


# FORM OF ORDER SHEET

Court of \_\_\_\_\_

**Appeal No.** \_\_\_\_\_ **1258/2024**

S.No.	Date of order proceedings	Order or other proceedings with signature of judge
1	2	3
1-	2/9/2024	<p>The appeal of Mr. Syed Zahir Ali Shah presented today by Mr. Muhammad Zahid Aman Advocate. It is fixed for preliminary hearing before Single Bench at Peshawar on 10/9/2024. Parcha Peshi given to counsel for the appellant.</p> <p>By the order of Chairman</p> <p> REGISTRAR</p>

Respected Madam,

It is submitted that the present appeal was filed by the learned counsel for the appellant which was returned to him, being premature (Flag-A). Today i.e on 01.07.2024, the learned counsel without waiting for the maturity of cause of action re-filed the same with a note in shape of reply (Flag-B).

Now the appeal is submitted to your honour under rule-7 (c) of the Khyber Pakhtunkhwa Service Tribunal rules 1974 for appropriate order please.

OFFICE ASSISTANT

Hon'ble Judicial Member

Return for annexing final order  
or wait till completion of period  
90 days as provided under appeal  
Rules 1986 and section 4 of KP Service  
Tribunal Act 1974. Resubmit after  
annexing order ~~or~~ upon completion of  
statutory period of 90 days. R  
3/7/2024.

No. 284 /inst./2024/KPST

Dated 3/7/24

Re submitted today on 2/9/24


This is an appeal filed by Syed Zahir Ali Shah today on 25.06.2024 against the order dated 09.05.2024 against which he made/preferred departmental appeal/ representation dated 23.05.2024 the period of ninety days is not yet lapsed as per section 4 of the Khyber Pakhtunkhwa Service Tribunal Act 1974, which is premature as laid down in an authority reported as 2005-SCMR-890.

As such the instant appeal is returned in original to the appellant/Counsel. The appellant would be at liberty to resubmit fresh appeal after maturity of cause of action and also removing the following deficiencies.

- 1- Appeal has not been flagged/marked with annexures marks.
- 2- Memorandum of appeal is not signed by the appellant.
- 3- Annexures of the appeal are unattested.

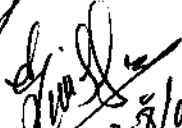
No. 260 /Inst./2024/KPST,

Dt. 26/6 /2024.

  
26/6/24  
OFFICE ASSISTANT  
SERVICE TRIBUNAL  
KHYBER PAKHTUNKHWA  
PESHAWAR.

M. Zahid Aman Adv.

Supreme Court Peshawar.

28-06-2024:- Re-Submitted with the request to be placed  
The same before the Bench on Honorable Tribunal, on  
the ground that the Appellant had preferred departmental  
Appeal on 23-05-2024, which was duly disposed  
by the Respondents vide letter dated 05/06/2024, through  
which the Appellant was directed to attend the office on  
06/06/2024. The Appellant attended the office of Post#1-2  
where after detailed deliberation the representation was  
verbally refused, since the provision of S.4, of the Act  
(Ibid) has been complied with. It is requested that the  
instant Appeal may kindly be placed before the Honorable  
Member of the Tribunal for Preliminary hearing on this  
Score:  
M. Zahid Aman.  
A:SC:   
28/06.

**BEFORE THE KHYBER PAKHTUNKHWA SERVICE TRIBUNAL, PESHAWAR**

Service Appeal:- 1258 -P/2024

Syed Zahir Ali Shah.....Appellant

**VERSUS**

Additional Chief Secretary & Others .....Respondents

**CHECK LIST**

S NO	CONTENTS	YES	NO
1.	This appeal has been presented by: <u>M Zahid Aman Advocate Supreme Court</u>	√	
2.	Whether Counsel/Appellant/Respondent/Deponent have signed the requisite documents?	√	
3.	Whether appeal is within time?	√	
4.	Whether the enactment under which the appeal is filed mentioned?	√	
5.	Whether the enactment under which the appeal is filed is correct?	√	
6.	Whether affidavit is appended?	√	
7.	Whether affidavit is duly attested by competent Oath Commissioner?	√	
8.	Whether appeal/annexures are properly paged?	√	
9.	Whether certificate regarding filing any earlier appeal on the subject, furnished?	√	
10.	Whether annexures are legible?	√	
11.	Whether annexures are attested?		
12.	Whether copies of annexures are readable/clear?	√	
13.	Whether copy of appeal is delivered to AG/DAG?	√	
14.	Whether Power of Attorney of the Counsel engaged is attested and signed by appellant/appellant/respondents?	√	
15.	Whether numbers of referred cases given are correct?	√	
16.	Whether appeal contains cutting/overwriting?	x	
17.	Whether list of books has been provided at the end of the appeal?	√	
18.	Whether case relate to this court?	√	
19.	Whether requisite number of spare copies attached?	√	
20.	Whether complete spare copy is filed in separate file cover?	√	
21.	Whether addresses of parties given are complete?	√	
22.	Whether index filed?	√	
23.	Whether index is correct?	√	
24.	Whether Security and Process Fee deposited? On _____		
25.	Whether in view of Khyber Pakhtunkhwa Service Tribunal Rules 1974 Rule 11, notice along with copy of appeal and annexures has been sent to respondents? On _____	√	
26.	Whether copies of comments/reply/rejoinder submitted? On _____		
27.	Whether copies of comments/reply/rejoinder provided to opposite party? On _____		

It is certified that formalities/documentation as required in the above table have been fulfilled.

Name:- M Zahid Aman, ASC

Signature:- 

Dated:- 24-06-2024

**BEFORE THE KHYBER PAKHTUNKHWA SERVICES TRIBUNAL, PESAHWAR**

Service Appeal:- 1258 -P/2024

Syed Zahir Ali Shah.....Appellant

**VERSUS**

Additional Chief Secretary & Others .....Respondents:

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8.	Copy of the impugned order dated May 9, 2024, alongwith the transcript of whats-app messages	E	92-92/A
9.	Copy of Termination Letter dated: 09/05/2024 alongwith transcript of whats- app messages	F	93-93/A
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Appellant  
Through:-

  
**M. ZAHID AMAN**

Advocate

Supreme Court of Pakistan

Cell No.0333-0972362

Office No 9, 5th Floor Falak Salr Plaza

Peshawar Cantt

zahidamanadv@gmail.com

Dated 24/06/2024

**BEFORE THE KHYBER PAKHTUNKHWA SERVICES TRIBUNAL,**  
**PESAHWAR**

Service Appeal:- \_\_\_\_\_ -P/2024

Khyber Pakhtunkhwa  
Service Tribunal

Diary No. 13781

Dated 25/6/24

**Syed Zahir Ali Shah**

Project Director, PCMU

Khyber Pakhtunkhwa Rural Investment & Institutional Support  
Project (KP-RI&ISP)

AND, the Additional Charge of the Post of Director General  
Governance Policy Project, Government of Khyber  
Pakhtunkhwa (PPS-BS-19) **currently posted as Chief Planning  
Officer, Sports & Youth Affairs Department, Govt. of KPK**

..... Appellant

**V E R S U S**

1. **Additional Chief Secretary**  
P & D Department  
Government of Khyber Pakhtunkhwa
2. **Secretary P&D Department**  
Civil Secretariat Peshawar
3. **Shahid Ali Additional Secretary (Admin)**  
P & D Department  
Government of Khyber Pakhtunkhwa

..... Respondents

Filed to-day  
Registrar  
25/6/24

SERVICE APPEAL U/S 4 OF THE KHYBER  
PAKHTUNKHWA SERVICES TRIBUNAL ACT, 1974,  
IMPUGNED ORDER DATED MAY 09, 2024  
WHEREBY THE APPELLANT WAS ILLEGALLY,  
UNLAWFULLY, MALAFIDELY AND WITH ULTERIOR  
MOTIVES TRANSFERRED FROM THE POST OF

Re-submitted to-day  
and filed.  
Registrar  
25/6/24

PROJECT DIRECTOR (PCMU) (KP-R&ISP) AS  
CHIEF PLANNING OFFICER, SPORTS & YOUTH  
AFFAIRS DEPARTMENT, IN UTTER VIOLATION OF  
THE TRANSFER AND POSTING POLICY.

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**Prayer in Appeal**

On acceptance of this appeal the impugned order dated 09.05.2024 passed by the respondent No. 1 may please be set aside, being illegal, unlawful arbitrary, unfair and against the settled principles governing the subject and consequently the appellant may kindly be allowed to perform his duties as Project Director (PCMU) (KP-R&ISP) for the tenure duly mentioned in project policy.

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**Respectfully Sheweth:-**

The Appellant respectfully requests permission to submit the following:

1. That, the Appellant is a law-abiding citizen of Pakistan, whose fundamental rights are duly protected under the Constitution of the Islamic Republic of Pakistan, 1973. He has served in the Provincial Government since 1995, holding various positions. Throughout his career, his performance has been exemplary, and he has been fulfilling his professional and official duties with zeal, honesty, and dedication. He has never been involved in any disciplinary actions.

2. That, during the course of his service, he was working as the Director General PCNA, P&D Department, when he was given the additional charge of the post of Project Director, Project Coordination & Management Unit (PCMU), Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-R&ISP), via Notification No. SO (E) P&D/5-6/P&D/2022 dated 18th October 2023. **(Copy of the notification is annexed as Annexure-A)**
  
3. That, the Appellant was later formally selected by the Provincial Project Selection Committee (PPSC) in its meeting held on 8<sup>th</sup> December 2023, and he was subsequently transferred and posted as Project Director, Project Coordination & Management Unit (PCMU), Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-R&ISP) via Notification No. SO (Estt) P&D/5-6/RI&ISP/P&D/2023 dated 14<sup>th</sup> December 2023. It is pertinent to mention that, as Project Director, the Appellant was authorized to hold the additional charge of the post of Director General, PCNA/P&D Department, which he still holds. **(Copies of the notifications are annexed as Annexure-B).**
  
4. That, the aforementioned development project is worth USD 408 million and is financed by the World Bank. It is designed to bolster public administration infrastructure and enhance service delivery across various sectors in the newly merged districts (NMDs) of erstwhile FATA/PATA. This multisectoral initiative aims to strengthen the local government system by enhancing its institutional capacity and prioritizing critical public service sectors. The project operates in collaboration



with the P&D Department, Government of KP, through the Project Coordination and Management Unit (PCMU), KP-RIISP, and is governed by the Government of Khyber Pakhtunkhwa.

**(Copy of project details are annexed as Annexure-C).**

5. That, while serving as the Project Director of KP-RIISP, the Appellant confidently asserts the successful achievement of nearly all targeted objectives related to the procurement of specialists and other essential human resources for the project. This notable feat has been accomplished within an impressively condensed timeframe, alongside the establishment of a robust coordination mechanism among all project coordination units. Furthermore, it is noteworthy that; in his capacity as DG, PCNA, the Appellant has achieved remarkable success in meeting the focused targets of activities within PCNA/GPP across various levels of the Provincial Government of KP, the Federal Government, and with the World Bank/MDTF. Notably, the Appellant has overseen the provision of USD 8 million in assistance, culminating in the preparation, finalization, and publication of a comprehensive five-year Sustainable Development Strategy and Work Plan for the entire province of KP.
  
6. That, it is important to note that the deputation of senior government officers to project posts, as is the case with the Appellant, is absolutely dependent upon predefined procedures to be followed in accordance with the Khyber Pakhtunkhwa Implementation Policy – 2022, duly approved by the Provincial Cabinet. This implementation policy is a guiding paradigm, enjoying clearance from the Provincial

Cabinet, and is meant for all approved development projects of the Government of Khyber Pakhtunkhwa. This is in pursuance of Rule 3(3), read with entries 3 and 8 under the Planning & Development Department Schedule II (dealing with the distribution of business among departments) of the Khyber Pakhtunkhwa Government Rules of Business, 1985.

**(Copy of the KP Project Implementation Policy, 2022 is annexed as Annexure-D).**

7. That, Chapter 4 of the Project Implementation Policy describes the Human Resource-Related Provisions. Clause 3 (xvii) specifically provides that the Project Director and staff will be appointed for a period of three (03) years or for the project term, whichever is less. The initial period of three years is further extendable for another two years or until the end of the project, considering the importance of the development project. It is worth adding that KP-RIISP is a joint venture initiative of the Government of Pakistan, Government of Khyber Pakhtunkhwa (KP), and the World Bank. The project aims to support the integration of the former Federally Administered Tribal Areas (FATA) into the administrative structure of KP and to enhance access to citizen-centric public services in eight newly merged districts (NMDs) and six frontier regions (FRs) of the province. This is, therefore, the first venture of its kind following the merger of the defunct FATA/PATA.

8. That, to the utter bewilderment and shock of the Appellant, he received an unexpected transfer order dated May 9, 2024, from Respondent No. 1, via a WhatsApp message at around 12:35 am. The order directed the Appellant to be transferred and placed as Chief Planning Officer in the Sports & Youth Affairs Department, according to Notification No. SO (E) P&D/5-6/RI&ISP/P&D/2023 dated May 9, 2024. **(Copy of the impugned order dated May 9, 2024, alongwith the transcript of whats-app messages is annexed as Annexure-E).**
  
9. That, it is interesting to note that on the same date, i.e. 9-5-2024, the Appellant issued a Termination Order of one of the Directors of the project, namely Mr Kamal Ahmad, on the direction of the competent authority, i.e., the Respondent No. 1,. This timing suggests the mala fides and ulterior motives of Respondent No.2. **(Copy of Termination Letter dated: 09/05/2024 alongwith transcript of whats- app messages is attached as annexure-F).**
  
10. It is worth mentioning here that, as per protocols for employee transfers, the said transfer order represents a clear deviation from standard practices and rules in this case. The role of the Appellant as Project Director for KP-RS&ISP is not a typical deputation but rather the result of a specific selection process and a series of interviews with stakeholders, due to the unique and critical nature of the project. This appointment was intended to last three years or until the project's completion, in line with its specialized requirements and funding parameters of the World Bank.

11. That the appellant being aggrieved from the impugned transfer order dated 09.05.2024 filed W.P No.2583-P/2024 before the Peshawar High Court Peshawar, regarding the same subject matter, however the same was disposed off with the direction to the appellant to approach the proper forum i.e. Service Tribunal vide order/judgment dated 22.05.2024. **(Copy of the order/judgment dated 22.05.2024 is annexed as annexure-G).**
  
12. That the appellant being aggrieved from the impugned transfer order preferred a departmental appeal to the respondent No. 1 on 23/05/2024, which was duly responded by the respondents No. 1 & 2 vide letter No. SO(E)P&D/5-6/KP-RI&ISP/2024 dated: 05/06/2024 through which the appellant was directed to attend the office of respondent No. 2 on 06/06/2024. **(Copies of departmental appeal alongwith letter dated: 05/06/2024 is annexed as annexure-H).**
  
13. That as per direction of respondent No. 2, the appellant attended the office of respondent No. 2, on 06/06/2024, where after some discussions the respondents flatly refused to grant any relief to the appellant as per his departmental appeal, however the respondents did not issue any written refusal yet.
  
