



FEDERAL BUDGET

2 0 2 4 - 2 5

ANNUAL BUDGET STATEMENT

**GOVERNMENT OF PAKISTAN
FINANCE DIVISION
ISLAMABAD**

PREFACE

Article 80(1) of the Constitution of the Islamic Republic of Pakistan requires that the Federal Government shall, in respect of every financial year, cause to be laid before the National Assembly a statement of estimated receipts and expenditure of the Federal Government for that year, referred to as the Annual Budget Statement. Article 80(2) obligates that the statement shall show separately the charged and other expenditures to be made from the Federal Consolidated Fund as well as distinguish expenditures on revenue account from other expenditures. The statement shall also be transmitted to the Senate as required under Article 73(1) of the Constitution.

Section 4 of the Public Finance Management Act, 2019 states that the Annual Budget Statement shall include a statement of purpose, a statement of contingent liabilities of the Federal Government, and a statement of fiscal risks. Further, Section 8 of the Act requires that the Federal Government shall, in respect of every financial year, lay a statement of estimated tax expenditure before the National Assembly. These statements are accordingly included in the Annual Budget Statement.

Section 5 and 10 of the Fiscal Responsibility & Debt Limitation Act, 2005 require laying of a medium-term budgetary statement and statements of responsibility before the National Assembly. These are also included in the Annual Budget Statement.

It is added that the Explanatory Memorandum of Federal Receipts and the Demands for Grants and Appropriations constitute the explanatory part of the Annual Budget Statement for FY2024-25.

IMDAD ULLAH BOSAL
Secretary to the Government of Pakistan

Finance Division
Islamabad, the 12th June, 2024

CONTENTS	PAGE
I. Summary of Receipts	1
II. Revenue Receipts	2 - 4
III. Capital Receipts	5
IV. External Receipts	6
V. Public Account Receipts	7 - 10
VI. Summary of Expenditure	11
VII. Current Expenditure on Revenue Account	12 - 14
VIII. Current Expenditure on Capital Account	15
IX. Development Expenditure on Revenue Account	16 - 17
X. Development Expenditure on Capital Account	18
XI. Capital Expenditure	19
XII. Public Account Expenditure	20 - 23
XIII. Estimated Charged and Other Expenditure met from Federal Consolidated Fund	24
XIV. Statement of Purpose.....	25
XV. Demand for Grants and Appropriations for Expenditure 2024-25 Demand-Wise Expenditure (Schedule-I)	26 - 37
XVI. Demand for Grants and Appropriations for Expenditure (Schedule - III).....	38
XVII. Statement of Contingent Liabilities.....	39 - 41
XVIII. Statement of Fiscal Risk.....	42 - 44
XIX. Statement of Estimated Tax Expenditure.....	45
XX. Medium Term Budgetary Statement 2024-27.....	46 - 47
XXI. Climate Budget Statemen	48
XXII. Gender Budget Statement.....	49
XXIII. Disaster Budget Statement.....	50
XXIV. Employee Related Data.....	51
XXV. Statements of Responsibility.....	52 - 53

SUMMARY OF RECEIPTS

Federal receipts are categorized as Revenue Receipts, Capital Receipts, Public Account Receipts and External Receipts. All these receipts, except Public Account Receipts become part of the the Federal Consolidated Fund.

As per Section 22 of the Public Finance Management Act, 2019, the operation of the Federal Consolidated Fund and the Public Account of the Federation vests in the Finance Division.

(Rs in million)

Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
A- Revenue Receipts - Federal Consolidated Fund				
B	1 Tax Revenue Receipts	9,415,000	9,252,000	12,970,000
	FBR Taxes	9,415,000	9,252,000	12,970,000
B01	Direct Taxes	4,255,000	3,721,000	5,512,000
B02	Indirect Taxes	5,160,000	5,531,000	7,458,000
C	2 Non-Tax Revenue Receipts	2,963,164	2,947,850	4,845,415
B03	Levies and Fees	29,433	20,877	24,809
C01	Income from Property and Enterprise	398,054	517,642	477,117
C02	Receipts from Civil Administration etc	1,168,492	1,015,704	2,555,738
C03	Miscellaneous Receipts	1,367,185	1,393,627	1,787,751
	3 Total Revenue Receipts (1+2)	12,378,164	12,199,850	17,815,415
E	4 Capital Receipts	2,531,119	2,801,503	3,034,379
E02	Recovery of Loans and Advances	632,200	393,541	491,999
E03	Domestic Debt Receipts (Non Bank) - Net	1,898,919	2,407,962	2,542,380
	5 Total Internal Receipts (3+4)	14,909,283	15,001,353	20,849,794
	6 External Receipts	7,169,136	5,053,335	5,685,801
	7 Total Internal and External Receipts (5+6)	22,078,419	20,054,688	26,535,595
B - Public Account of Federation Net Receipts				
G	8 Public Account Receipts	7,210	(94,572)	120,232
	Deferred Liabilities (Net)	(38,397)	(160,154)	53,035
	Deposit and Reserves (Net)	45,607	65,582	67,197
	9 Gross Federal Resources (7+8)	22,085,629	19,960,116	26,655,828
	10 Less Provincial Share in Federal Taxes	5,399,001	5,427,000	7,438,000
	11 Net Federal Resources (9-10)	16,686,628	14,533,116	19,217,828
	12 Cash Balance Surplus by the Provinces	600,000	539,000	1,217,000
	13 Privatization Proceeds	15,000	10,838	30,000
	14 Credit from Banking Sector	2,259,769	3,335,188	3,924,002
	15 Total-Resources (11+12+13+14)	19,561,397	18,418,142	24,388,830

REVENUE RECEIPTS

Revenue Receipts constitute major component of total Federal resources. Revenue Receipts may be categorized as Tax Revenue Receipts and Non-Tax Revenue receipts, which are largely derived from the following sources:-

Tax Revenue Receipts

Tax Revenue is administered by the Federal Board of Revenue (FBR), which comprises Customs Duty and Inland Revenue i.e Direct Taxes, Sales Tax and Federal Excise Duty. FBR taxes may also be categorized as Direct Taxes and Indirect Taxes. Direct Taxes comprise Income Tax, Capital Value Tax, WWF (Ordinary Collection) and Contribution under Companies Profit (WPPF). Indirect Taxes include Sales Tax, Federal Excise Duty and Customs Duty. A snapshot of Budget Estimates is as under:-

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
B	<u>Tax Revenue</u>			
	<u>FBR Taxes</u>	9,415,000	9,252,000	12,970,000
B01	i.Direct Taxes	4,255,000	3,721,000	5,512,000
B011	Taxes on Income	4,203,531	3,681,888	5,454,062
B017-18	Capital Value Tax (CVT)	925	10,573	15,662
B01501	WWF (Ordinary Collection)	15,666	11,231	16,637
B01502	WPPF(Contribution under Companies Profit)	34,878	17,308	25,639
B02	ii.Indirect Taxes	5,160,000	5,531,000	7,458,000
B020-22	Customs Duties	1,211,000	1,324,000	1,591,000
B023	Sales Tax	3,411,000	3,607,000	4,919,000
B024-25	Federal Excise	538,000	600,000	948,000
1	Total Tax Revenue (i+ii)	9,415,000	9,252,000	12,970,000

Non-Tax Revenue Receipts

As per Section 2(a) of the Public Finance Management Act, 2019 (amended), Non-Tax Revenue means revenues received by the Government in terms of clause (1) of Article 78 of the Constitution and the recurring income of the Government from investments and provision of services but does not include those mentioned in clause (3) of Article 160 of the Constitution. Non-Tax Revenue of the federal government is administered by various Ministries / Divisions/ Departments. Budget Estimates are as under:-

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
C	<u>Non Tax Revenue</u>			
B03	a) Levies and Fees	29,433	20,877	24,809
B03087	Mobile Handset Levy	10,000	8,000	10,000
B013-030	Receipts of ICT Administration	19,380	12,824	14,756
B03064	Airport Fee (CAA)	53	53	53
C01	b) Income from Property and Enterprise	398,054	517,642	477,117
C01008	Surplus Profit of PTA	1,628	2,802	1,200
C01008	PTA (License Renewal Fees)	72,597	30,941	32,612
C01012	Regulatory Authorities (Surplus Profit)	7,203	1,168	10,036
C012-18	Mark up Receipts	195,201	389,737	294,353
C012	Mark up Receipts (Provinces)	77,201	89,737	96,353
C013-18	Mark up Receipts (PSEs & Others)	118,000	300,000	198,000
C019	Dividend	121,425	92,994	138,915
C02	c) Receipts from Civil Administration & Other Functions	1,168,492	1,015,704	2,555,738
C021-24	General Administration Receipts	7,613	4,594	4,846
C02211	Surplus Profit of State Bank of Pakistan	1,113,000	972,183	2,500,000
C025	Defence Services Receipts	41,256	31,189	42,427
C026	Law and Order Receipts	2,016	2,124	1,954
C027	Community Services Receipts	2,629	3,892	4,586
C028-29	Social Services	1,977	1,723	1,925
C03	d) Miscellaneous Receipts	1,367,185	1,393,627	1,787,751
C031-35	Economic Services Receipts	15,806	13,116	16,916
C03601	Foreign Grants (Budgetary Support)	25,000	6,000	15,000
C03725	Extraordinary Receipts (UNO)	58,322	37,200	46,000
C037	Extraordinary Receipts (Others)	2,647	4,755	5,854
C03897	Nationalization, Passport and Others	59,004	59,004	75,005
C038	Other Receipts of Attached Departments	65,405	75,662	100,516

Contd.....

