447	574

(9) EDUCATION AFFAIRS AND SERVICES

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
EDUCATION AFFAIRS AND SERVICES	83,363	88,090	91,970
- Pre-Primary & Primary Education Affairs Services	2,931	2,931	3,021
- Secondary Education Affairs & Services	7,344	7,355	7,632
- Tertiary Education Affairs and Services	70,741	75,033	78,195
- Subsidiary Services to Education	312	317	317
- Administration	1,237	1,608	1,915
- Education Affairs, Services not elsewhere classified	798	847	890

(10) SOCIAL PROTECTION

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
SOCIAL PROTECTION	230,907	246,411	255,292
- Administration	21,763	29,284	2,018
- Others	886	863	815
- Social Protection (not elsewhere classified)	208,258	216,265	252,460

In addition to the above allocations under the Current Budget as per ten classification heads, the Federal Govts provides funds for various purposes.

In order to alleviate the impact of inflation on citizens, especially the poor segments of society, the Federal Government spends a fairly large sum on providing power and food subsidies.

TABLE - 26
SUBSIDIES

Table-26 shows detail of subsidies:

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
<u>Subsidy to WAPDA/PEPCO:</u>	<u>124,000</u>	<u>350,350</u>	<u>511,000</u>
1 IPPs	-	-	136,000
2 PHPL (C.D.M)	-	46,000	118,000
3 Tariff Differential for Agri-Tubewells in Balochistan	3,000	7,000	4,400
4 WAPDA/PEPCO receivable Ex FATA	-	-	7,600
5 WAPDA on account of Tariff Differential for AJ&K	1,000	27,000	-
6 WAPDA/PEPCO receivables - merged districts of KP	10,000	15,000	18,000
7 Inter-Disco Tariff Differential	110,000	191,830	184,000
8 For Tariff Differential to AJK	-	36,537	2,000
9 Industrial Support Package	-	-	15,000
10 Zero rated Industrial Subsidy	-	26,983	26,000
<u>Subsidy to KESC:</u>	<u>15,500</u>	<u>16,000</u>	<u>85,000</u>
11 KESC's Tariff Differential	10,000	16,000	56,000
12 Tariff Differential for Agriculture Tubewells in Balochistan	500	-	7,000
13 To KESC for Industrial Support Package	5,000	-	22,000
<u>Subsidy to Petroleum:</u>	<u>10,000</u>	<u>12,000</u>	<u>20,000</u>
14 Subsidy to LNG sector for providing Gas on lower rates to industry	10,000	10,000	10,000
15 PSO, APL Liabilities and Others	-	2,000	10,000

Contd.....

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
<u>PASSCO:</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>
16 Subsidy to PASSCO on Account of Wheat Operation	2,000	2,000	2,000
17 Wheat Reserved Stock	5,000	5,000	5,000
<u>Utility Store Corporation</u>	<u>3,000</u>	<u>8,000</u>	<u>6,000</u>
18 Ramzan Package	3,000	8,000	6,000
<u>Others:</u>	<u>49,500</u>	<u>36,650</u>	<u>53,000</u>
19 Wheat Subsidy to GB	6,000	7,000	8,000
20 Metro Bus Subsidy	2,000	2,000	1,000
21 Fertilizer Plants Subsidy	6,000	6,000	6,000
22 Provision for Subsidy	5,500	1,418	5,000
23 Subsidy to Naya Pakistan Housing Authority	30,000	5,000	30,000
24 Mark-up Subsidy Naya Pakistan	-	-	3,000
25 White-Fly Pesticide	-	615	-
26 Prime Minister's Fiscal Package	-	9,559	-
27 Prime Minister's Package for Rabi Crops	-	1,058	-
28 Agri Loans by ZTBL to Farmers	-	4,000	-
TOTAL SUBSIDIES:	209,000	430,000	682,000

TABLE - 27
GRANTS AND TRANSFERS

Table - 27 gives details of Grants and Transfer to provinces and other entities as provided by the Federal Government.

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
I. GRANTS IN AID & MISCELLANEOUS ADJUSTMENTS	85,000	85,000	106,250
SPECIAL GRANTS	85,000	85,000	106,250
1 Punjab	-	-	-
2 Sindh	19,000	19,000	19,250
3 Khyber Pakhtunkhwa	56,000	56,000	77,000
-Khyber Pakhtunkhwa	56,000	56,000	60,000
-TDPs	-	-	17,000
4 Balochistan	10,000	10,000	10,000
II. GRANTS TO OTHERS	819,644	847,394	1,061,268
- Contingent Liabilities	323,000	323,000	340,000
- Miscellaneous Grants	93,000	93,000	100,000
- Pakistan Railways to meet their losses	40,000	40,000	42,000
- National Internship Programme	54	54	-
- Lump Provision for Relief etc.	3,000	11,461	7,000
- Competition Commission of Pakistan	250	250	200
- Reimbursement of Telegraphic Transfers (TT) Charges on Home Remittances	22,477	14,016	19,107
- Pakistan Remittance Initiative	23	23	25
- Audit Oversight Board	35	35	50

Contd.....