14. That the appellant being aggrieved from the impugned transfer order dated; 09/05/2024 and subsequently the refusal of his departmental appeal dated: 23/05/2024, on

06/06/2024, prefers this service appeal before this Hon'ble Tribunal for the following amongst other grounds:

**GROUND S:**

- A. That, the impugned order is illegal, unlawful, without any lawful authority, based on mala-fide intentions and ulterior motives, hence is void ab-initio and needs to be set-aside.
- B. That, the impugned order is against the settled principles of 'Good Governance' and is the result of nepotism, favoritism, and most likely seems to be politically motivated.
- C. That, the impugned transfer order was issued absolutely against the procedures laid down in the KP Project Implementation Policy- 2022, moreover, without assigning any valid reason in this regard.
- D. That, it is pertinent to mention here that as per protocols for the employees transfers the impugned order is a clear violation of the standard practices and rules in this regard. The role of the Appellant as Project Director for KP-RS&IISP is not mere a typical deputation but was the result of a specific selection process and a series of interviews with stakeholders, due to the unique and critical nature of the project. This appointment was intended to last three years or until the project's completion, in line with its specialized requirements and funding parameters of the World Bank.

- E. That, as per facts mentioned above, the issuance of such illegal transfer order constitutes a significant disruption to the Appellant, who was carefully selected and deputed. This action starkly contradicts the terms and conditions established at the time of the Appellant's appointment as Project Director (PD). Moreover, the Appellant's sense of disappointment runs deep, as their feelings were profoundly wounded by the arbitrary and unjust nature of the transfer order imposed by the respondent. This unilateral decision not only throws the Appellant's career trajectory into disarray but also deals a severe blow to the integrity and effectiveness of critical projects such as the Governance Policy Project and the Project Coordination and Management Unit (PCMU) within the Khyber Pakhtunkhwa Rural Investment & Institutional Support (S&ISP). Furthermore, it tarnishes the hard-earned reputation the Appellant has cultivated through longstanding dedication and collaboration with esteemed colleagues and teams affiliated with reputable institutions like the World Bank.
- F. That, it's imperative to highlight the Fiduciary Management Part, encompassing Procurement as well as Financial Management, which constitutes a pivotal aspect of the project's operational framework. This facet underscores the meticulous attention required in handling financial matters and procurement procedures, amplifying the significance of the Project Director's (PD) role and the team's dedication. Moreover, it is essential to underscore

the current implementation status of the project, as indicated by the recent assessment conducted by the Implementation Support Mission of the World Bank. This evaluation resulted in a SATISFACTORY RATING, a testament to the exceptional performance exhibited by the Project Director and their team. This rating extends beyond mere certification; it serves as validation of their steadfast commitment and proficiency in navigating the complexities of project execution. Furthermore, it's noteworthy to mention that a World Bank Implementation Support Mission convened from May 06-10, 2024, specifically focusing on the (KPRIISP) Khyber Pakhtunkhwa Rural Investment and Institutional Strengthening Project. This mission aimed to meticulously review implementation progress, deliberate on strategic steps forward, and chart a course for future directions. Such evaluations underscore the critical juncture of project implementation and signify the ongoing dedication to achieving objectives and delivering impact full outcomes. Contrary to the achievements highlighted above, the transfer of the Appellant from his position on the last day of the Implementation Support Mission was nothing but an attempt from the respondent No. 1, resulting in complete discouragement of positive career growth. **(Copy of the relevant report of the Implementation Support Mission (May 06-10-2024) is annexed herewith as Annexure – I).**

- G. That under the circumstances, the Appellant finds himself bereft of any satisfactory source, and left only with the

option of seeking redressal of his grievance through the appellate jurisdiction of this Hon'ble Tribunal under section 4 of the Khyber Pakhtunkhwa Services Tribunal Act 1974. Due to such arbitrary and unjustified order of the respondent No. 1, the Appellant apprehends irreparable loss and injury in case the impugned transfer order is allowed to be implemented without interference from this Honourable Tribunal.

- H. That, the principles relevant to this petition have already been established by the Supreme Court of Pakistan in the case of Anita Turab. In its judgment, the Apex Court not only articulated the principles of good governance concerning the civil and public service of Pakistan but also mandated their wide dissemination. It is a well-settled legal principle that discretion must be exercised in a structured, transparent, reasonable, and judicial manner.
- I. That, the superior courts have time and again ascertained that every action of the Government or a Public Functionary shall meet the requirements of reasonableness, rationality and fairness, which is badly lacking in the instant case.
- J. That, the Appellant invites the attention of the Honorable Tribunal for securing his fundamental constitutional rights alongwith other ancillary rights as an employee on deputation, particularly in the context of development projects funded by prestigious institutions like the World Bank:



PRAYER:

It is therefore most humbly requested that on acceptance of this appeal the impugned order dated 09.05.2024 passed by the respondent No. 1 may please be set aside, being illegal, unlawful arbitrary, unfair and against the settled principles governing the subject and consequently the appellant may kindly be allowed to perform his duties as Project Director (PCMU) (KP-R&ISP) for the tenure duly mentioned in project policy.

Any other relief or remedy deemed appropriate by this Honorable Tribunal in the circumstances of the case.

Through:-

Appellant



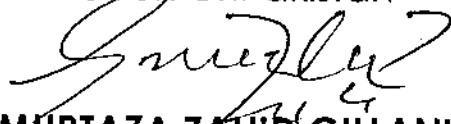
**M. ZAHID AMAN**

Advocate

Supreme Court of Pakistan

Dated 24/06/2024

&



**SYED MURTAZA ZAHID GILLANI**

Advocate High Court, Peshawar

**BEFORE THE KHYBER PAKHTUNKHWA SERVICES TRIBUNAL,**  
**PESAHWAR**

**Service Appeal:- \_\_\_\_\_ -P/2024**

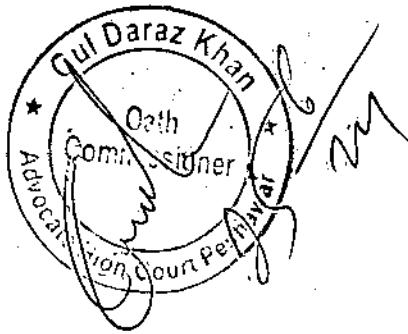
Syed Zahir Ali Shah.....**Appellant**

**VERSUS**

Additional Chief Secretary & Others.....**Respondents**

**AFFIDAVIT**

I, I, Syed Zahir Ali Shah, Project Director, PCMU Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-RI&ISP) AND, the Additional Charge of the Post of Director General Governance Policy Project, Government of Khyber Pakhtunkhwa (PPS-BS-19) currently posted as Chief Planning Officer, Sports & Youth Affairs Department, Govt. of KPK, do hereby solemnly affirm and declare that the contents of the accompanying **Service Appeal** are true and correct to the best of my knowledge and belief and nothing has been concealed from this Hon'ble Court.



  
 \_\_\_\_\_  
**DEPONENT**

**BEFORE THE KHYBER PAKHTUNKHWA SERVICES TRIBUNAL,**  
**PESAHWAR**

C.M No. \_\_\_\_\_/2024

In

Service Appeal:- \_\_\_\_\_-P/2024

Syed Zahir Ali Shah.....Appellant

**V E R S U S**

Additional Chief Secretary & Others .....Respondents

**APPLICATION FOR THE SUSPENSION OF**  
**IMPUGNED TRANSFER ORDER DATED:**  
**09.05.2024, AND THE APPELLANT MAY**  
**KINDLY BE ALLOWED TO CONTINUE HIS**  
**DUTIES AS PROJECT DIRECTOR, KP-RIISP, IN**  
**ACCORDANCE WITH KP-PROJECT**  
**IMPLEMENTATION POLICY-2022 TILL THE**  
**FINAL DECISION OF THE INSTANT APPEAL.**

**Respectfully Sheweth:**

1. That the titled appeal is being filed before this Honourable Tribunal in which no date of hearing has yet been fixed.
2. That the applicant/appellant has a prima facie case in his favour and he is sanguine of its success.
3. That the balance of convenience also lies in favour of the applicant/appellant.

4. That the grounds of main appeal may be considered as integral part of this application.
5. That if the impugned transfer order dated 09.05.2024 is not suspended, the applicant/appellant will suffer an irreparable loss.

It is, therefore, prayed that by accepting this application, the interim relief as prayed in the heading of the instant application may kindly be passed in favour of the appellant against the respondents.

Through:-

Applicant/Appellant



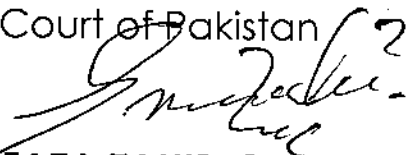
**M. ZAHID AMAN**

Advocate.

Supreme Court of Pakistan

Dated 24/06/2024

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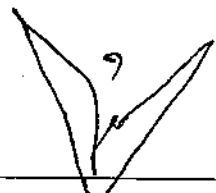


**SYED MURTAZA ZAHID GILLANI**

Advocate High Court, Peshawar

**AFFIDAVIT**

I, Syed Zahir Ali Shah, Project Director, PCMU Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-RI&ISP) AND, the Additional Charge of the Post of Director General Governance Policy Project, Government of Khyber Pakhtunkhwa (PPS-BS-19) currently posted as Chief Planning Officer, Sports & Youth Affairs Department, Govt. of KPK, do hereby solemnly affirm and declare that the contents of the accompanying **Application for suspension** are true and correct to the best of my knowledge and belief and nothing has been concealed from this Hon'ble Court.

  
\_\_\_\_\_  
**DEPONENT**

**BEFORE THE KHYBER PAKHTUNKHWA SERVICES TRIBUNAL,**  
**PESAHWAR**

**Service Appeal:- \_\_\_\_\_ -P/2024**

Syed Zahir Ali Shah.....**Appellant**

**V E R S U S**

Additional Chief Secretary & Others .....**Respondents**

**ADDRESSES OF PARTIES**

**A P P E L L A N T:**

**Syed Zahir Ali Shah**, Project Director, PCMU Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-RI&ISP) AND, the Additional Charge of the Post of Director General Governance Policy Project, Government of Khyber Pakhtunkhwa (PPS-BS-19) **currently posted as Chief Planning Officer, Sports & Youth Affairs Department, Govt. of KPK**

**R E S P O N D E N T S**

1. **Additional Chief Secretary**  
P & D Department  
Government of Khyber Pakhtunkhwa
2. **Secretary P&D Department**  
Civil Secretariat Peshawar
3. **Shahid Ali Additional Secretary (Admin)**  
P & D Department.  
Government of Khyber Pakhtunkhwa

Appellant  
Through:-



**M. ZAHID AMAN**  
Advocate

Supreme Court of Pakistan

Dated 24/06/2024



GOVERNMENT OF KHYBER PAKHTUNKHWA  
PLANNING & DEVELOPMENT DEPARTMENT

Dated Peshawar, October 18, 2023.

**NOTIFICATION:**

**NO. SOI(E)P&D/5-6/P&D/2022:** Additional charge of the post of Project Director, Khyber Pakhtunkhwa, Rural Investment & Institutional Support Project (KP RIISP), P&D Department is hereby assigned to Syed Zahir Ali Shah, Director General, PCNA, P&D, Department in addition to his own duties, with immediate effect, till further orders.

2. Consequent upon the above, Capt (R) Kamran Ahmad Afridi (PAS BS-19), Special Secretary, P&D Department is hereby relieved of the additional charge of the post of Project Director, Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP RIISP), P&D Department.

ADDITIONAL CHIEF SECRETARY  
P&D DEPARTMENT.

Encls: No. & date even.

Copy forwarded to the:

1. Accountant General, Khyber Pakhtunkhwa.
2. Project Director, Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP RIISP).
3. Director General, PCNA, P&D Department.
4. Chief of Section (RD), P&D Department.
5. PS to Additional Chief Secretary, P&D Department.
6. PS to Secretary, P&D Department.
7. PS to Special Secretary, P&D Department.
8. PA to Additional Secretary (Admin), P&D Department.
9. PA to Deputy Secretary (Estt.), P&D Department.
10. Officers concerned.

RECEIVED

Attested -

*Munir Khan*  
MUNIR KHAN  
Section Officer (Estt.)

*To be substituted with Notification of even number and date.*

GOVERNMENT OF KHYBER PAKHTUNKHWA  
PLANNING & DEVELOPMENT DEPARTMENT

Dated Peshawar, December 14, 2023.

**NOTIFICATION:**

No. SO(Estt.)P&D/5-6/RI&ISP/P&D/2023. In pursuance of recommendations of Provincial Project Selection Committee in its meeting held on 08.12.2023, Syed Zahir Ali Shah (PPS BS-19), Director General (PCNA), P&D Department, is hereby transferred and posted as Project Director, Project Coordination & Management Unit (PCMU), "Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-RI&ISP)", P&D Department, on deputation basis, with immediate effect, in the best public interest.

2. Consequent upon the above, the officer concerned is hereby authorized to hold the additional charge of the post of Director General, PCNA, P&D Department in addition to his duties, till the completion of the Governance & Policy Projects.

ADDITIONAL CHIEF SECRETARY  
P&D DEPARTMENT.

Endst: No. & Date, even.

Copy forwarded to the:

1. Accountant General, Khyber Pakhtunkhwa.
2. Secretary to Govt of Khyber Pakhtunkhwa, Industries, Finance Department.
3. Secretary to Govt of Khyber Pakhtunkhwa, Establishment Department.
4. Project Director, Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-RI&ISP)", P&D Department.
5. PS to Additional Chief Secretary, P&D Department.
6. PS to Secretary, P&D Department.
7. PS to Special Secretary, P&D Department.
8. PA to Additional Secretary (Admin), P&D Department.
9. PA to Deputy Secretary (Estt.), P&D Department.
10. Officer concerned.

INTERESTED

(AKHLAQ AHMAD)  
Section Officer (Estt.)

14/12/2023

Affected  
[Signature]

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19

**GOVERNMENT OF KHYBER PAKHTUNKHWA**  
**PLANNING & DEVELOPMENT DEPARTMENT**  
**GOVERNANCE SUPPORT PROJECT (GSP)**  
**PCNA Implementation Support Unit (ISU)**  
**4<sup>th</sup> Floor Tasneem Plaza, Near Jans Bakers**  
**Saddar Road, Peshawar**

Dated: 18<sup>th</sup> October, 2023

**CHARGE ASSUMPTION REPORT**

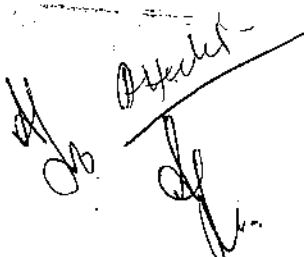
In pursuance of Government of Khyber Pakhtunkhwa, Planning & Development Department Notification No.SO(E)P&D/5-6/P&D/2022: dated 18.10.2023 I, **Syed Zahir Ali Shah (PPS BS-19)/(DG,PCNA)** hereby assumed the Additional Charge of Project Director, Khyber Pakhtunkhwa, Rural Investment & Institutional Support Project (KP-RIISP) with effect from 18<sup>th</sup> October, 2023 (Afternoon).