(Rs in million)					
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25	
<u>Non-Tax Revenue</u>					
C03901	Petroleum Levy	869,000	960,000	1,281,000	
C03902	Natural Gas Development Surcharge	40,000	27,169	25,618	
C03905	Royalty on Crude Oil	50,000	57,917	58,654	
C03906	Royalty on Natural Gas	75,000	93,567	103,751	
C03910	Discount Retained on Local Crude Price	20,000	25,000	25,000	
C03915	Windfall Levy against Crude Oil	35,000	28,000	28,000	
C03916	Gas Infrastructure Development Cess	40,000	2,500	2,500	
C03917	Petroleum Levy on LPG	12,000	3,516	3,537	
C03919	Windfall Levy on Gas	-	220	400	
C	2	Total Non-Tax Revenue (a+b+c+d)	2,963,164	2,947,850	4,845,415
	3	Total Revenue Receipts (1+2)	12,378,164	12,199,850	17,815,415

CAPITAL RECEIPTS

Capital receipts comprise Recoveries of Loans and Advances from Provinces and other entities and Public Debt which includes Permanent Debt and Floating Debt. The net capital receipts so realized by the federal government generally constitute the available resources for the financing of its Public Sector Development Programme. Budget Estimates are as under:-

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
E02	I. Recoveries of Loans and Advances	632,200	393,541	491,999
E021	Provinces	621,700	269,493	479,999
E022-27	PSEs and Others	10,500	124,048	12,000
E03	II. Total Domestic Debts Receipts (a+b)	30,796,958	26,496,897	21,592,415
E031	a) Permanent Debt Receipts	5,242,306	5,306,536	9,070,245
	Pakistan Investment Bonds (Bank)	2,985,455	3,047,749	5,182,427
	Pakistan Investment Bonds (Non Bank)	426,851	356,787	408,319
	Premium Prize Bonds (Registered)	30,000	13,000	30,000
	Ijara Sukuk Bonds	1,800,000	1,889,000	3,066,000
	ICBC (Foreign Currency Denominated Domestic Loan)	-	-	383,500
E032	b) Floating Debt Receipts	25,554,653	21,190,361	12,522,169
	Prize Bonds	18,653	11,361	11,169
	Treasury Bills Through Auction	25,536,000	21,179,000	12,511,000
4	Capital Gross Receipts (I+II)	31,429,158	26,890,438	22,084,414
	Domestic Debt Receipts (i+ii)	30,796,958	26,496,897	21,592,415
	Domestic Debt Repayment (page-17)	28,898,040	24,088,935	19,050,034
	Net Domestic Debt Receipts	1,898,919	2,407,962	2,542,380
5	Total Federal Internal Gross Receipts (3+4)	43,807,323	39,090,288	39,899,829

EXTERNAL RECEIPTS

External Resources comprise loans and grants received from multilateral, bilateral and other sources for approved projects, programmes and other initiatives. Budget Estimates are as under:-

(Rs in million)				
	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
6	Total External Receipts	7,169,136	5,053,335	5,685,801

PUBLIC ACCOUNT RECEIPTS

Article 78(1) of the Constitution of Islamic Republic of Pakistan provides that all revenues received by the Federal Government, all loans raised by that Government and all moneys received by it in repayment of loan, shall form part of the Federal Consolidated Fund. **Article 78(2) provides that all other monies received by or on behalf of the Federal Government shall be credited into the Public Account of the Federation.** Therefore, all the monies received by or on behalf of the Federal Government in terms of Article 78(2) are Public Account receipts which are not revenues in terms of Article 78(1) of the Constitution. However, such Public Account receipts cannot be operated without establishment of Special Purpose Funds, deposits, reserves etc under the authority of an act of the Parliament or with the approval of the Federal Government. Moreover, as per Section 32 of the Public Finance Management Act, 2019, special purpose funds, in which monies have been appropriated by the National Assembly shall be established under any law or with the approval of the Federal Government. There are two sources of Public Account Receipts as under:-

National Savings Schemes

National Savings Schemes include Savings bank accounts, Defence Savings Certificates, Special Savings Certificates, Pension Benefit Accounts, Behbood Savings Certificates etc.

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
i. G111	Investment Deposit Accounts (Savings Schemes)	1,694,077	1,759,895	1,602,656
G11101	Savings Bank Accounts	681,697	675,934	663,642
G11106	Defence Savings Certificates	70,140	55,219	47,602
G11111	Special Savings Certificates (Registered)	93,952	232,751	133,803
G11112	Special Savings Accounts	169,399	54,874	31,546
G11113	Regular Income Certificate	119,002	122,867	124,336
G11126	Pension Benefit Accounts	95,491	113,903	95,979
G11127	Behbood Saving Certificates	219,356	272,543	215,683
G11130	Shuhada Welfare Account	40	55	65
New	Sarwa Islamic Saving & Term Accounts	200,000	98,749	170,000
G11129	Short Term Savings Certificates	45,000	133,000	120,000
ii. G061	Provident Fund	51,945	49,726	51,160
	Gross Public Account Receipts (i+ii)	1,746,022	1,809,621	1,653,816
1	Gross Public Account Receipts (i+ii)	1,746,022	1,809,621	1,653,816
	Gross Public Account Expenditure (Page-18)	1,784,419	1,969,775	1,600,781
	Net Public Account Receipts	(38,397)	(160,154)	53,035

Contd.....

Deposits and Reserves (Receipts)

Deposits and Reserves represent all monies forming part of the Public Account of the Federation as per Article 78(2) of the Constitution of Islamic Republic of Pakistan. Budget estimates of receipts in the following table are however subject to fulfillment of following stipulations:-

(i) The funds appropriated by the National Assembly out of Federal Consolidated Funds in terms of Articles 80 to 84 of the Constitution for a particular financial year (being lapsable) shall be utilized as per Cash Management and TSA Rules 2020 and shall not be deposited under these deposits and reserves heads of account (being non-lapsable) under the Public Account.

(ii) The maintenance and operation of all these funds, deposits, reserves etc shall be subject to their due establishment either under the authority of an act of Parliament or with the approval of the Federal Government, as the case may be.

(iii) Revenues in terms of Article 78(1) of the Constitution shall not be deposited in these deposits and reserves heads of account under the Public Account. The revenues shall only be deposited in the respective heads of account of tax revenue and non tax revenue.

(iv) Receipt of funds into these deposits and reserves heads of account shall only be allowed by the Accounting Offices subject to compliance of the stipulations at (i) to (iii) above and to the extent of reconciled available balance under the respective head of account.

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
G	<u>Deposits and Reserves</u>			
	FGE Benevolent Funds	2,018	2,068	2,172
G06202	Civil	1,915	1,977	2,075
G06205	Pakistan Post Office Deptt.	4	4	4
G06206	Pak PWD	63	58	61
G06209	National Saving	26	23	25
G06210	Pakistan Mint	3	-	-
G06212	Geological Survey of Pakistan	7	6	7
	Group Insurance Fund	501	474	497
G06401	PAK PWD	6	7	7
G06404	National Saving	6	6	6
G06405	Pakistan Mint	0.19	-	-
G06407	Geological Survey of Pakistan	3	2	2
G06409	Civil	486	458	481
G07104	Fed. Govt. Empl. Group Insur. Fund PPO	1	0.4	0.4

Contd.....

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
G	<u>Deposits and Reserves</u>			
	Defence	7,856	11,303	11,868
G06203	F,G Employees Benevolent Fund (Defence)	4,310	4,273	4,486
G06410	Group Insurance Fund (Defence)	227	1,212	1,273
G11224	Deposits Accounts with Defence	3,319	5,818	6,109
	Federal Pension Fund	10,000	0	10,000
G12803	Federal Pension Fund Receipts	10,000	-	10,000
	Pakistan Post Office Department	-	-	-
G07101	Post Office Renewal Reserve Fund	-	-	-
G07102	Post Office Welfare Fund	-	-	-
	Pak PWD	85,756	70,592	74,122
G10101	Pak PWD Receipts & Collection Account	938	457	480
G10113	Pak PWD Deposits	84,817	70,135	73,642
	Arts	1,000	-	-
	Film Finance Fund	1,000	-	-
G	<u>Deposits and Reserves</u>	79,938	104,679	104,255
	Miscellaneous Funds			
G06304	Workers Welfare Fund	32,336	45,000	40,000
G06315	Judicial Officers Welfare Fund	4	3	3
G12140	PM Flood relief Fund 2010	0.13	0.02	0.03
G12150	PM Relief Fund for IDPs 2014	1,886	142	150
G12157	PM COVID-19 Pandemic relief Fund 2020	361	2	2
G12164	PM's Relief Fund Flood, Earthquake Other Cal.	10,530	179	188
G12166	PM's Relief Fund for Turkiye & Syria Earthquake	1,134	3	3
G12205	Pakistan Minorities Welfare Fund	0.34	-	-
G12206	Special Fund for Welfare & Uplift of Minorities	0.33	-	-
G12226	Federal Govt. Artists Welfare Fund (Heritage)	-	176	185
G12305	Export Development Fund	16,703	23,582	24,761
G12308	Reserve Fund for Exch. Risk on Foreign Loans	5,529	24,665	25,898
G12412	Pakistan Oil Seed Development Fund	249	150	158

Contd.....

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
G	<u>Deposits and Reserves</u>			
G12419	Research and Development Fund	2,349	1,789	1,879
G12421	SCP Diamer Basha and Mohmand Dam Fund	8	-	-
G12504	Workers Children Education Fund	0.28	0.18	0.18
G12612	Fund for Urdu Science Board	1	2	2
G12712	Trust Interest Fund(Charitable Endowment)	4	5	5
G12738	National Fund for Control of Drug Abuse	14	2	2
G12783	Universal Service Fund	7,200	5,357	5,625
	Miscellaneous Deposit and Reserve Accounts			
G10104	Mint Receipt and Collection Account	60	3,595	3,774
G14100	Pakistan Mint	1,570	26	1,620
2	Gross Receipts (Deposits and Reserves)	187,069	189,116	202,914
	Exp. Deposit and Reserves (page-23)	141,462	123,533	135,717
	Net Deposit and Reserves Receipts	45,607	65,582	67,197
3	Gross Receipts (1+2)	1,933,091	1,998,737	1,856,730
	Gross Expenditure (page-23)	1,925,881	2,093,308	1,736,498
7	PUBLIC ACCOUNT NET RECEIPTS	7,210	(94,572)	120,232

**SUMMARY OF EXPENDITURE
(Current & Development)**

In this table, the Budget Estimates of current expenditure (on revenue and capital account) and Budget Estimates of Development expenditure (on revenue and capital accounts) have been mentioned as per Article 80(2) of the Constitution of Pakistan.