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
- Wallet Accounts	500	500	100
- Scheme for Marketing Home Remmitances	2,000	2,000	3,000
- Grants to AJK Government	54,890	56,890	59,500
- Grant-in-Aid to Gilgit Baltistan	32,000	34,000	47,000
- Grant to Bait-ul-Maal	6,105	6,105	4,200
Benazir Income Support Programme	200,000	194,911	246,000
Pakistan Poverty Alleviation Fund	2,000	2,000	2,000
NDMA	5,000	-	-
Medical Equipment	5,000	-	-
Relief to SME & Agriculture	10,000	5,000	-
ECP	2,500	2,323	5,000
Artist Welfare Fund	3,000	-	100
Machine Tools Factory	500	400	500
Pakistan Banao Certificate	112	112	-
Standard Chartered Bank	14	14	-
DLTL (Draw Back of Taxes)	10,000	10,000	20,000
Others	3,884	-	-
- Grant to HEC	-	-	65,250
- Security Enhancement	-	31,500	40,000
- Viability Gap Fund	-	-	100

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
- FMU, Karachi	300	300	400
- Supervisory Board (CDNS)	-	-	50
- Association for Welfare of Retired Pensioners	-	-	10
TDRP & Foreign Grants through EAD	-	3,000	6,000
Credit Guarantee Scheme for Small Farmers	-	500	100
Crop Loan Insurance	-	500	600
Live Stock Insurance Scheme	-	500	500
Grants for Reconstruction in Afghanistan	-	1,000	300
Public Financial Management & Accountability (MOF P4R)	-	600	1,443
- Public Financial Management & Accountability (Provinces P4R)	-	1,000	600
- Payment of PLIC/PPOD Liabilities (Principal+Interest)	-	5,400	8,000
PM Kamyab Jawan Programme / Kissan Programme	-	2,000	10,000
PMYBL / All PM old schemes & Widows	-	1,000	600
- Gas Infrastructure Development Cess	-	2,000	10,000
- Budget Computerization /SAP	-	-	100
- Conversion of DCS Pension	-	-	200
- SME/ Risk Sharing Facility	-	-	5,000
- Covid Tax Loan Guarantee (CTLG) Scheme	-	-	5,000

Contd...

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
- Naya Pakistan Certificates	-	-	1,000
- Refinance and Credit Guarantee Scheme for Collateral Free Lending to SMEs	-	-	1,190
- NEECA	-	-	175
- National Remittance Loyalty Program (NRLP)	-	-	1,768
- Anti Rape Fund (Investigation & Trial)	-	-	100
- 7th Population and Housing Census	-	-	5,000
- Pakistan Population Fund	-	-	1,000
- National Disaster Risk Management Fund	-	2,000	1,000
TOTAL GRANTS (I+II):	904,644	932,394	1,167,518

TABLE - 28
CURRENT LOANS & ADVANCES

Table - 28 shows Current Loans & Advances as provided by Federal Government to Govts. of AJK, GB and various institutions as well as Govt. Servants to enable them to meet their financial requirements. The details are as under:

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
1 Ways & Means Advances to the Govt. of AJK for repayment of principal & interest	15,000	14,971	15,000
2 Junagadh and Kathiawar Chiefs	21	21	21
3 Loans and Advances to Governments Servants + PNRA	15,500	15,539	11,000
4 Loans/Advances to Friendly Countries	200	200	200
5 Gilgit-Baltistan for Repayment of Principal and Interest	10	-	60

Contd...

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
6 Interest free Loans to WAPDA For Operation and Maintenance, Hub Dam & Khanpur Dam	20	20	-
7 Loan to State Engineering Corporation	25	25	25
8 Current Loans to PIA	20,000	19,500	20,000
9 Loans to Pakistan Steel Mills Karachi	16,000	38,693	16,000
10 Ways and Means to Provinces	-	-	15,000
11 Markup Payment of Pakistan Steel Mill Loan No.2	-	-	500
12 Loan to Pakistan Machine Tool Factory	-	500	-
TOTAL:	66,776	89,469	77,806

TABLE - 29
CURRENT INVESTMENTS

Table-29 shows detail of Current Investments. The Federal Government invests funds in various Companies, Banks etc, to earn Dividends which results an increase in Government's Revenues:

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
1 GoP Contribution in Equity of Pak China Investment Co. Ltd. Islamabad	200	200	100
2 GoP Equity injection in Sarmaya-e-Pakistan Ltd	200	200	200
3 Paid up Capital for the proposed Exim Bank of Pakistan	1,000	170	5,000
4 4th General Increase of Capital Stock Islamic Development Bank (IDB)	1,263	1,263	1,000
5 Pakistan Mortgage Refinance Company Ltd. PMRCL	1,550	1,680	2,000
6 GoP Equity in DISCOs through PHPL for payment of DSL of STFF	6,000	4,400	10,000

Contd...