  
(Syed Zahir Ali Shah)  
Project Director (KP-RIIS))

Dated 19<sup>th</sup> October, 2023

Copy to:

1. Accountant General, Khyber Pakhtunkhwa
2. Project Director, Khyber Pakhtunkhwa Rural Investment & Institutional Support Project
3. Director General, PCNA, P&D Department
4. Chief of Section (RD), P&D Department
5. PS to Additional Chief Secretary, P&D Department
6. PS to Secretary, P&D Department
7. PS to Special Secretary, P&D Department
8. PA to Additional Secretary (Admin) P&D Department
9. PA to Deputy Secretary (Estt:) P&D Department

  
(Syed Zahir Ali Shah)  
Project Director (KP-RIIS))



## PROJECT BRIEF

KHYBER PAKHTUNKHWA RURAL INVESTMENT AND INSTITUTIONAL SUPPORT PROJECT  
(KP-RIISP)

KP-RIISP is a joint initiative of the Government of Pakistan, Government of Khyber Pakhtunkhwa (KP) and World Bank aiming to support the integration of the former Federally Administered Tribal Areas (FATA) into the administrative structure of KP and enhancing access to citizen-centric public services in eight newly merged districts (NMD) and six frontier regions (FRs) of the Province. The project is under implementation since October 2023 through established project implementation units, placed in Planning & Development, Agriculture, Communication & Works, Irrigation, Public Health Engineering and Local Governments Departments. ECNEC has approved the Project for a duration of eight years with a total cost of Rs. 109,998 Million (USD 407.44 M) including Rs. 80,883 Million (USD 299.6 M) from the World Bank-IDA Loan, Rs. 27,431 Million (USD 101.6 M) from the GoKP and Rs.1684 Million (USD 6.24) as community share.

**Project Components:**

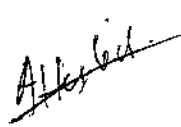
- i. **Component A: Multisectoral Investments and Improved Service Delivery:** Focuses on extending state systems to merged areas through multisectoral infrastructure investments in water supply, sanitation, rural roads, agriculture, and irrigation. It also aims to establish or enhance service delivery centres and facilities, incorporating climate resilience.
- ii. **Component B: Institutional Development of Merged Areas:** Aims to strengthen institutional development in merged areas, including capacity building of village councils, conditional grants for local infrastructure priorities, and the establishment or improvement of public service delivery centres at the tehsil level.
- iii. **Component C: Emergency Flood Response:** Targets emergency flood response by financing reconstruction and rehabilitation of public infrastructure damaged by floods, integrating improved standards and climate resilience in all flood-affected areas in KP.
- iv. **Component D: Project Coordination, M&E and Technical Assistance:** Supports project coordination, monitoring, and technical assistance. It includes the establishment of a Project Coordination and Management Unit, monitoring and evaluation with a digital system, and provision of technical assistance, training, and strategic studies.
- v. **Component E: Contingent Emergency Response Component:** A contingent emergency response component that allows reallocation of funds in the event of a major natural disaster, enabling flexibility for additional emergency-related funding.

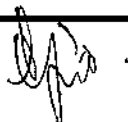
**Implementation Arrangements:** The Planning and Development Department will play a crucial role in coordinating, overseeing, and monitoring project activities. The aforementioned line departments are responsible for implementing specific project activities.

- a. **Planning and Development Department:** P&DD plays a crucial role in project oversight through its Project Coordination Management Unit (PCMU), which includes a dedicated Project Director along with experienced team who have already worked in World Bank supported projects under the implementation arrangements through P&D Department. The PCMU ensures intensive monitoring, coordination, and resolution of inter-departmental issues and hosting of the Project Steering Committee headed by the Additional Chief Secretary GoKP while relevant line departments, technical sections of P&DD and few other stakeholders are members of the forum.
- b. **Line Departments (C&W, PHED, LG, Irrigation, and Agriculture):** Project Implementation Units have been established in relevant line departments and are responsible for their components and their implementation, handling procurement, contract management and financial management. Each department has dedicated teams, including Project Director and specialists. Each department would have a World Bank Procurement Account (STEP) and a Segregated Designated Account<sup>2</sup> to manage project activities.

APPROVED









### Project Timelines

Sn	Task	Timeline	Status
1	PC-I Preparation	May 2022	Completed
2	Stakeholders Consultations for PC-I	August 2022	Completed
3	ESMF Documents completion and publically disclosed	September 2022	Completed
4	PC-I Approval from PDWP	January 2023	Completed
5	PC-I Revision	January 2023	Completed
6	Revised PC-I Approval from PDWP	27 March 2023	Completed
7	PC-I Principle Approval from CDWP	05 May 2023	Completed
8	PC-I Approval from CDWP	23 June 2023	Completed
9	PC-I Approval from ECNEC	11 July 2023/ 8Aug 2023	Completed

Sn	Task	Timeline	Status
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12	WB facilitation – Workshop on STEP account & Procurement	05 Sept 2023	Completed
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15	Training on Opening of Designated Accounts	30 September 2023	Completed
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17	Nomination of Staff for PIUs & PCMU	20 October 2023	Completed

**TESTED**

*Attached*

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## Project Timelines

Sn	Task	Timeline	Status
18	Nomination of PDs by ACS	20 October 2023	Completed
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21	Preparation & Submission of Annual Work Plan of PIUs & PCMU	10 November 2023	Completed
22	Authorization letter from Planning Commission	10 November 2023	Completed
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24	1st PSC of KPRIISP	20 November 2023	
25	1st Implementation Support Mission of WB	28 November 2023	Scheduled

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26	Administrative Approval	15 November 2023	Completed
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30	Finalization of Agriculture PIM	28 November 2023	Awaited
31	Opening of Designated Accounts	15 December 2023	In Process
32	PCMU Staff Hiring	15 December 2023	Awaited

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Government of Khyber Pakhtunkhwa  
Planning & Development Department



# KHYBER PAKHTUNKHWA RURAL INVESTMENT & INSTITUTIONAL SUPPORT PROGRAM (KP-RIISP)

April, 2024


## Agenda

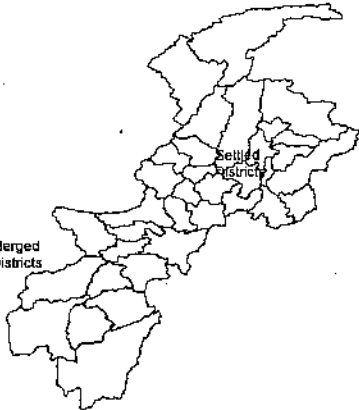


- 1. Project Overview
- 2. Departmental Activities
- 3. Project Timelines
- 4. KPRIISP PCMU / PIUs

**TESTED**

Attested


<b>Agenda</b>	
<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">1. Project Overview</div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">2. Departmental Activities</div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">3. Project Timelines</div> <div style="border: 1px solid black; padding: 5px;">4. KPRIISP PCMU / PIUs</div>	
Government of Khyber Pakhtunkhwa 3	

<p><b>Project Profile</b></p> <hr/> <p><b>Cost</b></p> <ul style="list-style-type: none"> <li>• \$300 Million (WB Loan)</li> <li>• \$110 Million (Govt KP)</li> </ul> <p><b>Project Duration</b> Eight-year Period (2023-2031)</p> <p><b>Population</b> 5 million <b>Districts</b> 08 Districts + 06 FR</p>	<p><b>1.Sponsoring</b> P&amp;D Department, GoKP</p> <p><b>2.Execution</b> P&amp;DD through a PCMU</p> <p><b>3.Implementation through PIUs</b></p> <ul style="list-style-type: none"> <li>• Agriculture Department</li> <li>• Irrigation Department</li> <li>• PHE Department</li> <li>• C&amp;W Department</li> <li>• LG Department</li> </ul> <div style="text-align: right;">  <p>Merged Districts</p> </div> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"><b>Component A:</b></td> <td>Multisectoral Investments and Improved Service Delivery to Merged Areas</td> </tr> <tr> <td><b>Component B:</b></td> <td>Institutional Development for Merged Areas</td> </tr> <tr> <td><b>Component C:</b></td> <td>Emergency Flood Response</td> </tr> <tr> <td><b>Component D:</b></td> <td>Project Management, M&amp;E, and Technical Assistance</td> </tr> <tr> <td><b>Component E:</b></td> <td>Contingent Emergency Response</td> </tr> </table>	<b>Component A:</b>	Multisectoral Investments and Improved Service Delivery to Merged Areas	<b>Component B:</b>	Institutional Development for Merged Areas	<b>Component C:</b>	Emergency Flood Response	<b>Component D:</b>	Project Management, M&E, and Technical Assistance	<b>Component E:</b>	Contingent Emergency Response
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<b>Component D:</b>	Project Management, M&E, and Technical Assistance										
<b>Component E:</b>	Contingent Emergency Response										



**TESTED**

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<p><b>Project Introduction</b></p> <p>The KPRIISP supplements – The Tribal Decade Strategy of GoKP with a strategic focus:-</p> <ul style="list-style-type: none"> <li>▪ Extending public administration infrastructure &amp; building for service delivery</li> <li>▪ Enhance the delivery of climate-resilient public infrastructure - Emergency flood rehabilitation and response</li> <li>▪ Multi-sectoral Infrastructure Development.</li> <li>▪ Strengthen local government systems by building the capacity of village councils in the development of inclusive and participatory planning and investments.</li> <li>▪ Finance the provision of critical public services in priority sectors.</li> </ul>	
Government of Khyber Pakhtunkhwa 5	

<b>COMPONENT WISE CAPITAL COST COMPONENT-WISE</b>					
	WB financing				
Project Component	Tranche 1 (US\$m) @ 270	Tranche 2 (US\$m) @ 270	Total	GoKP share (\$m & Community	Total (US\$m)
<b>A. Multisectoral Investments and Improved Service Delivery to MA</b>					
A1. Multisectoral Infrastructure Investments in MA	55.0	70.0	<b>125</b>	40	<b>165</b>
A2. Administrative and service delivery infrastructure	25.0	10.0	<b>35</b>	40	<b>75</b>
A3. Design and Supervision Consultants Services	10.0	5.0	<b>15</b>	3	<b>18</b>
<b>Sub-Total A</b>	<b>90.0</b>	<b>85.0</b>	<b>175</b>	<b>83</b>	<b>258</b>
<p><b>Note:</b> GoKP share includes contributions of land costs towards complexes, and line department staff costs that are contributing towards project implementation.</p>					
Government of Khyber Pakhtunkhwa 6					

COMPONENT WISE CAPITAL COST COMPONENT-WISE					
Project Component	WB financing		Total	GoKP share (S\$m) & community	Total (US\$m)
	Tranche 1 (US\$m)	Tranche 2 (US\$m)			
<b>B. Institutional Development for Merged Areas</b>					
B1. Institutional Strengthening for Village Councils	15.0	5.0	20	4.6 Community Share	20.0
B2. Conditional Grants to Village Councils	25.0	0	25		25.0
B3. Public Administrative Service Facilities	15.0	5.0	20		24.6
<b>Sub-Total B</b>	<b>55.0</b>	<b>10.0</b>	<b>65</b>	<b>4.6</b>	<b>69.6</b>








**Note:** GoKP share includes contributions of land costs towards complexes, and line department staff costs that are contributing towards project implementation.


Government of Khyber Pakhtunkhwa 7

COMPONENT WISE CAPITAL COST					
Project Component	WB financing		Total	GoKP share (S\$m) & community	Total (US\$m)
	Tranche 1 (US\$m)	Tranche 2 (US\$m)			
<b>C. Emergency Flood Response</b>					
<b>Sub-total C</b>	50.0	-	50	21	71
<b>D. Project Management, M&amp;E, and Technical Assistance</b>					
D1. Project Management	2.0	2.0	4	1.4	5.4
D2. M&E	2.5	2.0	4.5		4.5
D3. Training, TA and Strategic Studies	0.5	1.0	1.5		1.5
<b>Sub-total D</b>	5.0	5.0	10	1.4	11.4
<b>E. Contingent Emergency Response Component</b>					
<b>Sub-total E</b>					
<b>TOTAL COST</b>	<b>200</b>	<b>100</b>	<b>300</b>	<b>110</b>	<b>410</b>

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**TESTED**  


Total Departmental Share		(in \$Million)	
	<b>PHED</b> WB Loan: 93.15 GoKP Share: 37.34 <b>Component A1 &amp; C</b>		<b>Local Govt</b> WB Loan: 42.6 GoKP Share: 4.46 <b>Component B1 &amp; B2</b>
	<b>C&amp;W</b> WB Loan: 100.3 GoKP Share: 60.3 <b>Component A2, C &amp; B3</b>		<b>Agriculture</b> WB Loan: 30 GoKP Share: 5.89 <b>Component A1 &amp; C</b>
	<b>Irrigation</b> WB Loan: 30 GoKP Share: 1.2 <b>Component A1 &amp; C</b>		<b>P&amp;DD</b> WB Loan: 11.4 GoKP Share: 1.4 <b>Component D</b>

Agenda	
1. Project Overview	
2. Departmental Activities	
3. Project Timelines	
4. KPRIISP PCMU / PIUs	

**TESTED**

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## 1. Communication & Works Department



- 8 X District Complexes (Incl Line Departments)
- 25 X Tehsil Complexes (Incl AC/Revenue and TMAs)
- Tehsil-level Public Facilitation Centre's – 25
- Construction of New Road incl internal roads of admin complexes - 75 KMs Total
- Rehabilitation/upgradation of existing roads about 25 Km



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## 2. Agriculture Department



Major sub-components under the Agriculture Department include:


1. Creation of Service Providers for Value Addition, Processing and Farm Mechanization
2. Development of Rainwater Harvesting Systems
3. Promotion of Climate Smart Agriculture Technologies
4. Research and Development on High Value and Regenerative Agriculture






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ICB

### 3. Irrigation Department




1. Comprehensive Master Planning for Integrated Irrigation Infrastructure & Water Resource Management Plan
2. Construction Supervision and Construction of Designed Feasible schemes/Command Area Development of Completed Dams in Merged Areas
3. Construction of Flood Protection Works/Embankment at Vulnerable Locations in Upper South Waziristan
4. Construction of Flood Protection Works/Embankment at Specified Locations in District South Waziristan
5. Construction of Sub Surface Dams / Recharge Dams / Delay Action Dams at Feasible Locations and off-taking Irrigation Channels to Irrigate Culturable Barren Land in Merged Areas
6. Construction of Infiltration Galleries & Allied Channels for Taping Water of Streams for Irrigating Culturable Barren Lands in Merged Areas
7. Rehabilitation and Improvement of Non-Functional Irrigation Channels in Merged Areas.






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### 4. Local Government, Elections and Rural Development Department





- Local Government will have two main activities:
  - Institutional strengthening and capacity building of VC/NC
  - Conditional grant for VC/NC to implement small-scale schemes
- Activities with the LG Department will support investments at lower tiers
- It will focus on the implementation of small-scale schemes, at VC/NC level, through a community outreach process to satisfy the local needs.