(Rs in million)				
Function Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
Current Expenditure				
a. Current Exp. on Revenue Account		13,344,395	14,334,431	17,203,391
01	General Public Services	10,444,266	11,340,902	13,640,239
02	Defence Affairs and Services	1,809,467	1,840,841	2,128,781
03	Public Order and Safety Affairs	237,215	253,498	283,051
04	Economic Affairs	210,835	261,642	357,735
05	Environment Protection	1,226	1,142	7,252
06	Housing and Community Amenities	22,986	6,414	27,917
07	Health	24,210	27,789	28,171
08	Recreation, Culture and Religion	16,782	18,252	18,466
09	Education Affairs and Services	97,098	103,684	103,781
10	Social Protection	480,309	480,267	607,997
b. Current Exp. on Capital Account		4,608,359	2,593,698	5,168,439
011	Foreign Loans Repayment	4,398,068	2,382,222	4,989,963
011	Repayment of Short Term Foreign Credits	46,690	47,875	29,500
014	Transfers	163,601	163,601	148,976
1	Total Current Expenditure (a + b)	17,952,753	16,928,129	22,371,830
Development Expenditure				
c. Dev. Exp. on Revenue Account		632,350	488,646	952,558
d. Dev. Exp. on Capital Account		976,294	1,001,368	1,064,442
2	Total Development Expenditure (c+d)	1,608,644	1,490,013	2,017,000
Grand Total - Expenditure (1+2)		19,561,397	18,418,142	24,388,830
3 Break-up of Expenditure				
Revenue Account (a+c)		13,976,745	14,823,076	18,155,949
Capital Account (b+d)		5,584,653	3,595,066	6,232,881
Total Expenditure:		19,561,397	18,418,142	24,388,830

Current Expenditure on Revenue Account

(Rs in million)

Function Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
01	General Public Service	10,444,266	11,340,902	13,640,239
011	Executive & Legislative Organs, Financial & Fiscal Affairs, External Affairs	9,225,234	9,858,741	12,070,465
	Debt Servicing	7,302,524	8,286,539	9,775,000
	Servicing of Foreign Debt	872,219	1,039,833	1,038,602
	Servicing of Domestic Debt	6,430,305	7,246,706	8,736,398
	Superannuation Allowances & Pensions	801,000	801,000	1,014,000
	Others (Details are in "Demands for Grants" books.)	1,121,711	771,202	1,281,465
012	Foreign Economic Aid	4,399	4,399	9,032
014	Transfers	1,133,905	1,356,691	1,456,094
	Provinces	216,300	215,876	287,000
	Others (Details are in "Budget in Brief" book.)	917,605	1,140,814	1,169,094
015	General Services	23,328	30,800	31,712
016	Basic Research	8,784	8,444	10,035
017	Research & Dev. General Public Services	24,716	25,168	28,261
018	Admn. of General Public Service	7,786	39,404	9,635
019	Gen. Public Services not elsewhere defined	16,113	17,255	25,005
02	Defence Affairs and Services	1,809,467	1,840,841	2,128,781
021	Defence Services	1,804,000	1,835,528	2,122,000
A01	Employees Related Expenses	705,054	716,142	815,186
A03	Operating Expenses	442,232	451,332	513,328
A09	Physical Assets	461,195	464,078	548,612
A12	Civil Works	195,520	203,976	244,874
025	Defence Administration	5,467	5,312	6,781
03	Public Order and Safety Affairs	237,215	253,498	283,051
031	Law Courts	11,708	11,325	13,601
032	Police & Civil Armed Forces	214,055	234,890	255,305
033	Fire Protection	338	381	491
034	Prison Administration and Operation	50	64	108
035	R&D Public Order and Safety	60	65	70
036	Administration of Public Order	11,004	6,773	13,477

Contd.....

Current Expenditure on Revenue Account

(Rs in million)

Function Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
04	Economic Affairs	210,835	261,642	357,735
041	Gen. Eco., Commercial & Labour Affairs	53,038	87,180	204,400
042	Agri., Food, Irrigation, Forestry & Fisheries	32,704	39,426	24,661
043	Fuel and Energy	51,943	51,851	19,650
044	Mining and Manufacturing	2,884	3,089	9,503
045	Construction and Transport	40,513	40,265	45,877
046	Communications	26,811	37,153	51,510
047	Other Industries	1,741	1,893	1,347
048	Research & Development Economic Affairs	1,200	786	785
05	Environment Protection	1,226	1,142	7,252
053	Pollution Abatement	200	200	6,290
054	Research & Development Environment	300	220	-
055	Administration of Environment Protection	726	722	962
06	Housing and Community Amenities	22,986	6,414	27,917
061	Housing Development	1,001	536	1,564
062	Community Development	21,985	5,878	26,353
07	Health	24,210	27,789	28,171
071	Medical Products, Appliances and Equipments	32	71	32
073	Hospital Services	16,567	20,069	21,683
074	Public Health Services	3,110	4,618	1,110
076	Health Administration	4,501	3,031	5,346

Contd.....

Current Expenditure on Revenue Account

(Rs in million)

Function Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
08	Recreation, Culture and Religion	16,782	18,252	18,466
081	Recreational and Sporting Services	200	200	400
082	Cultural Services	1,433	1,544	1,244
083	Broadcasting and Publishing	11,120	13,701	12,404
084	Religious Affairs	1,780	1,782	1,861
086	Admn. of Information, Recreation & Culture	2,249	1,024	2,556
09	Education Affairs and Services	97,098	103,684	103,781
091	Pre-Primary and Primary Education Affairs and Services	4,468	5,128	5,224
092	Secondary Education Affairs and Services	10,778	12,298	12,624
093	Tertiary Education Affairs and Services	76,589	81,998	79,312
094	Education Services Not definable by Level	180	49	726
095	Subsidiary Services to Education	346	359	273
096	Administration	3,698	2,844	4,497
097	Education Affairs & Services not Elsewhere Classified	1,040	1,008	1,124
10	Social Protection	480,309	480,267	607,997
107	Administration	2,892	2,963	3,532
108	Others	2,127	2,270	1,449
109	Social Protection (Not elsewhere classified)	475,289	475,033	603,017
	a.Current Expenditure on Revenue Account	13,344,395	14,334,431	17,203,391

Revised Estimates 2023-24 are as of 24th May, 2024 based on SAP System

Current Expenditure on Capital Account

(Rs in million)

Function Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
01	<u>General Public Service</u>	4,608,359	2,593,699	5,168,439
011	Foreign Loan Repayment	4,398,068	2,382,222	4,989,963
011	Repayment of Short Term Foreign Credits	46,690	47,875	29,500
014	Transfers	163,601	163,601	148,976
	Federal Misc. Investments and Other Loans and Advances by the Fed. Govt.	163,601	163,601	148,976
	b. Current Expenditure on Capital Account	4,608,359	2,593,699	5,168,439
	I. Total Current Expenditure (a+b)	17,952,753	16,928,129	22,371,830

Development Expenditure on Revenue Account

(Rs in million)

Function Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
01	General Public Service	308,471	261,410	496,471
011	Executive & Legislative Organs, Financial & Fiscal Affairs, External Affairs	6,382	8,072	23,250
014	Transfers	254,750	233,221	377,066
015	General Services	24,898	8,985	60,927
016	Basic Research	15,963	9,349	34,407
017	Research & Dev. General Public Services	341	346	321
019	General Public Services not elsewhere defined	6,136	1,437	500
02	Defence Affairs and Services	3,467	3,053	6,573
021	Military Defence	1,343	1,524	2,068
024	R & D Defence	124	164	330
025	Defence Administration	2,000	1,365	4,176
03	Public Order and Safety Affairs	3,928	2,621	3,007
031	Law Courts	1,400	961	1,230
032	Police and Civil Armed Forces	1,736	1,547	1,673
036	Administration of Public Order	792	113	104
04	Economic Affairs	183,399	141,662	305,820
041	Gen. Eco. Commercial and Labour Affairs	1,297	331	5,784
042	Agri., Food, Irrigation, Forestry & Fisheries	133,761	101,361	204,988
043	Fuel and Energy	6,199	8,805	32,124
044	Mining and Manufacturing	1,115	114	1,658
045	Construction and Transport	39,144	28,276	58,735
046	Communications	1,807	2,754	1,042
047	Other Industries	22	22	-
048	Research & Development Economic Affairs	55	-	1,488
05	Environment Protection	4,050	2,750	6,257
055	Administration of Environment Protection	4,050	2,750	6,257
06	Housing and Community Amenities	6,504	4,288	7,057
062	Community Development	5,894	4,271	7,005
063	Water Supply	610	17	52

Contd.....