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
7 Pakistan's Annual Contribution to Inter Governmental Group IF 24 (G-24)	4	4	8
8 International Financial Institutions GOP contribution in equity of Pak-Libya Holding Company Limited	300	300	100
9 MCR DOE Postal Life Insurance	1,000	3,300	-
10 Equity For Post Payment Company	200	-	-
11 Equity Pakistan Credit Gurantee	-	-	3,000
TOTAL:	11,717	11,517	21,408

TABLE - 30
DEVELOPMENT LOANS AND ADVANCES

Table-30 shows Development Loans and Advances as made by Federal Government to Provinces, AJK & GB, PSEs, Financial / Non-Financial Institutions, District Governments / TMAs and others to assist them in carrying out their Development Programmes:

(Rs in Million)			
Classification	Budget 2020-21	Revised 2020-21	Budget 2021-22
1 Development Loans and Advances	140,288	136,270	131,346
2 External Development Loans and Advances	286,728	286,728	313,716
TOTAL:	427,016	422,998	445,062

Public Sector Development Programme (PSDP)

The Public Sector Development Programme (PSDP) is the main instrument for improving the socio-economic conditions in the country and achieving the macroeconomic & development objectives and targets set by the government, which yield maximum benefits for the society in the shortest possible time.

TABLE - 31
PSDP 2021-22

Table - 31 shows the details of PSDP size for FY 2021-22 in respect of Ministries / Divisions / Departments / Corporations and for Special Packages / Relief are given below:-

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
A. Federal Ministries/Divisions	394,675	418,675	628,265
1 Aviation Division	1,321	1,321	3,558
2 Board of Investment	80	80	80
3 Cabinet Division	23,802	47,802	46,155
4 Climate Change Division	5,000	5,000	14,327
5 Commerce Division	103	104	1,614
6 Communications Division (other than NHA)	255	255	451
7 Defence Division	660	660	1,978
8 Defence Production Division	1,579	1,579	1,745
9 Establishment Division	283	283	800
10 Federal Education & Professional Training Division	4,526	4,526	9,700
11 Finance Division	18,667	66,667	123,131
12 Foreign Affairs Division	10	10	-
13 Higher Education Commission	29,470	29,470	42,450
14 Housing & Works Division	8,737	8,737	24,212
15 Human Rights Division	256	256	279
16 Industries and Production Division	800	800	2,916

Contd....

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
17 Information & Broadcasting Division	361	361	1,900
18 Information Tech. & Telecom Division	6,673	6,673	9,361
19 Inter Provincial Coordination Division	929	929	3,735
20 Interior Division	14,758	14,758	21,049
21 Kashmir Affairs & Gilgit Baltistan Div.	100,425	52,425	69,960
22 Law and Justice Division	991	991	6,027
23 Maritime Affairs Division	2,683	2,683	4,462
24 Narcotics Control Division	54	54	489
25 National Food Security & Research Division	12,000	12,000	12,017
26 National Health Services, Regulations & Coordination Division	14,508	14,508	21,723
27 National Heritage & Culture Division	195	195	126
28 Pakistan Atomic Energy Commission	23,297	23,297	27,000
29 Pakistan Nuclear Regulatory Authority	350	350	200
30 Petroleum Division	1,786	1,786	3,250
31 Planning, Development & Spl. Initiatives Division	3,545	3,545	19,246
32 Poverty Alleviation and Social Safety Div.	135	135	599
33 Railways Division	24,000	24,000	30,026
34 Religious Affairs & Interfaith Harmony Division	54	54	494
35 Revenue Division	1,697	1,697	4,025
36 Science & Technology Research Div.	4,458	4,458	8,341
37 SUPARCO	4,975	4,975	7,369
38 Water Resources Division	81,250	81,250	103,473
B. Corporations	158,325	158,325	183,235
1 National Highway Authority (NHA)	118,675	118,675	113,750
2 NTDC / PEPCO	39,650	39,650	69,485
C. ERR	3,000	3,000	-
D. COVID Responsive and Other Natural Clamities Program	70,000	50,000	5,000
E. VGF for PPP Projects	-	-	61,500
F. Pak SDGs & Community Development Programme	24,000	-	22,000
Total Federal PSDP (A to F):	650,000	630,000	900,000

TABLE - 32
*** EXPENDITURE OUTSIDE PSDP**

Classification	(Rs in Million)		
	Budget 2020-21	Revised 2020-21	Budget 2021-22
1 Crop Loan Insurance Scheme	1,000	1,000	-
2 Livestock Insurance Scheme	500	500	-
3 Credit Guarantee Scheme for Small Farmers	100	100	-
4 Provision for Reconstruction of Afghanistan	2,000	801	-
5 Public Financial Management & Accountability to support services delivery programme	2,000	2,000	-
6 Public Management and Accountability to Support Service Delivery Program (PFR) Performance incentive to progress	2,000	1,440	-
7 SME Landing Program	2,000	1,795	-
8 Grant Relief And Rehabilitation of Internally Displaced Persons (Programme)	17,000	17,000	-
9 Security Enhancement & Other	36,400	900	-
10 Gas Infrastructure Development Cess	3,000	3,000	-
11 Prime Minister Youth Business Loan Scheme	1,000	1,152	-
12 Temporary Displaced Persons Emergency	3,000	2,760	-
TOTAL:	70,000	32,448	-

* The Budget Allocation for the above table projects have been transferred into Grant & Transfers (Table-27)