<b>Component 2A: VC Grants</b>
VC Conditional Grants
<b>Component 2B: VC Institutional Strengthening</b>
Village Infrastructure Support and Engineering
VC Capacity Strengthening and Support
Community Behavior Change
Village Council Service Centers
Village-Level MIS
Project Implementation Support
Equipment

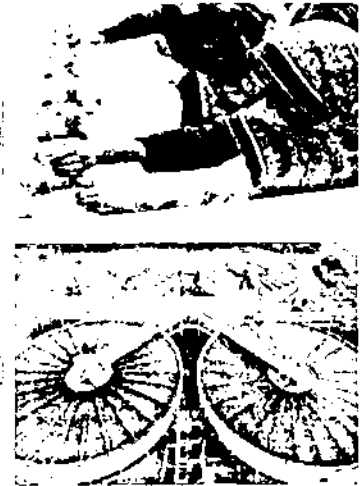
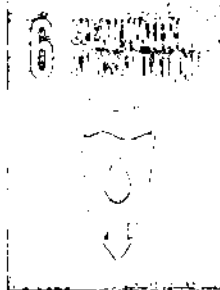
**REQUESTED**

### 5. Public Health Engineering



- Schemes which do not draw on water sources that are international waterways
- Schemes that prioritize gravity-based interventions
- Schemes that present the lowest per capita cost, thus indicating the economic efficiency of the investments
- Schemes that provide the greatest benefit to the population (based on an assessment of current water supply gaps, and relative poverty/deprivation).





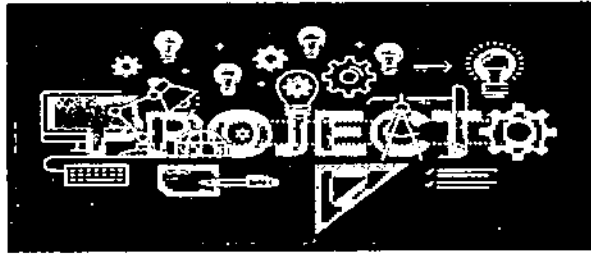

### 5. Public Health Engineering



Name	Name
<b>WATER SUPPLY (GRAVITY)</b>	<b>WATER SUPPLY (PUMPING)</b>
Sadaa Sateen Tehsil Kurram, District Kurram	Arrang Utman Khel District Bajaur
Sanjolan and Remaining Parochi near City District Kurram	Construction of greater drinking water supply scheme from Shahtman to Landi Kotail District Khyber
Bangwala, Tehsil Saragodaha, South Waziristan	Mega Water Supply Scheme Khwezai & Bazai District Mahmand
Mega Water Supply Scheme Landha and Adjacent areas District South Waziristan	Rehabilitation & Solarization of Existing Non-Functional DWSSs in Merged Areas
Chaman Kal Tehsil Sarwaka, District South Waziristan	
Mega Water Supply Scheme Sepoy District Orakzai	
Mega Water Supply Scheme Essa Khel & Mishi Mela District Orakzai	
Mega Water Supply Scheme Kandi Mishi to Ghiljo District Orakzai	
Mega Water Supply Scheme Sama Mamazai District Orakzai	
Arrang Utman Khel District Bajaur	
Construction of greater drinking water supply scheme from Shahtman to Landi Kotail District Khyber	
Mega Water Supply Scheme Khwezai & Bazai District Mahmand	
Rehabilitation & Solarization of Existing Non-Functional DWSSs in Merged Areas	

**REQUESTED**

5. Public Health Engineering			
Sanitation Schemes	Name	Sanitation Schemes	Name
<b>DISTRICT BAJUR</b>		<b>DISTRICT NORTH WAZIRISTAN</b>	
Sanitation Scheme Mian Mandi		Sanitation Scheme Mir Ali	
Sanitation Scheme Khar		Sanitation Scheme Miran Shah	
Sanitation Scheme Inayat Kati		<b>DISTRICT SOUTH WAZIRISTAN</b>	
<b>DISTRICT MOHMAND</b>		Sanitation Scheme Wana	
Sanitation Scheme Mian Mandi		Sanitation Scheme Makin	
Sanitation Scheme Ghalani		Sanitation Scheme Kani Guram	
Sanitation Scheme Yaka Ghund		Sanitation Scheme Darra Bazar	
<b>DISTRICT KHYBER</b>		Sanitation Scheme Darazinda Bazar	
Sanitation Scheme Jamrud		Drainage, Sewerage and Waste Water Treatment in Merged Areas	
Sanitation Scheme Bara			
Sanitation Scheme Landi Kotal			
<b>DISTRICT KURRAM</b>			
Sanitation Scheme Sadda Sateen			
Sanitation Scheme Parachinar			

6. Planning & Development Department			
<ul style="list-style-type: none"> <li>• P&amp;D will establish a Project Coordination &amp; Management Unit to oversee the implementation of the project.</li> <li>• To coordinate all project-related activities, monitoring, technical assistance, and training.</li> <li>• Monitoring and evaluation, including the development of a digital M&amp;E system and real-time updates</li> <li>• Technical assistance, training, and strategic studies.</li> </ul>	 		

**ATTESTED**  


**Agenda**

1. Project Overview

2. Departmental Activities

3. Project Timelines

4. KPRIISP PCMU / PIUs

**Project Preparatory Activities**

Sn	Task	Timeline	Status
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APPROVED

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**TESTED**

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### Project Preparatory Activities



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30	Opening of Designated Accounts	15 December 2023	Completed
31	PCMU Staff Hiring	15 January 2024	Completed

### Project Implementation Activities



Sn	Activities	Status / Updates	Expected Completion
1	Request for Designated Accounts submitted to SBP and NBP	Completed	15 January 2024
2	Project Operation Manuals approved by PSC	PSC file is currently in process for approval by ACS.	15 April 2024
3	Currency Accounts & AAA opened	Completed	28 February 2024


Project Implementation Activities			
Sn	Activities	Status / Updates	Expected Completion
<b>Project Implementation</b>			
<b>Agriculture Dept</b>			
4	6 month workplan, procurement plan , Cash forecast and interim arrangements plan	<ul style="list-style-type: none"> <li>Completed .</li> <li>NOL Received.</li> </ul>	Completed
5	Awareness raising plan of Agriculture Department	<ul style="list-style-type: none"> <li>NOL Received from WB</li> <li>In Process</li> </ul>	30 April 2024
6	REOI for Supervision Consultancy issued	<ul style="list-style-type: none"> <li>NOL awaited from WB</li> <li>Shortlisting Phase</li> </ul>	30 May 2024
7	Goods packages submitted to WB	<ul style="list-style-type: none"> <li>Completed.</li> </ul>	Completed

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Project Implementation Activities			
Sn	Activities	Status / Updates	Expected Completion
<b>Communication and Works Dept</b>			
8	6 month workplan, procurement plan & Cash forecast	<ul style="list-style-type: none"> <li>Completed .</li> <li>NOL Received.</li> </ul>	Completed
9	REOI for D&S Consultancy issued	<ul style="list-style-type: none"> <li>Completed</li> </ul>	Completed
10	Shortlisting report for hiring of D&S Consultant sent to Bank for review	<ul style="list-style-type: none"> <li>Completed</li> </ul>	10 March 2024
11	Confirmation of status for identified land for District & Tehsil Complexes shared with Bank	<ul style="list-style-type: none"> <li>In Process</li> </ul>	30 June 2024
12	RFP for shortlisting of D&S consultant finalized with Bank concurrence	<ul style="list-style-type: none"> <li>Completed</li> </ul>	18 March 2024

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Project Implementation Activities			
Sn	Activities	Status / Updates	Expected Completion
<b>Irrigation Dept</b>			
13	6 month workplan, procurement plan & Cash forecast	<ul style="list-style-type: none"> <li>Completed .</li> <li>NOL Received.</li> </ul>	Completed
14	D&S consultant TOR and Cost Estimates shared with WB	<ul style="list-style-type: none"> <li>Completed</li> </ul>	Completed
15	REOI for D&S Consultancy issued	<ul style="list-style-type: none"> <li>Completed</li> <li>Shortlisting Phase</li> </ul>	Completed

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Project Implementation Activities			
Sn	Activities	Status / Updates	Expected Completion
<b>Local Government Department</b>			
18	REOI for Village Development Partner Consultancy issued	<ul style="list-style-type: none"> <li>Completed</li> </ul>	Completed
19	6 month workplan, procurement plan & Cash forecast	<ul style="list-style-type: none"> <li>Completed .</li> <li>NOL Received.</li> </ul>	Completed
20	Operations Manual of LG sent to WB for no objection	<ul style="list-style-type: none"> <li>Completed .</li> <li>NOL Received.</li> </ul>	Completed
21	Shortlisting report for hiring of Village Facilitating Partner sent to WB for concurrence	<ul style="list-style-type: none"> <li>In Process.</li> <li>RFP Issued</li> </ul>	25 March 2024

Government of Khyber Pakhtunkhwa 28

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KPRIISP PIUs						
Designations	Local Govt	Agriculture	Irrigation	PHED	C&W	P&D
Project Director	Ifthikhar Alam iftikhamum@gmail.com 03334909853	Muhammad Tahir studycraze79@gmail.com 03005733739	Engr Atab Khan 03329998183	Engr Muhammad Yousaf 03339963408 psphekp@gmail.com	Engr Naveed Iqbal 03329471021	Syed Zahir Ali Shah dg@pcna.gov.pk 03005844891



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Khyber Pakhtunkhwa

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KHYBER PAKHTUNKHWA  
PROJECT IMPLEMENTATION POLICY

2022

**ATTESTED**

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# Introduction

In pursuance of Rule 3(3) read with entries 3 & 8 under Planning & Development Department,<sup>1</sup> Schedule-II (dealing with distribution of business amongst departments) of Khyber Pakhtunkhwa Government Rules of Business, 1985 notified vide No. SO(O&M) S&CAD/3-3/1985 dated 6th April, 1985 and amended from time to time, and in exercise of the powers conferred to P&D under the said rules, the **Project Implementation Policy** is being notified as a guiding paradigm/policy for all approved development projects of the Government of Khyber Pakhtunkhwa.

## Objective of Project Implementation Policy

Project execution is far more comprehensive and complex than the Human Resource component only. The previously issued project policy has been issued under Section 25 of KP Civil Servant Act, 1973 and thus essentially focuses only on human resource functions. Other areas such as setting up of PMU, financial management, procurement management, institutional mechanisms for project management, monitoring & evaluation of projects, and revision of projects based upon execution needs to be covered in a holistic manner. This Project Implementation Policy (PIP) intends to cover all these areas.

Moreover, there are other important policies/ rules covering certain areas and providing for the extent of power/ function vested in the executing agency. Thus, it is important to bring relevant provisions under one umbrella and explain the manner in which these powers/ functions shall be executed. PIP intends to serve as this overarching instrument to cover every aspect of implementation holistically.

The ultimate objective is to facilitate executing agencies in fast tracking implementation of approved projects by elaborating areas those are not previously covered.

## Scope of Project Implementation Policy

**Applicability:** The policy shall be applicable to all projects being funded by ADP, PSDP (provincially executed projects), AIP or any other project falling under the development portfolio, including special category projects (e.g. projects those are part of development portfolio and have foreign component, HDF component or PPP component or any other such area).

However, in case of these special category projects, the provisions of PIP shall be read along with provisions of any policies, rules, practices and contractual obligations dealing with such projects.

**Nature of Projects Being Covered:** the nature of development projects over the years has undergone significant expansion from traditional civil infrastructure projects to covering broad areas, such as micro finance loans, stipends, cash hand-outs, innovative

<sup>1</sup> Appraisal, monitoring and evaluation of development projects and programmes, Determining policies for approval, review and monitoring of development schemes for Government

financing arrangements such as financing interest payments/ default risk, projects involving outsourcing of services, management contracting, restructuring/ strengthening of organizations, rental arrangements for services/ equipment/ vehicles/ supply chain & warehousing etc. This PIP aims at covering all such innovative projects. Moreover, certain explanatory provisions dealing with land acquisition guidelines, and feasibility schemes (to be executed in PC-II mode) have also been included in this PIP.

**Execution Agency:** The Project Implementation Policy shall be applicable to all projects being funded through development portfolio regardless of executing agency whether it is administrative department itself, or any of its attached entities (directorates or any unit), autonomous body, or public sector company, or any other such unit. The role of Executing Agency shall remain in its own defined legal framework, with other options allowed by the client organizations/entities as permissible under legal and regulatory framework.

### Relationship of Project Implementation Policy with other Policies

Project Implementation Policy shall be read and interpreted in backdrop of following other policies and rules in vogue dealing with project execution either explicitly or impliedly (so far as possible, referencing to these provisions has been ensured in instant policy). These include:

- Khyber Pakhtunkhwa Government Rules of Business, 1985, notified vide No. SO(O&M) S&GAD/3-3/1985 dated 6th April, 1985
- KP Annual Development Programme Policy, 2019-23
- Khyber Pakhtunkhwa Delegation of Financial Powers Rules, 2018, notified vide letter NO.SO(FR)/FD/9-1/2018/DOP/17441
- Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014, notified vide letter No.SO (FR)/FD/9-7/2010/Vol-II, and as amended from time to time
- Recruitment Policy for Market based Talent vide No SO(Policy)/ E&AD/1-10/2019 dated 10th October, 2019
- Assan Assignment Account Procedure (Local Currency), 2020, approved by Finance Division, Islamabad vide No. F.2(2)BI/2008/2020-1081 and circulated by the CCA vide No.1376/CGA/A.A/RP-2018 (LC), dated 26.10.2020
- KP PFM Act-2022 and provisions as in line with the provincial manual for the development projects KP-2022

Furthermore, provisions of the Manual for Development Projects have been intuitively incorporated while formulating the Project Implementation Policy.

The instant project implementation Policy refers to many provisions as per current practice/ authorization in vogue. In case of change in such policies (like opening of Assan Assignment Account, KPPRA rules, Delegation of Financial Powers etc.), the provisions of those amended policies shall prevail w.e.f. the date of such amendment. The Project Implementation Policy shall be deemed to be amended, mutatis mutandis, to the extent of those provisions.