DEVELOPMENT EXPENDITURE ON REVENUE ACCOUNT

(Rs in million)

Function Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
07	Health	13,270	13,254	28,185
073	Hospital Services	6,906	7,104	14,596
074	Public Health Services	3,424	3,173	11,846
076	Health Administration	2,941	2,977	1,743
08	Recreation, Culture and Religion	7,881	4,501	4,725
081	Recreation and Sporting Services	6,900	3,520	3,650
082	Cultural Services	-	-	-
083	Broadcasting and Publishing	981	981	1,075
09	Education Affairs and Services	82,391	54,542	87,869
091	Pre-Primary & Primary Edu. Affairs & Services	-	-	-
092	Secondary Edu. Affairs & Services	-	-	-
093	Tertiary Edu. Affairs & Services	73,850	51,041	78,676
095	Subsidiary Services to Education	1,196	953	643
097	Education Affairs & Services not Elsewhere Classified	7,345	2,548	8,550
10	Social Protection	18,989	564	6,594
107	Administration	18,467	49	6,594
108	Others	23	15	-
109	Social Protection (Not elsewhere classified)	500	500	-
c. Dev. Exp. on Revenue Account		632,350	488,646	952,558

Revised Estimates 2023-24 are as of 24th May, 2024 based on SAP System

DEVELOPMENT EXPENDITURE ON CAPITAL ACCOUNT

(Rs in Million)

Function Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
01	General Public Service	916,068	908,095	1,022,209
014	Transfers	889,818	885,265	996,952
017	Research and Dev. General Public Services	26,250	22,830	25,256
04	Economic Affairs	59,954	93,000	41,984
041	Gen. Eco., Commercial and Labour Affairs	598	264	671
043	Fuel and Energy	902	1,860	2,555
044	Mining and Manufacturing	13,000	1,923	4,919
045	Construction and Transport	43,395	86,866	33,839
046	Communications	2,058	2,087	-
06	Housing And Community Amenities	272	272	-
063	Water Supply	272	272	-
08	Recreation, Culture and Religion	-	-	250
083	Broadcasting and Publishing	-	-	250
	d. Dev. Expenditure on Capital Account	976,294	1,001,368	1,064,442
	II.Total Development Expenditure (c+d)	1,608,644	1,490,013	2,017,000
	III.Total Exp. (Current+Development)	19,561,397	18,418,142	24,388,830

CAPITAL EXPENDITURE

The expenditure incurred on repayment of domestic debt receipts is termed as Capital Expenditure.

		(Rs in million)		
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
A101	i.Domestic Permanent Debt	3,542,996	3,460,468	6,530,041
	Pakistan Investment Bonds (Bank)	2,985,455	3,047,749	5,182,427
	Pakistan Investment Bonds (Non Bank)	182,049	119,755	203,632
	Foreign Exchange Bearer Certificates	5	0.5	5
	Foreign Currency Bearer Certificates	5	1	5
	US Dollar Bearer Certificates	3	0.1	3
	Special US Dollar Bonds	50	40	50
	Premium Prize Bonds (Registered)	5,000	14,000	5,000
	Ijara Sukuk Bond	368,430	274,698	752,531
	Pakistan Banao Certificate (3-years)	694	588	-
	Pakistan Banao Certificate (5-years)	651	2,882	2,888
	Foreign Assets (D and R) Act, 2018 (FADRA)	654	754	-
	Special Drawing Rights Debt (SDRs)	-	-	-
	Principal Repayment of Foreign Currency Denominated - Domestic Debt	-	-	383,500
A104	ii.Floating Debt	25,355,043	20,628,467	12,519,993
	Prize Bonds	8,043	9,013	8,993
	Treasury Bills Through Auction	25,347,000	20,619,453	12,511,000
	Bai-Maujjal Ijara Sukuk Bonds	-	-	-
A10	IV. Total Public Debt Repayment (i+ii)	28,898,040	24,088,935	19,050,034
	V. Total - Federal Consolidated Fund Disbursement (III+IV)	48,459,437	42,507,077	43,438,864

PUBLIC ACCOUNT EXPENDITURE

National Savings Schemes

The expenditure incurred on repayment of National Savings Schemes is termed as Public Account Expenditure.

(Rs in million)

Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
i. G111	Investment Deposit Accounts (Savings Schemes)	1,707,209	1,887,250	1,522,901
G11101	Savings Bank Accounts	669,937	669,514	644,376
G11103	Khas Deposit Accounts	5	5	5
G11104	Mahana Amadni Accounts	130	110	100
G11106	Defence Savings Certificates	96,171	88,679	78,275
G11108	National Deposit Certificates	1	1	1
G11109	Khaas Deposit Certificates	1	1	1
G11111	Special Savings Certificates (Registered)	134,039	275,068	149,480
G11112	Special Savings Accounts	185,939	64,851	35,242
G11113	Regular Income Certificate	274,689	337,606	203,987
G11126	Pensionary Benefits	71,910	79,663	70,152
G11127	Behbood Saving Certificate	214,368	226,982	191,257
G11130	Shauhda Welfare Account	20	20	25
New	Sarwa Islamic Saving & Term Accounts	40,000	32,749	40,000
	Short Term Savings Certificates (STSC)	20,000	112,000	110,000
ii. G061	Provident Fund	77,210	82,525	77,880
1	Total Expenditure (i+ii)	1,784,419	1,969,775	1,600,781

Contd.....

Deposits and Reserves

Deposits and Reserves represent all monies forming part of the Public Account of the Federation as per Article 78(2) of the Constitution of Islamic Republic of Pakistan. Budget estimates of Expenditure (withdrawal of funds) from the Deposits and Reserves as depicted in the following table are however subject to fulfillment of following stipulations:-

(i) The maintenance and operation of all these funds, deposits, reserves etc shall be subject to their due establishment either under the authority of an act of Parliament or with the approval of the Federal Government, as the case may be.

(ii) Withdrawal of funds from these deposits and reserves heads of account shall only be allowed by the Accounting Offices subject to compliance of the stipulations at (i) above and to the extent of reconciled available balance under the respective head of account.

(iii) There shall be no authority of directed access to Central Account No.1 (Non Food) in SBP.

(iv) Withdrawal of funds from these Deposits and Reserves head of accounts shall be in accordance with the provisions of Public Finance Management Act, 2019, Cash Management and Treasury Single Account Rules 2020 and the Special Assignment Account Procedure for the Public Account of the Federation 2021. Personal Ledger Accounts shall not be used for withdrawal of funds.

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
G	<u>Deposits and Reserves</u>			
	FGE Benevolent Funds	1,418	2,049	2,151
G06202	Civil	1,328	1,962	2,060
G06205	Pakistan Post Office Deptt.	-	-	-
G06206	Pak PWD	57	59	61
G06209	National Saving	25	23	24
G06210	Pakistan Mint	3	-	-
G06212	Geological Survey of Pakistan	6	5	6
	Group Insurance Fund	429	535	561
G06401	PAK PWD	5	7	7
G06404	National Saving	6	6	6
G06405	Pakistan Mint	0.2	-	-
G06407	Geological Survey of Pakistan	2	2	2
G06409	Civil	415	520	546
G07104	Fed. Govt. Empl. Group Insur. Fund PPO	-	-	-

Contd.....

(Rs in million)				
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
G	<u>Deposits and Reserves</u>			
	Defence	6,485	9,427	9,898
G06203	FG Employees Benevolent Fund (Defence)	3,393	3,774	3,962
G06410	Group Insurance Fund (Defence)	168	1,176	1,235
G11224	Deposits Accounts with Defence	2,925	4,477	4,701
	Federal Pension Fund	10,000	0	10,000
G12803	Federal Pension Fund	10,000	-	10,000
	Pakistan Post Office Department	25	0.04	0.04
G07101	Post Office Renewal Reserve Fund	25	-	-
G07102	Post Office Welfare Fund	-	0.04	0.04
	Pak PWD	57,354	52,426	55,047
G10101	Pak PWD Receipts & Collection Account	866	822	863
G10113	Pak PWD Deposits	56,488	51,604	54,184
	Arts	1,000	-	0
	Film Finance Fund	1,000	-	-
G	<u>Deposits and Reserves</u>	64,751	59,097	58,059
	Miscellaneous Funds			
G06304	Workers Welfare Fund	16,117	29,155	25,000
G06315	Judicial Officers Welfare Fund	0.1	0.3	0.3
G12140	PM Flood relief Fund 2010	258	0.01	0.01
G12150	PM Relief Fund for IDPs 2014	1,886	142	150
G12157	PM COVID-19 Pandemic relief Fund 2020	2	-	-
G12164	PM's Relief Fund Flood, Earthquake Other Cal.	8,986	1,096	1,150
G12166	PM's Relief Fund for Turkiye & Syria Earthquake	490	805	845
G12205	Pakistan Minorities Welfare Fund	-	-	-
G12206	Special Fund for Welfare & Uplift of Minorities	-	-	-
G12226	Federal Govt. Artists Welfare Fund (Heritage)	13	97	102
G12305	Export Development Fund	7,044	6,538	6,865

Contd.....

(Rs in million)				
Object Code	Description	Budget	Revised	Budget
		Estimates	Estimates	Estimates
		2023-24	2023-24	2024-25
G12308	Reserve Fund for Exch. Risk on Foreign Loans	0.40	-	-
G12412	Pakistan Oil Seed Development Fund	80	-	-
G12419	Reserch & Development Fund	3,530	7,226	7,587
G12421	SCP Diامر Bhasha and Mohmand Dam Fund	-	-	-
G12504	Workers Children Education Fund	0.08	0.01	0.01
G12612	Fund for Urdu Science Board	1	4	4
G12712	Trust Interest Fund(Charitable Endowment)	-	0.03	0.03
G12738	National Fund for Control of Drug Abuse	-	-	-
G12783	Universal Service Fund	24,775	10,445	10,967
G	<u>Deposits and Reserves</u>			
	Miscellaneous Deposits and Reserves Accounts			
G10104	Mint Receipt and Collection Account	-	3,589	3,768
G14100	Pakistan Mint	1,570	-	1,620
2	Total Deposits and Reserves	141,462	123,533	135,717
3	Total Public Account Expenditure (1+2)	1,925,881	2,093,308	1,736,498

**STATEMENT OF ESTIMATED CHARGED
AND VOTED EXPENDITURE**

In terms of Article 80(2) of the Constitution of Pakistan, this statement distinguishes charged and voted expenditure.

(Rs in million)				
Object Code	Description	Budget	Revised	Budget
		Estimates	Estimates	Estimates
		2023-24	2023-24	2024-25
I.	Expenditure on Revenue Account	13,976,745	14,823,076	18,155,949
	Current	13,344,395	14,334,431	17,203,391
	Development	632,350	488,646	952,558
	Total-Authorized Expenditure	13,976,745	14,823,076	18,155,949
	<i>Charged</i>	<i>7,365,262</i>	<i>8,380,310</i>	<i>9,869,074</i>
	Voted	6,611,483	6,442,767	8,286,874
II.	Expenditure on Capital Account	34,482,692	27,684,000	25,282,916
	Current	33,506,398	26,682,633	24,218,474
	Development	976,294	1,001,368	1,064,442
	Total Authorized Expenditure	34,482,692	27,684,000	25,282,916
	<i>Charged</i>	<i>34,001,431</i>	<i>26,993,354</i>	<i>24,686,493</i>
	Voted	481,261	690,646	596,423
III.	Total Expenditure met from Federal			
	Consolidated Fund	48,459,437	42,507,076	43,438,864
	Current Expenditure	46,850,793	41,017,063	41,421,864
	Development Expenditure	1,608,644	1,490,013	2,017,000
IV.	Total-Authorized Expenditure	48,459,437	42,507,076	43,438,864
	<i>Charged - Total</i>	<i>41,366,693</i>	<i>35,373,664</i>	<i>34,555,567</i>
	Voted - Total	7,092,744	7,133,412	8,883,297

Statement of Purpose

This statement is being provided in compliance with section 4 of the Public Finance Management Act, 2019. Based on the policy priorities of the Federal Government, the “demands for grants” cater towards debt servicing of domestic and foreign loans and advances, for expenditures to be incurred on re-current and development activities to re-vitalize sustainable economic growth. Health, education, climate, gender and social sector development are key focused areas for the government.

The Federal Government is steadfast in its commitment to provide relief measures aimed at alleviating the burdens faced by the populace, especially those in the low-income strata of society. Through targeted interventions such as social safety programs and subsidies on essential commodities, including food items and electricity, the government seeks to mitigate the adverse impacts of economic challenges on vulnerable segments of the population. Moreover, recognizing the imperative of stimulating economic activity and fostering employment opportunities, the government will extend support to Information Technology and industrial sector particularly the small medium enterprises. While, stimulating the economic growth through these interventions, government's focus is also to promote green economy.

Imdad Ullah Bosal

Secretary to the Government of Pakistan

Finance Division

Islamabad, 12th June, 2024

Demand-Wise Expenditure for Budget Estimates 2024-25

(Rs. in million)

Demand No.	Ministries / Divisions	Budget Estimates 2024-25		
		Charged	Voted	Total
1	AVIATION DIVISION		4,485	4,485
2	AIRPORTS SECURITY FORCE		14,383	14,383
3	CABINET		352	352
4	CABINET DIVISION		3,334	3,334
5	EMERGENCY RELIEF AND REPATRIATION		889	889
6	INTELLIGENCE BUREAU		18,325	18,325
7	ATOMIC ENERGY		19,266	19,266
8	PAKISTAN NUCLEAR REGULATORY AUTHORITY		1,862	1,862
9	NAYA PAKISTAN HOUSING DEVELOPMENT AUTHORITY		1,564	1,564
10	PRIME MINISTER'S OFFICE (INTERNAL)		794	794
11	PRIME MINISTER'S OFFICE (PUBLIC)		861	861
12	NATIONAL DISASTER MANAGEMENT AUTHORITY		823	823
13	BOARD OF INVESTMENT		1,272	1,272
14	PRIME MINISTER'S INSPECTION COMMISSION		147	147
15	SPECIAL TECHNOLOGY ZONE AUTHORITY		750	750
16	ESTABLISHMENT DIVISION		9,669	9,669
17	FEDERAL PUBLIC SERVICE COMMISSION		1,338	1,338

18	NATIONAL SCHOOL OF PUBLIC POLICY	3,369	3,369
19	CIVIL SERVICES ACADEMY	1,725	1,725
20	NATIONAL SECURITY DIVISION	231	231
21	COUNCIL OF COMMON INTEREST (SECRETARIAT)	103	103
22	CLIMATE CHANGE AND ENVIROMENTAL COORDINATION DIVISION	1,010	1,010
23	COMMERCE DIVISION	20,530	20,530
24	COMMUNICATIONS DIVISION	303	303
25	OTHER EXPENDITURE OF COMMUNICATIONS DIVISION	33,714	33,714
26	PAKISTAN POST OFFICE DEPARTMENT	23,469	23,474
		5	
27	DEFENCE DIVISION	7,865	7,865
28	FEDERAL GOVERNMENT EDUCATIONAL INSTITUTIONS IN CANTONMENTS AND GARRISONS	14,319	14,319

Contd.....

(Rs. in million)

Demand No.	Ministries / Divisions	Budget Estimates 2024-25		
		Charged	Voted	Total
29	DEFENCE SERVICES		2,122,000	2,122,000
30	DEFENCE PRODUCTION DIVISION		1,095	1,095
31	ECONOMIC AFFAIRS DIVISION		905	905
32	MISCELLANEOUS EXPENDITURE OF ECONOMIC AFFAIRS DIVISION		29,775	29,775
33	POWER DIVISION		681,754	681,754
34	PETROLEUM DIVISION		19,304	19,304
35	GEOLOGICAL SURVEY OF PAKISTAN		1,103	1,103
36	FEDERAL EDUCATION AND PROFESSIONAL TRAINING DIVISION		39,337	39,337
37	HIGHER EDUCATION COMMISSION (HEC)		66,331	66,331
38	NATIONAL REHMATUL -LIL- ALAMEEN WA KHATAMUN NABIYYIN AUTHORITY		102	102
39	NATIONAL VOCATIONAL & TECHNICAL TRAINING COMMISSION (NAVTTTC)		716	716
40	NATIONAL HERITAGE AND CULTURE DIVISION		2,295	2,295
41	FINANCE DIVISION		4,392	4,392
42	OTHER EXPENDITURE OF FINANCE DIVISION		7,076	7,076
43	CONTROLLER GENERAL OF ACCOUNTS		13,268	13,268

44	SUPERANNUATION ALLOWANCES AND PENSIONS	5,188	1,008,812	1,014,000
45	GRANTS SUBSIDIES AND MISCELLANEOUS	47,000	1,815,567	1,862,567
46	REVENUE DIVISION		109	109
47	FEDERAL BOARD OF REVENUE		52,231	52,231
48	FOREIGN AFFAIRS DIVISION		4,316	4,316
49	FOREIGN MISSIONS	50	47,547	47,597
50	HOUSING AND WORKS DIVISION		8,552	8,552
51	HUMAN RIGHTS DIVISION		1,159	1,159
52	NATIONAL COMMISSION FOR HUMAN RIGHTS		184	184
53	NATIONAL COMMISSION ON THE RIGHTS OF CHILD		81	81
54	NATIONAL COMMISSION ON THE STATUS OF WOMEN		118	118
55	INDUSTRIES AND PRODUCTION DIVISION		75,931	75,931
56	INFORMATION AND BROADCASTING DIVISION		5,327	5,327

Contd.....

(Rs. in million)

Demand No.	Ministries / Divisions	Budget Estimates 2024-25		
		Charged	Voted	Total
57	MISCELLANEOUS EXPENDITURE OF INFORMATION AND BROADCASTING DIVISION		11,518	11,518
58	INFORMATION TECHNOLOGY AND TELECOMMUNICATION DIVISION		40,127	40,127
59	INTERIOR DIVISION		15,362	15,362
60	OTHER EXPENDITURE OF INTERIOR DIVISION		10,778	10,778
61	ISLAMABAD CAPITAL TERRITORY (ICT)		20,412	20,412
62	COMBINED CIVIL ARMED FORCES		232,372	232,372
63	NATIONAL COUNTER TERRORISM AUTHORITY		1,015	1,015
64	INTER-PROVINCIAL COORDINATION DIVISION		2,451	2,451
65	KASHMIR AFFAIRS AND GILGIT BALTISTAN DIVISION		1,519	1,519
66	LAW AND JUSTICE DIVISION	388	8,273	8,662
67	FEDERAL JUDICIAL ACADEMY		325	325
68	FEDERAL SHARIAT COURT		928	928
69	COUNCIL OF ISLAMIC IDEOLOGY		237	237
70	NATIONAL ACCOUNTABILITY BUREAU		7,110	7,110
71	DISTRICT JUDICIARY, ISLAMABAD CAPITAL TERRITORY		1,368	1,368

72	MARITIME AFFAIRS DIVISION		2,150	2,150
73	NARCOTICS CONTROL DIVISION		7,604	7,604
74	NATIONAL ASSEMBLY	7,293	5,444	12,737
75	THE SENATE	5,178	2,064	7,242
76	NATIONAL FOOD SECURITY AND RESEARCH DIVISION		14,786	14,786
77	PAKISTAN AGRICULTURAL RESEARCH COUNCIL		6,410	6,410
78	NATIONAL HEALTH SERVICES, REGULATIONS AND COORDINATION DIVISION		27,868	27,868
79	OVERSEAS PAKISTANIS AND HUMAN RESOURCE DEVELOPMENT DIVISION		3,885	3,885
80	PARLIAMENTARY AFFAIRS DIVISION		795	795
81	PLANNING, DEVELOPMENT AND SPECIAL INITIATIVES DIVISION		9,437	9,437
82	POVERTY ALLEVIATION AND SOCIAL SAFETY DIVISION		5,179	5,179
83	BENAZIR INCOME SUPPORT PROGRAMME (BISP)		598,718	598,718

Contd.....