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## Project Implementation Policy and Project Policy 2008

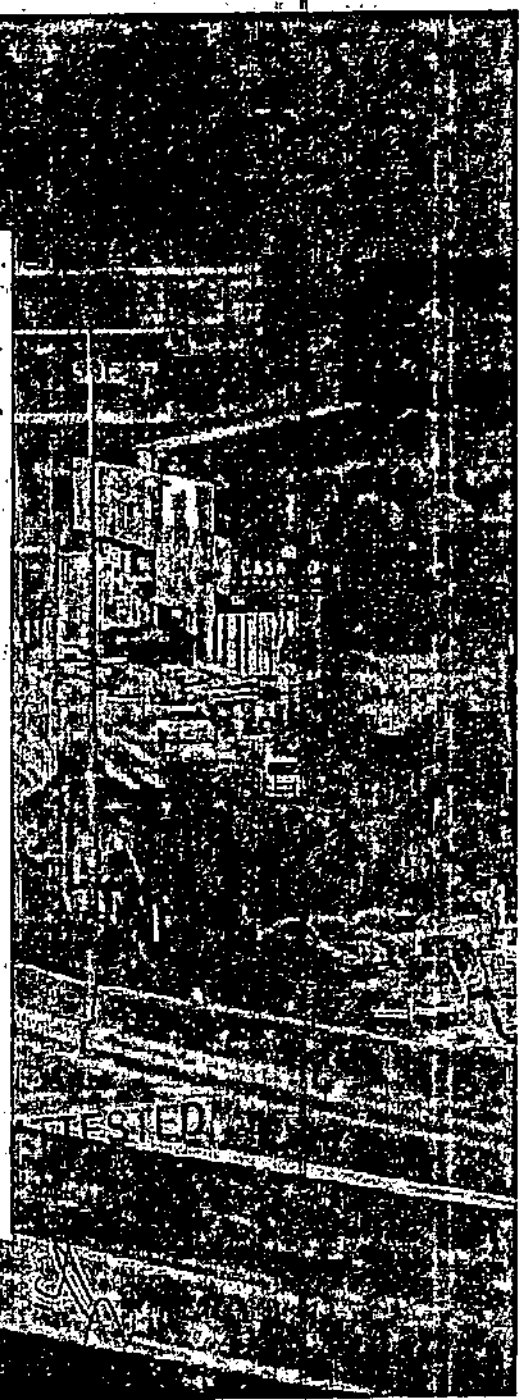
KP policy regulating appointment to posts in development projects, 2008, along with amendments has been made part of the project implementation policy, as a preferred/first mode of engagement/recruitment of staff for first level and mid-level managerial/ technical positions. In addition, for specialized positions, option of 'Recruitment Policy for Market based Talent' is also available. In case KP Government adopts MP-Scale policy, it will also become an option for specialized recruitments.

It is reiterated that the Project Implementation Policy is meant to be understood in conjunction with existing policies or rules and any other relevant policy instruments.

### Structure of Project Implementation Policy

The Project Implementation Policy has the following chapters:

- Chapter 1: General Principles
- Chapter 2: Transition in the Execution of Project
- Chapter 3: Establishing PMU
- Chapter 4: Human Resources Related Provisions
- Chapter 5: Practice of Revenue Clearance
- Chapter 6: Procurement Management of Project
- Chapter 7: Operational/ Project Management
- Chapter 8: Financial Management (Accounting and Auditing) of Project
- Chapter 9: Institutional Arrangements for Project Implementation
- Chapter 10: Monitoring & Evaluation
- Chapter 11: Revision of Project
- Chapter 12: Project Closure/ Transition Out of Project
- Chapter 13: Advice of Approval Forums
- Chapter 14: Provisions Related to Special Types of Projects



# Chapter 1: General Principles

The Project Implementation Policy (PIP) is prospective in nature. However, this section lays out the principles which shall help in improving the quality of project documents such as PC-I, ultimately leading to improved implementation of projects. Similarly, so far as possible, these shall be adhered to during revision of these PC-Is.

## Understanding PC-I forms

Any well designed project has to come from a well drafted PC-I form. The PC-I form shall be treated as a project implementation document, rather than just an instrument to access development funding. This implies that a PC-I form shall mention all necessary steps required to implement the project. Three key aspects of a well drafted PC-I include;

- (i) Key Supporting Documents
- (ii) Sustainability
- (iii) Ownership and Responsibility

### Key supporting documents for PC-I

All PC-Is should include, as far as possible, detailed documentation of the following;

#### Implementation Plan

An Implementation plan should be drafted using tools such as Gantt Charts, or any suitable alternative representation of implementation steps. The implementation plan should clearly outline which sub-activities need to be undertaken at what time during the project life cycle, in order to carry out the main activity to completion. The more detailed an implementation plan, the better the overall execution of the project.



#### Procurement Plan and Procurement Committees

The PC-I form should also include a detailed procurement plan, along with proposed procurement committees. Additionally, to the extent of suggesting possible mechanisms for timely procurements, Grievance Redressal Mechanisms and Committees shall also be included in the PC-I form.

#### Human Resource Plan

Any project does not necessarily start off with a fully formed team. Recruitments of good quality staff, ensuring that the right person is hired for the right job, and good HR management such as HR appraisals, are crucial steps needed to ensure proper HR management. Therefore, all PC-I forms should identify a detailed HR plan. The HR plan should ideally identify the posts required, their job descriptions, minimum qualifications, experience required, pay packages, and appointing authority. Any hiring should be done according to these specifications, and due diligence, e.g. verification of experience certificates from issuing authorities may be undertaken before hiring.

Additionally, projects should aim for a more dynamic mode of hiring, such that contractual provisions require a three month probation period upon hiring, during which contract termination can be done without notice; subsequently, a thirty day notice period (may be given for any termination of contract) regardless of whether request for termination was initiated by the resource, or the project.

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### **Financial Plan**

As a critical component of project execution, financial plans are not just important; they remain a necessity for the financial health of the project. Thus, all PC-Is should have, as far as possible, detailed Financial Plans, along with expected financial phasing needs.

### **Cash Flow Plan**

Each PC-I should aim to include a cash flow plan, which can help feed into the financial phasing of the project.

### **Risk Register**

Any venture is prone to risk. But timely risk identification, management, and mitigation can help increase the risk appetite for projects. Thus, all PC-Is should have a detailed risk register, and risk mitigation plan.

### **Monitoring and Evaluation Plan**

Well-drafted PC-Is should identify critical and responsive KPIs that may be measured over time. This includes identification of certain outcome, output, process, and input based KPIs which can be tracked throughout the life cycle of the project. Thus, each intervention being undertaken shall have clear linkage with output and outcome indicators.

Well-drafted PC-Is should also identify means of verification for each indicator that can be tracked throughout the life cycle of the project.

### **Capacity building plan**

For projects where the focus may be on service delivery, as opposed to traditional brick and mortar projects, capacity building may be needed to ensure that staff involved in service delivery is capacitated enough to take on their jobs in a safe and responsible manner.

### **Exit Strategy**

For projects where the aim is to introduce and institutionalize service delivery innovation in particular, or for other innovative projects such as cash handouts etc., a viable exit strategy must be included in the PC-I, outlining how the project will be phased out.

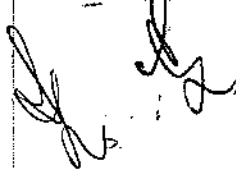
### **Sustainability**

While innovation is appreciated, sustainability should be the focus of all projects. Hence, all projects, by virtue of their PC-Is, should identify how sustainable impact will be generated from project activities.

### **Ownership and Responsibility**

Successful implementation of PC- remains the responsibility of the administrative department that prepares the original/ revised PC-I. The Administrative Department needs to ensure that PC-Is, and by virtue of PC-Is, all projects, are carried out as best as possible.

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## Evidence-based Planning

All PC-Is should be based on utilizing statistics and data to as far an extent as possible, to ensure that any project is driven by verifiable data and evidence.

## Applying PIP to Current Projects

In cognizance of the fact that the PIP will be implemented within an ongoing development eco-system, any PC-Is that are already in implementation may continue until any future revisions are needed. All revisions shall incorporate these principles including already notified (if any) procurement, recruitment committees and any other committees may be made part of revised PC-I.

## Being Mindful of Diversity and Inclusion

So far as practicable, any project or intervention having significance in terms of inclusiveness for minorities, marginalized communities, or differently abled people, gender mainstreaming, environmental effect/ climate change resilience, energy efficiency (including focus on renewable energy) shall be highlighted. P&D and other departments of the Government of Khyber Pakhtunkhwa shall support the project and create an environment conducive to attributing and compiling these efforts.

## Community Engagement and Feedback Mechanisms

The primary aim of any project remains the social or economic uplift of the people, to the extent that projects are usually aimed at bettering public service delivery. It is critical that the project should speak to the needs of the public. To do so, it is suggested that open channels of communication may be maintained with communities and people who will be impacted by any project. These channels of communication can be e-based, through social media, or in-person communication. Ultimately, the aim of this community engagement should be to establish a vibrant and transparent feedback mechanism, whereby community stakeholder feedback can be used to adjust projects if need be.

## Project Phasing

For any project, it is important to recognize that three distinct phases constitute the entire project cycle: inception, operations, closure. These phases are explained below.

### Inception Phase

The inception phase of the project can last between 3 to 6 months from the commencement date of the project (the date on which the Administrative Approval was signed), depending upon the nature of the project. It is to be noted that during the inception phase only skeleton staff may be available, in the form of a lean leadoff team.

*This leadoff team should be able to initiate key functions such as:*

- Initiate recruitments such that all recruitments can be completed by the time the inception phase ends
- Initiate banking processes and streamline financial processes
- Initiate baselines, such as baseline development and data collection processes

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### Operational Phase

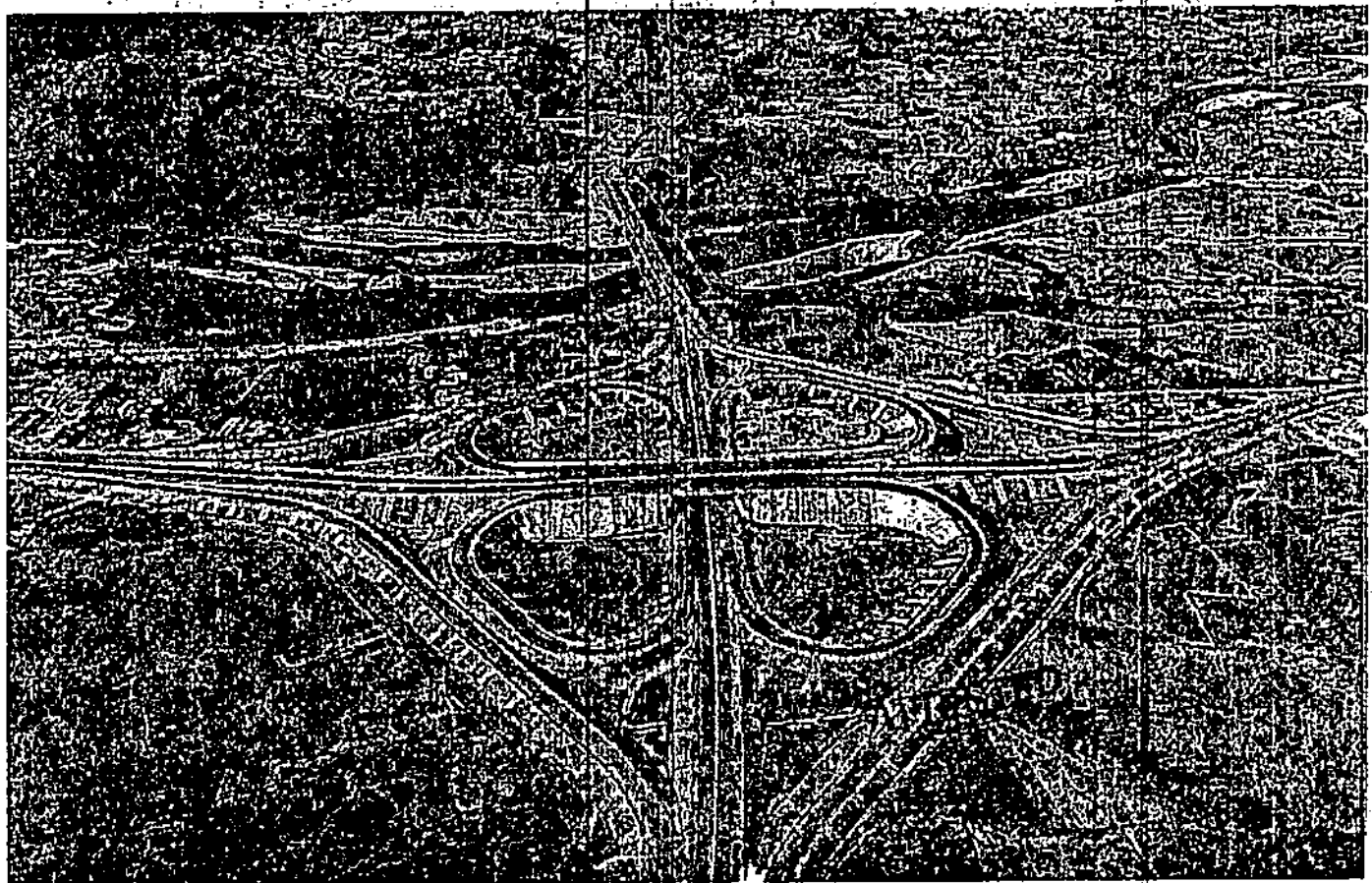
The operational phase of the project will start after 3 to 6 months of the project commencement, depending upon the nature of the project, and the length of the inception phase. During this phase, the project is expected to have the following:

- 100% staffing to ensure that all activities of the project can be initiated. As the heaviest phase of the project, in terms of work and activities undertaken, the operational phase will require a completely staffed team
- Timely initiation of procurements, civils works, and any other activities listed in the implementation plan
- Routine monitoring of physical and financial progress, and tracking of all key indicators to identify bottlenecks and critical points for project course correction

### Closure Phase

The closure phase can last between 3 to 6 months at the end of the project. While project staff can be present, a skeleton team will be required to oversee the final documentation of the project. This skeleton team will be responsible for:

- Closing financial accounts
- Conducting audits, if need be
- End line monitoring, especially if a PC-IV has to be prepared. It is imperative that monitoring and evaluation staff be involved in, and possibly even lead, the preparation of PC-IV forms



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## Chapter 2: Transition into Project Implementation

Consequent upon approval of the PC-I form by the concerned approval forum, the administrative department shall issue Administrative Approval that is construed to be the official commencement date of the project.

Project implementation provisions for 'transitioning-in' into a project, mentioned in this chapter, are general and may be used as guidelines. However, the Administrative Department may adopt their own steps, if need be.

### Notifying the Project Director

After issuance of administrative approval, both in case of a full time Project Director, or ex-officio Project Director, the administrative department shall notify the Project Director (or any other appropriate designation as mentioned in the PC-I) for the project. The PD shall be notified soon after issuance of AA preferably within one month. In case there is a full time PD, the same be notified with full powers in accordance with Delegation of Financial Powers Rules 2018 and GoKP procurement rules 2014 enabling him/her to take full charge and act with authority. In no case the project shall be run on additional charge basis for more than six-month period. The PD shall be hired through any swift mechanism permissible under PIP. The Government employees may also participate for hiring but in that case they will have to proceed on extra ordinary leave (EOL). As far as posting through deputation is concerned, the appointing authority shall also consider the relevant experience and qualification of the officer before such appointment.

### Reporting Hierarchies

The notification of project director role shall deem to transition the project from the Planning Cell of the Department (such as CPO wing), to the PD of the project. In order to expedite the communication related to project items, PD may directly submit all cases (if any) to administrative Secretary or through Special Secretary or any other officer in-charge of development matters, rather than through Planning Cell of the Department.

### Inception Phase

After the approval of the administrative Secretary, the PD shall undertake key steps to ensure that the project is initiated efficiently. These steps are outlined below:

#### Human Resources

##### Leadoff Team

Upon the approval of the administrative Secretary, and notification of PD, additional charge of key positions shall be provided to the most suitable individuals available within the department or any of its attached departments/ entities (including ABs/ PSCs).