(Rs. in million)

Demand No.	Ministries / Divisions	Budget Estimates 2024-25		
		Charged	Voted	Total
84	PAKISTAN BAIT-UL-MAL		14,009	14,009
85	PRIVATIZATION DIVISION		356	356
86	RAILWAYS DIVISION		64,439	64,439
87	RELIGIOUS AFFAIRS AND INTER-FAITH HARMONY DIVISION		1,956	1,956
88	SCIENCE AND TECHNOLOGY DIVISION		14,411	14,411
89	STATES AND FRONTIER REGIONS DIVISION		978	978
90	WATER RESOURCES DIVISION		3,886	3,886
91	FEDERAL MISCELLANEOUS INVESTMENTS & OTHER LOANS AND ADVANCES		148,976	148,976
92	DEVELOPMENT EXPENDITURE OF AVIATION DIVISION		7,303	7,303
93	DEVELOPMENT EXPENDITURE OF CABINET DIVISION		75,272	75,272
94	DEVELOPMENT EXPENDITURE OF BOARD OF INVESTMENT		1,658	1,658
95	DEVELOPMENT EXPENDITURE OF SPECIAL TECHNOLOGY ZONES AUTHORITY		501	501
96	DEVELOPMENT EXPENDITURE OF ESTABLISHMENT DIVISION		921	921
97	DEVELOPMENT EXPENDITURE OF SUPARCO		36,604	36,604

98	DEVELOPMENT EXP OF CLIMATE CHANGE AND ENV. COORDINATION DIVISION	6,257	6,257
99	DEVELOPMENT EXPENDITURE OF COMMERCE DIVISION	2,205	2,205
100	DEVELOPMENT EXPENDITURE COMMUNICATION DIVISION	7,828	7,828
101	DEVELOPMENT EXPENDITURE OF DEFENCE DIVISION	5,636	5,636
102	DEVELOPMENT EXPENDITURE OF DEFENCE PRODUCTION DIVISION	3,776	3,776
103	DEVELOPMENT EXPENDITURE OF POWER DIVISION	22,605	22,605
104	DEVELOPMENT EXPENDITURE OF FEDERAL EDUCATION & PR. TR. DIVISION	19,334	19,334

Contd.....

(Rs. in million)				
Demand No.	Ministries / Divisions	Budget Estimates 2024-25		
		Charged	Voted	Total
105	DEVELOPMENT EXPENDITURE OF HIGHER EDUCATION COMMISSION		66,315	66,315
106	DEVELOPMENT EXPENDITURE OF NATIONAL VOCATIONAL & TECHICAL TRAINING COMMISSION (NAVTTTC)		6,417	6,417
107	DEVELOPMENT EXPENDITURE OF NATIONAL HERITAGE & CULTURE DIVISION		1,015	1,015
108	DEVELOPMENT EXPENDITURE OF FINANCE DIVISION		6,084	6,084
109	OTHER DEVELOPMENT EXPENDITURE		220,456	220,456
110	DEVELOPMENT EXPENDITURE OF REVENUE DIVISION		17,696	17,696
111	DEVELOPMENT EXPENDITURE OF HUMAN RIGHTS DIVISION		104	104
112	DEVELOPMENT EXPENDITURE OF INFORMATION & BROADCASTING DIVISION		1,075	1,075
113	DEVELOPMENT EXPENDITURE INFORMATION TECHNOLOGY & TELECOMMUNICATION DIVISION		28,929	28,929
114	DEVELOPMENT EXPENDITURE OF INTERIOR DIVISION		9,070	9,070

115	DEVELOPMENT EXPENDITURE OF INTERPROVINCIAL COORDINATION DIVISION	3,650	3,650
116	DEVELOPMENT EXPENDITURE OF LAW & JUSTICE DIVISION	1,230	1,230
117	DEVELOPMENT EXPENDITURE OF NORCOTICS CONTROL DIVISION	170	170
118	DEVELOPMENT EXPENDITURE OF NATIONAL FOOD SECURITY AND RESEARCH DIVISION	41,250	41,250
119	DEVELOPMENT EXPENDITURE OF NATIONAL HEALTH SERVICES, REGULATION AND COORD. DIVISION	27,000	27,000
120	DEVELOPMENT EXPENDITURE OF PLANNING, DEVELOPMENT AND SPECIAL INITIATIVES DIVISION	64,015	64,015

Contd.....

(Rs. in million)

Demand No.	Ministries / Divisions	Budget Estimates 2024-25		
		Charged	Voted	Total
121	DEVELOPMENT EXPENDITURE OF SCIENCE & TECHNOLOGY DIVISION		7,150	7,150
122	DEVELOPMENT EXPENIDTURE OF STATES AND FRONTIER REGIONS DIVISION		1,434	1,434
123	DEVELOPMENT EXPENDITURE OF WATER RESOURCES DIVISION		259,598	259,598
124	CAPITAL OUTLAY ON DEVELOPMENT OF ATOMIC ENERGY		25,000	25,000
125	CAPITAL OUTLAY ON DEVELOPMENT OF PAKISTAN NUCLEAR REGULATORY AUTHORITY		256	256
126	CAPITAL OUTLAY ON PETROLEUM DIVISION		3,226	3,226
127	CAPITAL OUTLAY ON FEDERAL INVESTMENTS		324	324
128	DEVELOPMENT LOANS AND ADVANCES BY THE FEDERAL GOVERNMENT		206,911	206,911
129	EXTERNAL DEVELOPMENT LOANS AND ADVANCES BY THE FEDERAL GOVERNMENT	617,000	128,318	745,318
130	CAPITAL OUTLAY ON CIVIL WORKS		28,188	28,188
131	CAPITAL OUTLAY ON INDUSTRIAL DEVELOPMENT		4,919	4,919
132	CAPITAL OUTLAY ON MARITIME AFFAIRS DIVISION		5,300	5,300

133	CAPITAL OUTLAY ON RAILWAY DIVISION		45,000	45,000
	STAFF HOUSEHOLD & ALLOWANCES OF THE PRESIDENT(PUBLIC)	863		863
	STAFF HOUSEHOLD & ALLOWANCES OF THE PRESIDENT(PERSONAL)	1,418		1,418
	SERVICING OF FOREIGN DEBT	1,038,602		1,038,602
	FOREIGN LOANS REPAYMENT	4,989,963		4,989,963
	REPAYMENT OF SHORT TERM FOREIGN CREDITS	29,500		29,500
	AUDIT	8,639		8,639
	SERVICING OF DOMESTIC DEBT	8,736,398		8,736,398
	REPAYMENT OF DOMESTIC DEBT	19,050,034		19,050,034
	<i>SUPREME COURT</i>	4,402		4,402
	<i>ISLAMABAD HIGH COURT</i>	1,874		1,874
	<i>ELECTION</i>	9,635		9,635
	<i>FEDERAL OMBUDSMAN SECRETARIAT FOR PROTECTION AGAINST HARRASMENT OF WOMEN AT WORK PLACE</i>	184		184
	<i>WAFaqI MOHTASIB</i>	1,527		1,527
	<i>FEDERAL TAX OMBUDSMAN</i>	430		430
	TOTAL	34,555,572	8,883,292	43,438,864

STATEMENT OF OBJECT CLASSIFICATION WISE EXPENDITURE

		Rs. In million		
Object Code	Description	Budget Estimates 2023-24	Revised Estimates 2023-24	Budget Estimates 2024-25
A01	Total Employees Related Expenses	1,168,346	1,183,300	1,358,788
A011	Pay	215,488	213,624	221,808
<i>A011-1</i>	<i>Pay of Officer</i>	71,148	69,722	74,470
<i>A011-2</i>	<i>Pay of Other Staff</i>	144,340	143,901	147,339
A012	Allowances	952,858	969,676	1,136,980
<i>A012-1</i>	<i>Regular Allowances</i>	916,400	928,115	1,098,332
<i>A012-2</i>	<i>Other Allowances (Excluding TA)</i>	36,458	41,561	38,648
A02	Project Pre-investment Analysis	3,713	1,898	3,251
A03	Operating Expenses	1,209,416	1,214,583	1,500,606
A04	Employees Retirement Benefits	806,075	807,040	1,022,974
A05	Grants, Subsidies & Write off Loans	2,764,835	2,186,512	3,475,111
A06	Transfers	13,279	33,495	20,764
A07	Interest Payment	7,302,534	8,286,549	9,775,005
A08	Loans and Advances	923,916	993,761	1,141,620
A09	Physical Assets	497,421	498,685	633,417
A10	Principal Repayments of Loans	33,342,817	26,519,052	24,069,508
A11	Investments	141,434	450,709	91,364
A12	Civil Works	272,792	318,520	329,120
A13	Repairs and Maintenance	12,860	12,973	17,336
TOTAL EXPENDITURE		48,459,437	42,507,076	43,438,864

Government of Pakistan
Finance Division
(Debt Management Office)

Subject: STATEMENT OF CONTINGENT LIABILITIES OF THE FEDERAL GOVERNMENT

Contingent liabilities of Pakistan are primarily guarantees issued on behalf of Public Sector Enterprises (PSEs). The sovereign guarantee is normally extended to improve financial viability of projects or activities undertaken by the government entities with significant social and economic benefits. It allows public sector companies to borrow money at lower costs or on more favourable terms and in some cases allows to fulfil the requirement where sovereign guarantee is a precondition for concessional loans from bilateral/multilateral agencies to sub-sovereign borrowers.

2. The volume of new government guarantees issued during a financial year is limited under Fiscal Responsibility and Debt Limitation Act which stipulates that the government shall not give guarantees aggregating to an amount exceeding two percent of the GDP in any financial year including those for rupee lending, rate of return, outright purchase agreements and other claims and commitments provided the renewal of existing guarantees shall be considered as issuing a new guarantee.

3. During Jul-Mar FY24, the government remained within the FRDL Act limit for issuance of new/rollover of GoP Guarantees which stood at 0.1% of GDP. Total executed guarantees were Rs 3,685 billion while outstanding stock was Rs 3,505 billion at end March 2024 as per the following details:

Table-1: Summary of Outstanding Government Guarantees (All figures are Rs in billion unless otherwise stated)

	Outstanding Guarantees	Total Guarantees
Domestic	1,540	1,707
External	1,965	1,978
Total	3,505	3,685
Memo:		
External (US\$ in million)	6,971	7,017
Exchange Rate (Pak Rupee/US Dollar)	278	278

4. Sector-Wise, Entity Wise and interest rate wise share of the guarantees at end March 2024 are as follows:

Table 2: Outstanding Position of GoP Guarantees		
	Rsin billion	% Age
Sector Wise Breakup		
Total Outstanding Stock	3,505	100%
- Power Sector	2,457	70%
- Aviation	247	7%
- Manufacturing& Mining	110	3%
- Financial	108	3%
- Oil & Gas	111	3%
- Others	472	13%
Entity Wise Breakup		
Total Outstanding Stock	3,505	100%
- PAEC	1,397	40%
- PHL	765	22%
- PIACL	247	7%
- Sindh Engro	81	2%
- NTDC	59	2%
- Others	955	27%
Interest Rate Type		
Total Outstanding Stock	3,505	100%
- Floating Rate	1,582	45%
- Fixed Rate	1,923	55%

Note: The original maturities of major portion of Guaranteed Debt Stock were 5 years and above

5. Presently, Guarantees issued against commodity operations are not included in the above table. These guarantees issued against the commodity financing operations undertaken by TCP, PASSCO, and provincial governments. The outstanding stock of commodity operations was Rs 1,133 billion at end March 2024.

6. The estimates of guarantees to be issued from April 2024 till June 2025 are as follows:

Table 3: Estimated Guarantees Issuance and Position (Q4 FY 24 and FY 25) (Rs in billion)

A	Opening Guaranteed Debt Position (31-03-2024)	3,685
B	New Guarantees to be Issued (Q4 FY 24 & FY25)	711
	- REKO DIQ	230
	- C-5	143
	- PPP	106
	- PSO	100
	- SNGPL	50
	- PAIL	40
	- Exim Bank	10
	- PIACL	6
	- NAVTTC	1
	- Misc/Contingencies	25
C	Estimated Repayments against Existing Guaranteed Loans	308
D=B-C	Net Issuance of Guarantees (Q4 FY 23& FY24)	403
A+D	Estimated Closing Guaranteed Debt Position (30-06-2025)	4,088

Note

- (i) Expected external guarantees are converted into PKR at exchange rate of 295/USD
- (ii) The estimates are developed based on requests received so far from different PSEs and issuing wings during the ongoing Fiscal Year
- (iii) The guarantees of which LoCs have already been issued before March 2024 are incorporated in Opening Guaranteed Debt Position as at End March 2024
- (iv) The above table excludes Guaranteed Debt Position and expected guarantees for commodity operations.

STATEMENT OF FISCAL RISKS

1. Fiscal risks may lead to potential threats or uncertainty in fiscal forecasts presented in the Medium-Term Budgetary Statement, as defined in section 5 of the Fiscal Responsibility and Debt Limitation (FRDL) Act 2005.
2. **Higher Interest Rate:** Any increase in the interest rate on external and domestic debt can lead to a rise in federal expenditures and subsequently, the federal fiscal deficit and total debt of the government. If this possibility is realized, the overall effect will be substantial without additional measures.
3. **Lower Non-Tax Revenue Collection:** A significant reduction in non-tax revenue collections leads to a substantial decrease in net federal revenue and a consequent increase in fiscal deficit. Additionally, the higher deficits contribute to an increase in debt stock over the forecasted period.
4. **Higher Subsidies:** An increase in subsidies leads to an increase in expenditure, the effect on fiscal deficits and debt stock is relatively limited. Higher subsidies support the targeted sectors or programs but may also strain government finances if not accompanied by corresponding revenue measures or expenditure controls.
5. **Combination of the first three Scenarios:** This scenario demonstrates the most significant impact on fiscal variables across the board. The combination of reduced revenues, increased expenditure on subsidies, and potential financing needs due to higher interest rates leads to substantial fiscal deficit and higher debt stock. It underscores the interconnectedness of fiscal policy and the need for comprehensive approaches to address fiscal challenges.
6. **Lower GDP Growth:** This involves lowering the projected GDP growth rate by a quarter (in each fiscal year). While this scenario does not directly affect fiscal policy measures, it has implications for revenue generation and expenditure planning. The lower GDP growth rate leads to a decrease in net federal revenue due to subdued economic activity. Consequently, there is pressure on fiscal deficit and debt accumulation, as the government may need to maintain or increase expenditures to stimulate growth amid lower economic performance.
7. **Exchange Rate Depreciation:** More-than-expected depreciation of the Pakistani Rupee can significantly impact fiscal sustainability by increasing the cost of servicing external debt, as repayments and interest on foreign-denominated loans become more expensive in local currency terms. Additionally, a weaker rupee can lead to higher import costs, fueling inflation and putting pressure on public expenditure, particularly if subsidies on essential goods like fuel and food are in place. The combined effect of these factors can lead to a higher fiscal deficit and an increased debt burden, exacerbating fiscal vulnerabilities. Moreover, the depreciation could undermine investors' confidence, leading to capital outflows and further currency depreciation, creating a vicious cycle of financial instability.
7. **Climate change and natural disasters** pose increasingly significant threats to global economic stability and fiscal sustainability. As these phenomena intensify, governments, worldwide, are compelled to reevaluate their fiscal strategies for managing the associated risks

effectively. Despite being an almost negligible contributor to global warming, the costs of climate change to Pakistan are substantial and continuously increasing as the country faces severe economic challenges. The accelerated impacts of climate change have added a new layer of pressure on the economy, including the exogenous shock of severe climate disasters, which in 2022 exerted significant losses on GDP. Rising inflation, high indebtedness, low growth, currency depreciation, and depleted foreign currency reserves have added to the scale and multitude of challenges.

8. **Stringent climate change mitigation** can significantly raise government expenditures and resultantly, the federal fiscal deficit. However, it will also yield economic and climate benefits in the medium and long term, restricting the average degree temperature to increase significantly. As such, it is critical to highlight that climate change is a long-term phenomenon, requiring climate justice by the international community to join hands with Pakistan to make joint efforts for climate change mitigation.

9. Under **no or lower efforts to climate change mitigation**, the loss in GDP will be greater than the stringent mitigation scenario. On the fiscal side, the decreased revenue collections due to less economic activity and lower productivity may yield a higher fiscal deficit. Furthermore, climate change mitigation along with efforts for more revenue collections are more promising in the long term for fiscal sustainability in line with the baseline scenario.

10. **Natural disasters** can significantly challenge fiscal sustainability. The 2022 floods have shown Pakistan's high vulnerability to climate change as the disaster has demonstrated vulnerability for the people of the country. Establishing a Natural Disaster Fund (NDF) can help to mitigate fiscal deficit, at least to some extent. Furthermore, including improved tax collections alongside NDF in certain instances shows promise in alleviating fiscal risks, resulting in slight improvements in deficit levels.

11. Pakistan's **State-Owned Enterprises** (SOEs) are pivotal for socio-economic development by providing essential goods and services to the public in areas where private sector investment was hindered due to various factors, such as significant capital requirements, limited profitability, trade restrictions, market size constraints, and a lack of competitive market dynamics. However, the financing requirements of SOEs and the interplay between the Government of Pakistan and its SOEs render fiscal accounts at risk. Severe weather conditions due to climate change led to shifts in water availability and energy generation, while major precipitation events, extreme temperatures, and wildfires disrupted transportation infrastructure and transmission systems. SOEs like GENCOs, WAPDA, DISCOs, and other power sector entities face significant exposure. Such risks include those associated with hydropower and thermal power plants, as well as transmission and infrastructure risks.

12. Under **Public Private Partnership**, there is only one project, Sialkot – Kharian Motorway, which has a VGF of only PKR 10.94 billion and is in the construction phase. Moreover, there is no liability on the part of the government under this PPP project that can be materialized as a consequence of any climate change-related event. However, there is a valid sovereign guarantee of PKR 6.9 billion, which has been issued against the operational VGF of this project. The guarantee

will expire on the completion of the debt service period, which is 10 years starting after 2 years of construction period.

Mitigation Measures

- Stable macroeconomic policies prevent excessive exchange rate fluctuations and attract long-term investments, contributing to overall economic resilience and minimizing fiscal risk.
- Accumulating foreign exchange reserves provides a financial cushion against exchange rate volatility. During periods of economic stability and favourable trade balance, the government can build foreign currency reserves and manage these reserves through investments in safe and liquid assets.
- Developing policies that support export-driven sectors increases foreign currency earnings and improves the trade balance. A stronger export sector enhances foreign exchange inflows, reducing pressure on the domestic currency and helping to stabilize it.
- Creating a conducive environment for FDI boosts foreign currency inflows and supports economic growth. Ensuring political and economic stability, improving ease of doing business, offering tax incentives, and protecting investors' rights are key strategies for attracting FDI.
- By supporting sectors that are less vulnerable to climate impacts and promoting new industries that contribute to a greener economy, the fiscal base becomes more robust and less susceptible to climate-related disruptions. Investments in research and development for sustainable technologies can also spur economic growth, create jobs, and reduce dependency on sectors prone to climate risks.
- Diversifying energy sources by accelerating the transition to renewable energy can reduce dependency on imported fuels and mitigate exchange rate and price volatility risks.
- Implementing energy efficiency measures can help to control overall demand and capacity charges. Utilizing financial instruments to hedge fuel prices and exchange rate volatility can provide more predictable cost structures.
- Strengthening regulatory frameworks and incentives for private sector investment in renewable energy is crucial to reducing the fiscal burden and ensuring sustainable energy development.
- Ensuring priorities in investment on climate resilient infrastructure is critical, making structures such that they survive natural disasters. This means that roads to be constructed should meet improved drainage levels, use better materials, and better engineering designs and principles to remain resilient.
- Measures such as early warning flood control measures should be taken proactively to reduce the extent of the problems so that rehabilitation costs may decrease in the long run.

STATEMENT OF ESTIMATED TAX EXPENDITURE

Section 8 of the Public Finance Management Act, 2019 provides that the Federal Government shall, in respect of every financial year cause to be laid before the National Assembly, Finance Bill consistent with Article 73 of the Constitution including a statement of estimated tax expenditure of the Federal Government.

2. A Tax Expenditure Report 2024 providing the details of tax expenditure in FY 2024- 25 which involves tax expenditure in Sales Tax of Rs. 2,858.721 billion, a tax expenditure in Income Tax of Rs. 476.960 billion, and tax expenditure in Customs Duty of Rs. 543.521 billion, arriving at a total estimated tax expenditure of Rs. 3,879.202 billion is being laid before the Parliament.