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**Project Posts for PMU or Service Delivery**

In case the project requires recruitment of HR for the Project Management Unit (PMU), PD shall start the recruitment process by giving advertisements as required under relevant provisions of this project implementation Policy. With regard to any of the service delivery positions provided in the PC-I (any post that is not part of PMU), PD, after recording reasons, may proceed with recruitment of such staff as per relevant provisions governing this.

Ideally PD shall be appointed first through head hunting or through any fasted mechanism; the rest of the team shall be hired once the PD is on board.

**Financial Management**

PD shall also send the case for release of fund, through the Planning Cell (such as CPO wing), to the Finance Department in respect of allocation for the year. However, to expedite the processing, PD may send an advance copy directly to the Finance Department.

In addition, PD may also process cases for opening of Assan Assignment Account and/or designated account (if required), justifying the need for them. Assan Assignment Account permission is granted by Administrative Secretary whereas for designated account, Finance Department will grant the requisite permission. In case the project requires, PD shall also get necessary documentation for NTN/FTN/WeBOC or any other registrations like KPRA or social security etc.

**Notifying Relevant Committees**

PD shall also notify all other committees such as Procurement Committees, Project Steering Committee, or any other committees either mentioned in PC-I or otherwise required for smooth implementation. The PC-I may list indicative ToRs for all proposed committees.

**Additional Steps**

In addition, PD shall take all other necessary measures that are required by the peculiar nature of the project. The PD must be empowered to exercise all his powers in light of DOP 2018, Project Implementation Policy 2022 and as approving authority being head of procuring entity under KPPRA Procurement Rules 2014. This shall notified by the concerned approving forum i.e. DDWP and/or PDWP etc.

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## Chapter 3: Establishing Project Management Unit (PMU)

Project Implementation is a specialized task and timely execution of a project requires focused and dedicated effort. Delays in execution lead not only to cost escalation, but also delayed service delivery. Key considerations for establishing a Project Management Unit (PMU) are provided below.

### Financial Limits Mandating a PMU

P&D may issue instructions from time to time to define financial limits that make it mandatory for any project to have a dedicated PMU. However, as a starting point, the following financial limits may be used:

Approved Cost	Status of PMU
Rs 1 Billion plus	Full time dedicated PMU
Rs 200 Million to Rs 1 Billion	Preferably dedicated PMU though Administrative Department may decide not to have
Less than Rs 200 M	Administrative Department to decide. However, PMU cost shall preferably be less than 5 percent of project cost.

### Other Considerations for Establishing a PMU

Following are additional considerations while deciding upon PMU structure and role. These considerations can ensure that any PMU remains a high functioning and efficient unit.

#### Utilizing Existing PMUs for Projects of Like Nature

For projects of like nature, where a PMU exists for an ongoing project, one PMU may cater for more than one project. The subsequent PC-I may refer to the ADP scheme under which PMU has been established.

In such cases, where a PMU already exists, and another project is assigned to it, the subsequently assigned PC-I may provide for strengthening of existing PMU through additional HR or operational budget.

#### Civil Infrastructure Schemes or Projects

For schemes involving civil infrastructure only, to be executed by dedicated agencies like O&W, PKHA, PDA, other works departments (irrigation, PHE and others) etc, the provision of dedicated PMU may be dispensed with. If, however, the Executing Agency does not have the requisite expertise for carrying out the scheme or project, it may engage a short-term or a long-term expert of the relevant discipline.

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**Large Scale, Multi-Component Projects**

For large-scale projects, involving multiple components such as civil works, procurements, recruitments, setting up a management structure etc., establishing a smart PMU shall be the preferred option. Even if recruitments are carried out through the current side against SNE posts, a dedicated PMU shall ensure that all these steps are tracked and supported. The team for such projects may also be hired from the market on contractual basis fully.

**Complex and Non-Traditional Projects**

For complex/ non-traditional projects, particularly involving procurements, recruitments, stipends, and financial support dispensation (either directly or through intermediate financial institutions) etc., setting up of a dedicated PMU shall be the preferred option. The team for such projects may also be hired from the market on contractual basis fully.

**Execution through Autonomous Bodies or Public Sector Companies**

In cases where the execution of project is done through Autonomous Bodies (ABs)/ Public Sector Companies (PSCs), the provision of a dedicated PMU may still be a preferred mode; yet depending on capacity of respective AB/ PSC, provision of a dedicated PMU may be dispensed with.

**Projects without PMUs**

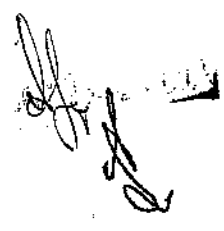
In cases, where the administrative department prefers not to have a dedicated PMU, the department shall still notify an ex-officio project director, who shall carry out necessary steps mutatis mutandis as referred in above chapter of Transition into project.

**Housing the PMU**

The housing of any PMU may preferably be within the administrative department. However, in most cases, due to space deficiency within existing buildings of the administrative department or its attached bodies, the option of housing the PMU in a rented building may be explored.

**Renting space for PMU**

The prescribed procedure may be adopted while selecting office space for PMU. Usually, in such cases, some rent is required to be paid in advance. For such purposes, an approval may be obtained from Finance Department under relevant provisions, such as the Second Schedule of the Khyber Pakhtunkhwa Delegation of Financial Powers Rules, 2018, notified vide letter NO.SO(FR)/FD/9-1/2018/DOP/17441KP. Good practices of office management including co-working space/ work stations, and smaller conference room-cum-work stations may be adopted. Separate offices may be restricted only for Project Director.



**Procurement of office furniture, equipment, and cars**

The procurement of office furniture and equipment shall be carried out on priority, to ensure that PMU is functional in the least possible time. These items shall be part of PC-I. Relevant provisions, such as Chapter II (Methods of Procurement of Goods) of Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014, notified vide letter No.SO (FR)/FD/9-7/2010/Vol-II shall be followed for procurement of furniture and equipment.

The growing tendency of using PMUs as a tool to procure vehicles needs to be discouraged. While the instant policy allow for procurement of vehicles for project usage, the preferred mode in this regard is entering into contract, following relevant provisions, such as Chapter III (Procurement of Works and Non-Consulting Services) of Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014, notified vide letter No.SO (FR)/FD/9-7/2010/Vol-II, for rent-a-car model. This allows greater flexibility and more efficient utilization of resources without creating any long term liability and is deemed to be effective in restricting utilization for office use only. Either models of rent-a-car, vis-à-vis monthly mode and/or daily mode may be adopted. Similarly, driver, POL and repairs and maintenance shall be part of agreed contractual terms with the service provider, in addition to preferable presence of tracker in these vehicles.

Ultimately, procurement of office furniture, equipment, and cars, shall enable projects to utilize finances more efficiently, and reduce the cost of purchase of durable assets as well as to reduce incremental operating cost (IOC) related to the project.

**HR for PMU**

PMU shall comprise mostly of managerial and technical personnel. They may be recruited using any of the methods as outlined in the HR chapter of this policy. The practice of using PMUs as a source of employment for support staff shall be discouraged. The managerial and technical staff shall be placed in a flat hierarchy and they shall carry out their work themselves rather than getting ministerial support in the form of Stenos, Assistants, Senior Clerks, Junior Clerks etc. These ministerial roles shall not be allowed for PMUs under Instant Project Implementation Policy. Instead, the Project should aim at hiring experts who have demonstrated experience in relevant fields, to create a high-functioning body which can deliver on its objectives and results.

Similarly if the project is of complex nature, or requires specialized technical expertise of consultants, after making necessary budgetary provisions in PC-I, relevant provisions such as Chapter IV (Procurement of Consultancy Services) of Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014, notified vide letter No.SO (FR)/FD/9-7/2010/Vol-II may be followed for procurement of consultant for design, or any other support. These provisions may be used to procure services of individual consultants/ firms.

**Outsourced functions in PMU**

Support functions such as janitorial, security, office boys, MEPC services (Mechanical Electrical Plumbing and generators), gardeners etc. shall preferably be outsourced using relevant provisions of KPPRA. Since the instant policy envisages rent-a-car model as preferred mode for transportation services hence, no driver shall be recruited under instant policy.

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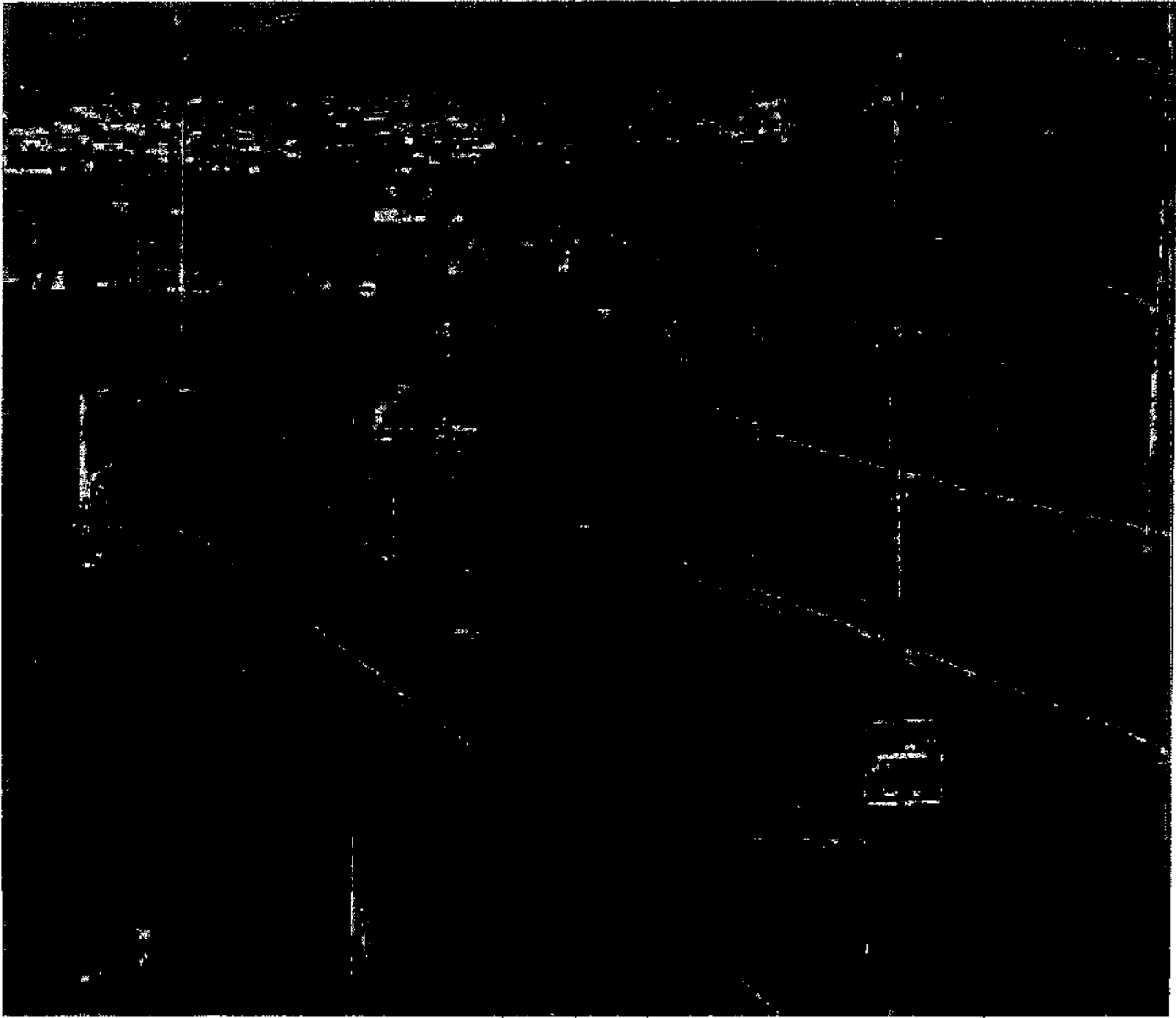
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Similarly, if the nature of project so requires, PMU shall also procure services of warehousing, supply chain and transportation and/or any third party services, as project nature may require.

### Operational Expenditures

The operational expenditures of PMU, such as salary of PMU employees, utilities and other non-salary expenditures may be spent as per prescribed procedure after getting approval of Project Director.

Moreover, processing of such small individual bills may not be the most efficient process. Hence, after getting approval from Finance Department under Khyber Pakhtunkhwa Delegation of Financial Powers Rules, 2018, notified vide letter NO.SO(FR)/FD/9-1/2018/DOP/17441KP, the Project Director may obtain a monthly limit against which the funds may be drawn from Assan Assignment Account/ other fund center, and deposited into designated bank account authorized for this purpose by Finance Department.





## Chapter 4: Human Resource Related Provisions

Any project PC-I may require recruitments for PMU or any of service delivery posts. The project may opt for one or more modes for different types of personnel to be recruited against various positions. It is suggested that the PC-I may identify which mode of recruitment the project will opt for. However, should the PC-I remain silent on mode of recruitment, the default mode of recruitment shall be assumed to be recruitments under this policy, unless the competent authority allows for an alternative mode after due diligence is conducted. All these positions/ recruitments shall be on contract basis and shall not be liable to regularization under any circumstances. The instant chapter deals with modes of recruitment as well as the preferred mode for different types of positions. The available modes are:

- Method of appointment to posts in development projects provided in this policy below
- Recruitment Policy for Market based Talent vide No SO(Policy)/ E&AD/1-10/2019 dated 10th October, 2019
- KP Government's adoption of MP-Scale policy, as an option for specialized recruitments
- Customized Mode of recruitment as defined in PC-I and approved by PDWP (it shall be applicable only for projects approved by PDWP / higher forums and shall not be applicable for lower forums such as DDWP, DDC etc.
- Customized mode of recruitment
- Engaging HR through Third Party Firms
- Process of recruitment under various modes

### Recruitments for Development Projects Under the Policy

Method of recruitment given here shall apply to all posts in the approved development projects funded fully or partially by the Provincial Government or controlled by the Provincial Government. Terms and conditions for appointment under the policy shall be made part of the PC-I to be approved by the relevant approval forum. Project posts which have already been advertised shall be filled based on Project Policy 2008. Project posts in approved projects which are yet to be advertised, may be filled through this policy, after approval of the P&D Department.