(Malik Amjed Zubair Tiwana)
Chairman FBR

Dated: 12th June, 2024

Medium-Term Budgetary Statement
(2024-25 TO 2026-27)

The Federal Government includes Medium-Term Budgetary Statement, consistent with the principles of sound fiscal and debt management, in the Annual Budget Statement to be laid before the National Assembly each year as per requirement under section 5 of the Fiscal Responsibility & Debt Limitation Act, 2005.

2. Pakistan's economy witnessed a moderate recovery in FY2024 which laid a foundation for further strengthening the growth prospects in FY2025 and over the medium term. The government has been able to stabilize the economy through various short-term policy measures and initiate the long-term sustainable growth agenda.

3. The growth trend in tax collection is indicative of improving economic conditions, gradual recovery in business activities, and effective enforcement measures. Consequently, the revenue landscape presents a promising outlook. On the other hand, higher markup payments are putting significant pressure on expenditure. However, the government's persistent efforts to curtail non-markup expenditures through austerity measures have facilitated a continuous improvement in primary surplus in FY2023-24.

4. Resource mobilization and increasing revenues to an optimum level over medium-term is a critical challenge to meet escalating expenditures. Government is focusing all its efforts to optimize tax collection through robust measures such as revamping of FBR, supporting digitization and IT base solutions, removing Tax distortions and implementing tax regulation effectively. Similarly, realizing the importance of non-tax revenues (NTR), the Government is exploring all avenues to increase inflows and has been able to achieve its NTR targets in FY 2023-24. Going forward, government is committed to maintain this growth.

5. On the expenditure side, the Government is ensuring the support to the social sector development through health, education, youth and gender sensitive allocations. For social inclusion and pro-poor interventions, spending on BISP, Pakistan Bait-ul-Mal and Utility Stores Corporations have been increased exponentially. At the same time, austerity measures will remain in place for rationalization of non-essential spending. Stable financial growth and maintaining fiscal discipline over medium-term will ensure the Government's to create a balance between providing relief to the common man and meet other essential expenditures. The development portfolio of the Government has been increased which will ensure the sustainable development over medium term.

Climate Budget Statement

The daunting challenge of climate change posing socioeconomic risks to Pakistan demands urgent attention. The federal government is cognizant of macro-fiscal implication of climate change and looking forward to bring economic diversification to strengthen fiscal resilience by focusing on greener economy through introducing climate resilience infrastructure and new industries. Therefore, federal government has adopted climate budget as a governance system to mainstream the climate considerations into policy decision making. The green budgeting will enable government in prioritizing climate by integrating it into budgeting process and fixing responsibility for implementation, monitoring, evaluation and reporting across the line ministries and departments. Ministry of Finance has taken the major initiative of tagging climate-sensitive budgetary and expenditure data based on the National Climate Change Policy. Through a consultative process involving all stakeholders, more than of 5000 cost centers of the Federal Government under three major classifications (adaptation, mitigation, and other supporting areas) and forty minor sub-classifications have been tagged successfully. These interventions will allow the Federal Government to make targeted allocations to respond climate change risks.

The Budget Tagging exercise this year focused on three types of data, BE 2023-24, RE 2023-24, and BE 2024-25. The BE 2023-24 has indicated allocation of 8.1% and 15.7% of the Running of Civil Government (ROCG) and Public Sector Development Programme (PSDP) respectively on climate sensitive areas. According to the RE 2023-24, the government was only able to spend 7.7% of the ROCG and but spent substantially more (19.3%) as percentage of the PSDP, in comparison with the original target, on climate sensitive areas. For the next FY 2024-25 in which ROCG and PSDP are substantially bigger, the government has allocated funds to tackle climate change as 7.7% of the ROCG and 15.3% of the PSDP will be spent on climate sensitive areas. In the medium term, the government plans to ensure that climate sensitive budget does not falls below 8% of the ROCG and 16% of the PSDP over medium term.

Gender budget Statement

The Article 25 states Constitution of Pakistan, 1973 provides that there will be no gender discrimination while, Article 35 directs the state to ensure full participation of women in all spheres of national life. However, despite major improvements, gender inequality is a cause of concern in Pakistan. Domestic and international data and indices suggest the wide gap between Pakistani men and women in terms of education, health, employment and economic opportunities etc. Pakistan's economic development will remain halted without closing the gender gap considering the women constituting the 50% of population of this country.

As the Government of Pakistan works to reduce gender inequality and provision of equal rights to all citizens, one of the major impediments is the lack of gender-disaggregated data. As a first step, the government is trying to identify gender disaggregated on public expenditure. The federal government segregated gender sensitive budgets and expenditures of all ministries, divisions and departments, thereby, allowing policymakers to have a better insight on gender responsive policies and strategies. The public expenditure of more than 5000 cost centers of the federal budget has been segregated under six major gender classifications (equality & quality of education, health & well-being, governance & data systems, employment & economic opportunity, safety & security, and agency, political participation & meaningful engagement). This major development will assist in effectively and efficiently spending meagre financial resources to tackle gender inequality. The Budget Tagging exercise this year focused on three types of data, budget estimates budget estimates (BE) financial year (FY) 2023-24, revised estimates (RE) FY 2023-24, and BE FY 2024-

25. The BE 2023-24 has indicated allocation of 10.1% and 9.5% of the Running of Civil Government (ROCG) and Public Sector Development Programme (PSDP) respectively on gender sensitive areas. According to the RE 2023-24, the government was able increase the spending to 11.3% of the ROCG and 10.1% of the PSDP on gender sensitive areas. For the next FY, 2024-25 in which ROCG and PSDP are substantially bigger, the government has allocated 9.8% of the ROCG and 7.4% of the PSDP to gender sensitive areas.

Disaster Budget Statement

Disaster risk is a combination of extreme natural events and vulnerability. Due to its diverse geography and climate change, Pakistan is prone to a large number of extreme natural disasters triggered by natural hazards. According to World Risk Report 2023, Pakistan has been ranked as the 11th highest disaster risk prone worldwide. The Government of Pakistan is aware of the high disaster risk and has passed laws, instituted disaster management authorities at the federal and provincial levels, and established disaster funds to manage and mitigate the risk. However, data on public expenditure on disaster preparedness, recovery, and rehabilitation was not available in the past. Each year, the Federal Government budgets and spends millions of rupees in diverse areas to deal with disasters. Tagging and tracking this expenditure is necessary for evidence-based policy-making and accountability. In 2024, the federal government decided to tag more than 5000 cost centers on four major disaster classifications (preparedness, response, recovery & rehabilitation, and reconstruction) through a consultative process. All ministries and divisions of the Federal Government have participated in the tagging of their respective cost centers, increasing this exercise's outreach, transparency, and ownership. This tagging and tracking of budget and expenditure on disaster sensitive areas will assist the Federal Government in effectively mitigating risk and managing disasters.

The Budget Tagging exercise this year focused on three types of data, BE 2023-24, RE 2023-24, and BE 2024-25. The BE 2023-24 has indicated allocation of 4.5% and 1.9% of the Running of Civil Government (ROCG) and Public Sector Development Programme (PSDP) respectively on disaster sensitive areas. According to the RE 2023-24, the government was able to spend 4.4% of the ROCG and 1.9% of the PSDP on disaster sensitive areas. For the next FY 2024-25 in which ROCG and PSDP are substantially bigger, the government allocated 4.3% of the ROCG and 1.8% of the PSDP to disaster sensitive areas.

EMPLOYEES RELATED DATA AND IMPLEMENTATION OF ORGANIZATIONAL MANAGEMENT MODULE

Human Resource Data in the domain of public administration provides valuable insights on a government's workforce composition and on the government's ability to recruit, retain and manage its human resource capital. From fiscal point of view Human Resource information serves as an important decision-making tool to help Government rationalize its allocation of resources more efficiently and economically in its employees related data.

In the Budget Call Circular (2024-25) a serious attempt has been made to compile federal government employees' data, with vacancy positions, and redundant posts separately for bringing greater visibility to the size of the Federal Government employees with specific emphasis on identification of posts that have remained vacant for more than three (03) years. The exercise intends to assess the financial liability involved in the continuation of redundant posts and to rationalize the size of the governments in terms of allocation of funds and resources on to the current side of expenditure. Besides conversion of employees related data on Organizational Management (OM) Module has been intensely pursued to stop manual input of data in the system, eliminating the risk for errors through creation of an Employee Record Management database for better management and administer salary plans and process annual pay raise. In this way OM Module is the most critical feature in maintaining personal information of Employees, by processing payroll entries more efficient to generate salary slips, to deduct taxes from employee payroll while strengthening the government's working through automated work flows.

Government of Pakistan
Finance Division

STATEMENT OF RESPONSIBILITY

Stated that all policy decisions with material economic or fiscal implications that the Federal Government has made before 12th June 2024, the day on which the contents of the economic policy statements were finalized and all other circumstances with material economic or fiscal implications of which I was aware before that day, have been communicated to the Secretary of Finance in terms of Section 10(1)(a) of Fiscal Responsibility and Debt Limitation Act, 2005.

The statement to the best of my knowledge provides for: -

- a) the integrity of the disclosures contained in the economic policy statement;
- b) the consistency with requirements of the Act of the information contained in the economic policy statements; and
- c) the omission from the economic policy statement of any decision or circumstance specified in sub-section (3) of section 8 of the Act.

(Muhammad Aurangzeb)
Minister for Finance and Revenue

Government of Pakistan
Finance Division

STATEMENT OF RESPONSIBILITY

Stated that the Finance Division, in terms of Section 10(1)(b) of Fiscal Responsibility and Debt Limitation Act, 2005, has supplied to the Minister for Finance and Revenue, using its best professional judgment on the basis of economic and fiscal information available to it before 12th June 2024, the day on which the contents of the economic policy statements were finalized, an economic and fiscal statement incorporating the fiscal and economic implications of those decisions and circumstances, but any decisions or circumstances that the Minister for Finance and Revenue has determined under Sub-section (3) of Section 8 of the Fiscal Responsibility and Debt Limitation Act 2005 have not been incorporated in the statement.

Finance Division,
Islamabad, the 12th June, 2024

IMDAD ULLAH BOSAL
Secretary to the Government of Pakistan