#### (2) NOMENCLATURE AND PAY SCALES / PACKAGES OF THE POSTS

- (i) As far as possible, nomenclature of the posts and pay scales should be such that it exists in the regular service cadres of the Department and for which service recruitment rules have already been prescribed.
- (ii) The educational qualification, experience, age limit, scale of post, pay package, number of posts, duration of appointment and responsibilities etc. of each post sanctioned for the project shall be prescribed in the PC-I. Moreover, selection on project posts through initial recruitment or by way of deputation shall also be specified. Furthermore, the required scoring matrix for the purpose of shortlisting and final merit list, as mentioned at 6(iii) from (a) to (d), shall also be specified for each category of posts.
- (iii) Fixed pay package for project posts shall be sanctioned at the time of approval of PC-I with reference to the responsibilities attached to the post. Fixed package with reference to various pay scales shall be as follows:

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Revised Pay Packages				
Sr. No.	Pay Scale on Regular Side	Minimum Rs.	Increment at 5% of the Minimum (Rs.)	Maximum Rs.
1	BPS 3-4	25,000	1,250	37,500
2	BPS 5-8	25,000	1,250	37,500
3	BPS 9-10	35,000	1,750	52,500
4	BPS 11-13	40,000	2,000	60,000
5	BPS 14-15	55,000	2,750	82,500
6	BPS 16	75,000	3,750	112,500
7	BPS 17	110,000	5,500	165,000
8	BPS 18	150,000	7,500	225,000
9	BPS 19	200,000	10,000	300,000
10	BPS 20	300,000	15,000	450,000
11	BPS 21	400,000	20,000	600,000
12	BPS 22	600,000	30,000	900,000

Provided that for ongoing projects, salary of existing staff shall be fixed in a way that it is not less than the salary last drawn.

Provided further that projects where daily waged staff is to be hired as per requirement/nature of project, in all such cases the monthly income of the hired staff shall not be less than the minimum wages fixed by Government from time to time.

- (iv) Negotiable Pay Package: Special Pay Package as determined by the administrative department shall be included in the PC-I with full justification for such positions which are (a) either specialized in nature, (b) Unique in terms of qualification, experience and availability of such services in market are either scarce or monopolized and (c) highly paid.

Note: In the instant case BPS system shall not apply. Furthermore, approval of such positions shall be granted by the committee headed by the Additional Chief Secretary, Planning & Development, Khyber Pakhtunkhwa.

- (v) Civil Servants appointed against project posts on deputation basis will get pay and allowances corresponding to their own pay scales, a deputation allowance at the rate of 20% of the basic pay subject to the maximum of Rs.12,000/- per month, and a project allowance equal to two basic salaries last drawn on regular post;

Provided that if the circumstances demand for provision of special incentives to the deputationists in a project, the same special incentives will be placed for consideration before the committee to be headed by Additional Chief Secretary, P&D with Secretaries of Finance, Establishment and concerned department as members.

\*NOTE: As per minimum wages notification issued by Labour Department vide Notification No. UN-SKILLED/1/161/6404-6 dated: 17.08.2022 in compliance with the recommendations of the Provincial Government.

### (3) PROCEDURE TO FILL THE POST

If the competent authority decides to make appointment to a project post through initial recruitment, the following procedure shall be followed:

- (i) Applications for the posts shall be invited through wide publicity in the print media. The advertisement shall be published in at least two leading newspapers having wide circulation as well as through the official website of the project / concerned administrative department.
- (ii) A reasonable time not less than fifteen (15) days may be given in the advertisement inviting applications for the posts to provide adequate opportunity to eligible candidates to apply and to ensure maximum competition. However, in case of urgency, to be determined by the Administrative Secretary concerned, time for inviting applications can be reduced to seven (7) days from the date of publication of the advertisement. In case the last date for receipt of applications falls on a public holiday, the last date shall stand extended to the next working day. Urgency can be declared in such cases wherein expeditious implementation/ execution is desired in the best public interest. Without prejudice to the generality of the aforesaid, urgency can be declared if one or more of the following circumstances exist:
  - (a) Security issues/Projection of counter narrative
  - (b) Disaster Management/Health Issues
  - (c) Projects involving seasonal factors
  - (d) Signature/pilot project
  - (e) Projects at the verge of completion
- (iii) The terms and conditions for appointment including but not limited to following shall be clearly advertised:
  - (a) Nomenclature of the posts
  - (b) Pay scale or Pay Package
  - (c) Number of vacancies
  - (d) Minimum Qualification Required
  - (e) Minimum Experience Required
  - (f) Age limit at the time of closing date
  - (g) Duration of Appointment
  - (h) Nature of Appointment
  - (i) Mode of Appointment (Testing Service etc.)
  - (j) Duties & Responsibilities
  - (k) Station of duty etc.

*Note: Applicants with incomplete documents shall not be entertained.  
Minimum qualification shall be specified clearly against which clear scoring can be made.*

- (iv) The appointing authority / administrative department, before advertising the posts, keeping in view the anticipated number of the applicants and scoring matrix approved for the posts, shall assign the conduct of test to Khyber Pakhtunkhwa Educational Testing and Evaluation Agency (ETEA) and in case of refusal by ETEA to conduct such test, services of a suitable and registered testing agency to be hired after getting NOC from ETEA. MoU signed with the testing service agency shall clearly mention passing marks in terms of percentage for a particular post. Passing score for a post in a test should not be less than 40%.
- (v) Applications received for a post shall be scrutinized by the shortlisting committee (Para-8) constituted for the purpose. After thorough scrutiny of record, list of shortlisted candidates will be finalized, duly signed by all the members of shortlisting committee containing marks obtained in minimum required academic qualification, higher qualification, relevant experience, test score if any, training, age limit and other conditions strictly according to selected scoring matrix.
- (vi) The appointing authority/administrative department shall ensure competition in the hiring process. However, it may shortlist 03 to 05 applicants against one post for interview by the concerned Selection Committee. Furthermore, the number of candidates to be called for interviews should not be less than 03 per post in the case of posts falling in specialized

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categories. Reasonable time may be given to the candidates to appear for the interview. The names of those candidates who do not appear for the interview shall be dropped from the selection process.

- (vii) Selection Committee (Para-7) shall interview the qualified and eligible candidates and shall devise a merit list on the basis of weightages assigned to each component of the scoring matrix: academic qualification, higher qualification, relevant experience, test score, professional skills as well as marks obtained in the interview.
- (viii) The list containing order of merit of the candidates must be signed by all members of the Committee including its chairman and forwarded to the Secretary of the department concerned to process the case for approval of appointing authority.
- (ix) The appointing authority shall approve appointment, in order of merit, on the recommendations of the Selection Committee and orders in this regard shall be issued within 10 days. In case, the first candidate on the merit list does not join service within a period of one month, his offer shall stand cancelled, after ensuring that appointment order was duly received by the candidate, and offer of appointment may be extended to the next candidate on the merit list. After completion of the hiring process in a project, a waiting list duly signed by all members of the selection committee shall be maintained. Such waiting list will be valid for 06 months from the date of issuance and any candidate on merit can be appointed during the period from the list if a post is fallen vacant due to the following reason:
  - (a) Failure to report arrival before the stipulated deadline
  - (b) Resignation from the post
  - (c) Disqualification due to disciplinary action
  - (d) Disqualification due to procedural lapse in recruitment
  - (e) Disqualification due to non-verification of documents
  - (f) Disqualification due to Unsatisfactory / Negative Police Report
  - (g) Disqualification due to being medically unfit
- (x) Staff appointed by initial recruitment in a project shall not be entitled to pension or GP fund. They shall also not be treated as "Civil Servants".
- (xi) Project employees will receive medical allowance as per medical attendance rules of the Provincial Government.
- (xii) They shall be entitled to TA/DA in accordance with the TA rules of the Provincial Government.
- (xiii) Project employees shall be entitled to avail leave as given below:
  - (a) Casual Leave: 15 days once in a calendar year (lapsable). Maximum of 5 days casual leave can be granted at a time by the competent authority.
  - (b) Long Leave: 45 days without pay, during the whole project cycle subject to cogent justification and at the discretion of the competent authority.
  - (c) Maternity Leave: Admissible to the female employees as per Khyber Pakhtunkhwa Civil Servants Revised Leave Rules, 1981.
- (xiv) Additional Charge of project posts of mega projects (Rs. 3 Billion and Above) shall not be allowed to officers of line Department. For projects less than Rs. 3 Billion additional charge of project posts may be allowed to nominees of line departments on case by case basis, for a specified period, to be determined by the committee, headed by Additional Chief Secretary P&D comprising Secretaries of Finance, Establishment and concerned Department. The additional Charge Allowance will be 100% of the running basic pay. No additional charge will be allowed below BS-17 in any case. Additional charge of the post shall not be given for a period of more than 06 months.
- (xv) If the competent authority decides to make an appointment to a project post through deputation, the procedure given in para-4 shall be followed.

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(xvi) Civil Servants can apply for the project posts by following the procedure given in Para-5 hereof. In case of selection, the Civil Servants will be entitled to draw salary at market rates, as provided in PC-I.

(xvii) Project Director and staff will be appointed for a period of three years or project term whichever is less. The Government will discourage frequent transfer of Project Director, officers and staff of the project during execution. However, during execution of the project, transfer of Project Director if warranted will be notified to the P & D Department. In case of poor performance, contracts of PD or project staff can be terminated at any time.

(xviii) No extension will be allowed to project staff including Project Director. For cases of extreme importance, extension beyond three years or for revised extended period of the project, shall be allowed after approval from the next higher authority.

(xix) Documents to report proceedings of the selection process, including list of shortlisted candidates, waiting list and final list of selected candidates shall be published on the website of concerned Administrative Department as proactive disclosure of information.

(xx) The entire process from advertisement till final merit list shall be completed within 03 months including the selection of Project Director. Provided that the administrative secretary concerned, under unavoidable circumstances, can extend this period for 02 additional months, after recording the reasons for delay.

(xxi) After joining the project post and before payment of salary, the character antecedents shall be verified through Police and academic / experience certificates shall be verified through concerned Board/University etc. In addition, a medical certificate shall be obtained by him/her from the DHQ / MTI duly signed by the Medical Superintendent / Head of MTI.

(xxii) Pay scale of Project Director shall be BS-19 or above for projects costing Rs. 3 Billion or more. For other projects, Project Director shall not be less BS-18 in any case.

(xxiii) Appointment on daily wages shall be allowed for project posts in BPS-03 to BPS-05 only and mode of appointment shall be specified in PC-I as well as in revenue clearance of the Finance Department for this purpose.

#### (4) DEPUTATION OF CIVIL SERVANTS TO PROJECT POSTS

In case the competent authority decides to fill a post by transferring a regular civil servant to project post on deputation basis, the procedure laid down herein below shall be followed:

- (i) The Administrative Department where the project has been initiated will provide a panel of at least 3 officers keeping in view the qualifications and other terms and conditions prescribed in PC-I for the P&D Department.
- (ii) The panel will be considered by the Provincial Project Selection Committee (PPSC) for selection of civil servants on deputation to project posts falling in BS-17 and above, strictly on merit keeping in view the job relevance, experience and service record. Deputation to project posts less than BS-17 shall not be allowed. The constitution of the Provincial Project Selection Committee (PPSC) shall be as under:

1. Additional Chief Secretary, Khyber Pakhtunkhwa	Chairman
2. Secretary Establishment, Khyber Pakhtunkhwa	Member
3. Secretary Finance, Khyber Pakhtunkhwa	Member
4. Secretary P&D, Khyber Pakhtunkhwa	Member
5. Secretary of concerned Department	(Ex-officio Member)

- (iii) On receipt of requisition for deputation of a civil servant to a project post, his administrative department will decide whether the services of the civil servant concerned be lent for the project post or not. If he can be spared for deputation to project post, the Department concerned will prepare a self-contained Working Paper for consideration of

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the PPSC, keeping in view the qualifications and other terms and conditions prescribed in PC-I, which may be circulated among all members three days before the meeting. Subsequently, notice of the meeting and working paper will be issued to all members after obtaining approval of the Chairman of the PPSC. The working paper shall, inter alia, contain the following:

- (a) Provisions of PC-I containing details of post including pay package etc. of the post, life of project and relevant extract of PC-I;
  - (b) Academic qualification of the officer proposed for deputation, training received and research work done, if any;
  - (c) Service history including present pay scale, cadre of officer and important posts held by him with assignments;
  - (d) Mode of appointment of officer to post presently held (i.e. initial recruitment or promotion); and whether probation period after appointment/promotion has been completed or not;
  - (e) Any disciplinary proceedings initiated against the officer, if so, the outcome thereof;
  - (f) Whether living in Government or in a private/ own house;
  - (g) Nature of duty attached with the project post and relevance of the previous assignments of the officer with the post to which deputation is proposed;
  - (h) Stations of duty (in present post and after proposed deputation)
  - (i) Whether previously served in a project deputation basis and if so period of stay and other details; and how much period has lapsed since his repatriation from the last project assignment;
  - (j) Grading of PERs/ACRs for the last five years.
  - (k) Any other information which may be helpful in disposal of the case by the PPSC
- (iv) In case of deputation of a Civil Servant to a project which is fully funded by the Provincial Government, the pension contribution shall continue to be paid from the proceeds of the Provincial Government. However, in other cases, the procedure in vogue regarding pensionary/leave and other service liabilities of the civil servant shall be followed.
  - (v) During deputation, retention of officially allotted residential accommodation shall be governed by Khyber Pakhtunkhwa Residential Accommodation Rules 2018. Payment of house rent shall be made to the relevant head of account as per provisions of the said rules.
  - (vi) Civil Servants who are in receipt of housing subsidy shall be entitled for the said facility even after their posting in a project.
  - (vii) The initial period of deputation will be three years extendible for another two years or till the project life, whichever is earlier.
  - (viii) Civil servant will not be considered for deputation to a project post unless he/she has successfully completed the initial as well as extended period of probation. He/she will also not be considered for deputation unless a period of at least 4 years has elapsed after his/her return from last deputation to a project.

**(5) APPOINTMENT OF CIVIL SERVANTS TO PROJECT POSTS THROUGH COMPETITION**

- (i) Any Civil Servant holding appointment on a regular basis and possessing the minimum qualification, experience and fulfilling other conditions advertised, may apply for a project post through proper channels.
- (ii) In case of shortage of time, a Civil Servant may forward an advance copy of the application for the post and simultaneously submit application to the departmental authority for permission which may be furnished before interviews for the post are held.

In the event of failure to produce departmental permission at the time of interview, the candidate shall not be interviewed or considered for appointment to the post.

- (iii) The department concerned of the Civil Servant shall process her/his application in a timely manner and may forward the same to the quarter concerned.
- (iv) In the event of appointment of a Civil servant to the post through open competition, she/he shall be required to obtain extra ordinary leave before joining the project provided he/she is entitled for EOL as per the Khyber Pakhtunkhwa Civil Servants (Revised Leave) Rules, 1981. Moreover, he/she shall relinquish charge once he/she is relieved by the competent authority so that his/her pensionary and other service liabilities are not accumulated against the Government for service rendered in the project.
- (v) Civil servants passing through probationary period and those holding appointments on contract basis may apply for project posts. However, in the event of their appointment, they shall be required to resign from government service.
- (vi) On joining the project post by availing Extra-Ordinary Leave (Leave without pay), retention or vacation of officially allotted residential accommodation shall be governed by Khyber Pakhtunkhwa Residential Accommodation Rules 2018.
- (vii) On completion of the project or its conversion into current budget, the services of the Project staff appointed on contract basis shall stand terminated. However, Government Servants serving in the project on deputation basis or on EOL (without pay) basis shall be repatriated to their parent department.

#### (6) CRITERIA FOR SELECTION

- (i) A candidate for a project post must possess the minimum educational qualification and experience and they must be within the age limits advertised for the post.
- (ii) A candidate shall be a citizen of Pakistan domiciled in Khyber Pakhtunkhwa. However, in case of a post requiring highly Technical and Professional qualification and experience, the appointing authority, with the approval of the next higher authority, may appoint a candidate domiciled in any other province provided that there is no candidate available having domicile from Khyber Pakhtunkhwa.
- (iii) Selection for all the project posts will be based on merit on such criteria which shall be determined by the selection committee. Without prejudice to the generality of the aforesaid, the selection criteria shall be based on academic qualification, higher qualification, relevant experience etc. In accordance with any of the following criteria from (a) to (d). The desired criteria shall be specified against each post in PC-I as well as in revenue clearance to be issued by Finance department.

S. No.	(a)	(b)	(c)	(d)
Minimum Qualification	60	40	30	15
Higher Qualification	10	10	10	10
Experience	10	10		15
Training	5	5	07	07
Test			45	30
Interview	15	35	8	23
Total	100	100	100	100

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**A. Minimum Qualification:**

**For General Cadre / Non-Technical Posts:**

Minimum Prescribed Qualification/ Certificate/Degree		1st Div		2nd Div		3rd Div		4th Div	
1	Matric	60	45	36	40	30	23	18	15
	Matric	30	22	18	20	15	11	9	7
	FA/F.Sc./Equivalent/ 12 Years Education	30	23	18	20	15	12	9	8
	Matric	20	15	12	15	10	7	6	5
2	FA/F.Sc./Equivalent/ 12 Years Education	20	15	12	15	10	7	6	5
	Matric	20	15	12	15	10	8	6	5
3	FA/F.Sc./Equivalent/ 12 Years Education	20	15	12	15	10	8	6	5
	Matric	20	15	12	15	10	8	6	5
4	BA/B.Sc./Equivalent/ 14 Years Education	15	11	9	10	8	6	5	4
	FA/F.Sc./Equivalent/ 12 Years Education	15	11	9	10	7	6	4	3
	Matric	15	11	9	10	7	5	4	3
	MA/M.Sc./Equivalent/ 16 Years Education	15	12	9	10	8	6	5	3

**1st Div**

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## For Professional / Technical Posts:

Minimum Prescribed Qualification/ Certificate/ Degree		Marks Share & Distribution											
		60			40			30			15		
		1st Div	2nd Div	3rd Div	1st Div	2nd Div	3rd Div	1st Div	2nd Div	3rd Div	1st Div	2nd Div	3rd Div
1	For 4 Examinations												
	1st Professional	15	11	9	10	7	6	7	5	4	3	3	2
	2nd Professional	15	11	9	10	7	6	7	6	4	3	3	2
	3rd Professional	15	11	9	10	8	6	8	6	5	4	3	2
	Final	15	12	9	10	8	6	8	6	5	5	3	3
2	For 3 Examinations												
	1st Professional	20	15	12	13	10	8	10	7	6	5	4	3
	2nd Professional	20	15	12	13	10	8	10	7	6	5	4	3
	3rd Professional	20	15	12	14	10	8	10	8	6	5	4	3

Note: For degrees in CGPA, equivalent percentage ranges will be as under.

CGPA 4.0 Ranges	CGPA 5.0 Ranges	Equivalent %age Ranges
Greater Than or equal to 2.5	Greater Than or equal to 3.5	Greater Than or equal to 60
Greater Than or equal to 1.8 and Less than 2.5	Greater Than or equal to 2.8 and Less than 3.5	Greater Than or equal to 50 and Less than 60
Less than 1.80	Less than 2.80	Less than 50

Note: Degrees / Certificates of CA/ACMA/ACCA will be awarded marks of first division.

## B. Higher Qualification

Maximum of 10 marks will be awarded for having qualification above minimum required qualification as under.

One level advanced degree: 7 Marks  
Two levels advanced degree: 10 Marks

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Provided that extra marks shall be awarded to higher qualification only, if it is in continuation with the minimum required qualification for the project post.

**C. Experience**

Maximum of 15 marks will be awarded for experience over and above minimum required experience at the rate of 1 mark per year. Only relevant and verifiable experience will be counted. The relevant experience gained prior to or during the period of minimum qualification shall not be counted, however, experience gained during higher qualification shall be counted. However, it will not include an internship done in partial fulfillment of a degree. Internships completed under National or Provincial Internship Programs / Policies shall be counted for experience.

**Note:** No marks will be awarded for experience under scoring matrix (c) as tabulated on the previous page.

**D. Training Course**

Maximum of 07 marks will be awarded for minimum three-month training in the relevant field from a university / institution recognized by the HEC or any Board of Technical Education or any training institute established by the Federal Government or any Provincial Government or from an internationally recognized organization.

**E. Test**

Marks obtained in test conducted by ETEA or other testing agencies, as provided under para 3(iv), will be counted under scoring matrices (c) and (d), based on its weightage in relevant matrix. Owing to Specialized and technical nature of the posts, the administrative department may decide to consider any one of the four tests, i.e. GRE/GMAT/MCAT/SAT for this purpose. Scoring scales of these tests shall be converted for quantification under relevant scoring matrix in this policy and shall be duly approved by the administrative secretary concerned before advertisement.

If scoring matrix (a) or (b) is selected for recruitment of project posts in BS-11 to BS-17, having no weightage for test, conduct of test shall be compulsory and test score shall be used for screening purpose only.

**F. Interview**

A candidate securing less than 40% in an interview under the relevant scoring matrix shall be considered as failed.

(iv) Zonal allocation formula shall not apply to the project posts. However, for recruitment against posts in BS-16 and below, included in projects under Merged Areas ADP and Accelerated Implementation Plan (AIP), additional 05 marks shall be awarded to the candidates holding domicile of tribal districts or tribal subdivisions, till further orders.

For project employees, who have rendered 02 years continuous service in a developmental project of Govt: of Khyber Pakhtunkhwa shall be entitled for 10 years automatic age relaxation in upper age limit.

**(7) COMPOSITION OF SELECTION COMMITTEES**

Recruitment to the project posts shall be made on the recommendations of Selection Committees. Composition of Selection Committee for appointment to posts in different pay scales or equivalent posts will be as under:

**(a) For posts in BS-19 and above or equivalent posts:**

1. Additional Chief Secretary Khyber Pakhtunkhwa \_\_\_\_\_ **Chairman**
2. Secretary Establishment or his nominee  
not below the rank of Additional Secretary \_\_\_\_\_ **Member**
3. Secretary Finance or his nominee  
not below the rank of Additional Secretary \_\_\_\_\_ **Member**
4. For Technical posts, an expert from the  
Technical Department or public Sector University \_\_\_\_\_ **Member**  
may be associated with the Committee
5. Representative of P&D Department not  
below the rank of Additional Secretary \_\_\_\_\_ **Member**
6. Secretary of the concerned sponsoring Department — **Member/Secretary**

**(b) For posts in BS-17 & BS-18:**

1. Secretary of the Department \_\_\_\_\_ **Chairman**
2. Representative of the Establishment or  
his nominee not below the rank of Deputy Secretary \_\_\_\_\_ **Member**
3. Representative of the Finance or his nominee  
not below the rank of Deputy Secretary \_\_\_\_\_ **Member**
4. In case of technical posts, an expert from  
Technical Departments or public Sector \_\_\_\_\_ **Member**  
University may be associated with the Committee
5. Representative of P&D not below  
the rank of Deputy Secretary \_\_\_\_\_ **Member**
6. Project Director/ Additional Secretary or  
Deputy Secretary, If there is no Additional  
Secretary in the Department \_\_\_\_\_ **Member/Secretary**

**(c) For posts in BS-3 to 16.**

1. Project Director \_\_\_\_\_ **Chairman**
2. Additional Secretary or Deputy  
Secretary of the concerned Department \_\_\_\_\_ **Member**
3. Representative of Establishment Department \_\_\_\_\_ **Member**
4. Representative of Finance Department \_\_\_\_\_ **Member**
5. Representative of the Project Director \_\_\_\_\_ **Secretary**

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**(8) SHORTLISTING COMMITTEE**

To facilitate the Selection Committees a Short-Listing Committee with the following composition will shortlist the candidates on the basis of their academic qualification, past experience, test scores, age limits and other conditions advertised for the post:-

**(a) For the post of Project Director**

- 1. Administrative Secretary concerned ————— **Chairman**
- 2. Additional/Deputy Secretary of concerned Department ————— **Member**
- 3. Representative of Establishment Department not below the rank of Deputy Secretary ————— **Member**
- 4. Representative of Finance Department not below the rank of Deputy Secretary ————— **Member**
- 5. Representative of P&D not below the rank of Deputy Secretary ————— **Member**

**(b) For other posts**

- 1. Project Director ————— **Chairman**
- 2. Additional Secretary or Deputy Secretary of the Department concerned ————— **Member**
- 3. Representative of the Establishment Department not below the rank of Deputy Secretary ————— **Member**
- 4. Representative of the Finance Department not below the rank of Deputy Secretary ————— **Member**
- 5. Representative of P&D not below the rank of Deputy Secretary ————— **Member**

**(9) APPOINTING AUTHORITIES**

Project Director would exercise the powers of appointing authority for posts in and equivalent to BS 3-16, whereas Administrative Secretary concerned would be appointing authority for all posts equivalent to BS-17 and above. However, approval of the Chief Minister, Khyber Pakhtunkhwa shall be obtained, if deputation of Administrative Secretary or Head of Attached Department to the Project posts is involved.

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**(10) TERMINATION OF SERVICE ON COMPLETION OF PROJECT**

- (i) A project employee shall work against that post for which she/he was recruited and shall not be transferred to any other post in the project or at any other station.
- (ii) A project employee shall also not be transferred to any other project under the same department / Government.
- (iii) If the performance of the employee is found unsatisfactory, his/her services shall be terminated on a fifteen day-notice or payment of fifteen days salary in lieu of notice. In the event such an employee is a Government Servant, he/she may be repatriated to their parent department.
- (iv) At the time of appointment, each employee shall give an undertaking to the effect that during the employment, they shall be held responsible for the losses (accruing to the project due to them and shall be held answerable therefore) and shall be bound to follow the terms and conditions mentioned in the agreement provided in this chapter.
- (v) On completion of the project, the services of the project employees shall stand terminated. However, they shall be re-appointed on a need basis, if the project term is extended.
- (vi) In case the project posts are converted into regular budgetary posts, the posts shall be filled in according to the rules prescribed for the post by the Public Service Commission or the Departmental Selection Committee, as the case may be. Ex-project employees shall have no right of adjustment against the regular posts. However, if eligible, they may also apply and compete for the posts with other candidates.

**(11) PERFORMANCE MANAGEMENT & EVALUATION**

- (i) Performance of Project Directors for projects having cost above Rs. 3 billion shall be evaluated by a committee in P&DD against a Performance Evaluation Matrix. The matrix shall be reviewed and updated periodically by Planning and Development Department and will essentially include all general parameters about performance of the project focusing on timely recruitment, financial and physical progress of the project as specified in PC-I, accomplishments of project objectives, to timely assess the magnitude of deviations from the original project plan.

For projects costing less than Rs. 03 billion, performance evaluation of the project directors, if any, will be carried out by the concerned Administrative Departments.

- (ii) Project Director shall devise an appraisal matrix for all the key staff having direct influence on progress of the project, based on targets and achievements. Annual performance of the report will be shared with the Administrative Department clearly mentioning deviations from targets, if any, and recommendations.
- (iii) Performance Evaluation Reports of the Government Servant shall be written by the concerned PAO during his / her appointment in the project on deputation basis and ACS P&D Department will be the 1st Countersigning Authority for the posts in BPS-19 and above or Specialized Positions under Negotiable Pay Packages.
- (iv) The Planning & Development Department shall introduce reward for "consistently good performing project teams". Selection of such projects will be based on the overall performance rating of projects first after mid-term review results and second on the completion of evaluation reports by the donors.

A Centralized Project Management Cell under the Special Secretary, P&D Department shall be established to monitor and resolve the issues of all the projects included in the ADP.

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**AGREEMENT**

This agreement is made on this \_\_\_\_\_ day of \_\_\_\_\_ (Two thousand, and \_\_\_\_\_) between Governor of the Khyber Pakhtunkhwa Province (hereinafter referred to as the Government) acting through \_\_\_\_\_ on the ONE PART and \_\_\_\_\_ (hereinafter referred to as the employee) on the OTHER PART;

WHEREAS the Government has agreed to employ the Employee and the Employee has agreed to serve the Government as \_\_\_\_\_ on the terms and conditions hereinafter mentioned;

NOW these present witnesses and the parties hereto respectively agree as follows:

1. Subject to clause 9, the employee shall serve the Government as \_\_\_\_\_ in the project under \_\_\_\_\_ Department for a period of \_\_\_\_\_ years commencing from the date of assumption of charge of the post.
2. *The Employee shall:*
  - (a) devote his/her whole-time to perform his/her duties as \_\_\_\_\_ in the \_\_\_\_\_ Project;
  - (b) carry out such administrative functions in relation to his/her duties as the Government may, from time to time, assign to him/her;
  - (c) submit himself/herself to the lawful orders of the Government and of the officers and authorities under whom his/her services may be placed from time to time, during the currency of this Agreement; and
  - (d) Proceed, whenever required, to such part of Pakistan and perform such duties relating to his/her appointment as the Government may specify.
3. a) For the services rendered, the Employee shall be entitled to receive pay as may be prescribed in this policy/PC-I and shall not be entitled to earn any annual increments during his contractual appointment. The pay of the Employee shall commence from the date of his/her assumption of charge of the post and cease on the date of termination of this agreement or on termination of his/her services for any reason, whichever may be earlier.
  - (b) The Employee shall, if required to travel in the public interest be entitled to receive traveling allowance at such rate as may be prescribed, and
  - (c) The Employee shall not, unless permitted by the Government, indulge in private practice, nor shall he indulge, directly or indirectly, in any trade, business or occupation, and in any political activity whatsoever, other than his obligations under this Agreement.
4. In the event of misconduct as defined in the Khyber Pakhtunkhwa Government Servants Conduct Rules 1987 or breach of any of the terms and conditions specified herein or in the PC-I or this Policy on the part of project employee, except deputationist

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or those Government Servants who joined the project on Extra Ordinary Leave (Leave without pay), a fact finding inquiry shall be conducted. If charges are proved his/her services shall be terminated, besides recovery in case of pecuniary loss to the project. The appointing authority, in such cases, shall be the competent authority in respect of the project staff, other (Leave without pay). If a deputationist or those who join the project on Extra Ordinary Leave (Leave without pay), are involved in misconduct or breach of terms and condition or cause pecuniary loss to the project, they shall be repatriated to their parent department with proposed action, recovery and penalty which shall be decided by their respective competent authorities.

5. If the performance of the employee is found unsatisfactory, his/her services shall be terminated on fifteen days notice or payment of fifteen days salary in lieu of notice. In case of a Government Servant, he may be repatriated to his/her parent department.

6. The Employee shall be held responsible for the losses accruing to the Project due to his carelessness or inefficiency and shall be recovered from him.

7. The employee shall be entitled for TA/DA in accordance with the TA rules of the Khyber Pakhtunkhwa.

8. The Employee shall not be entitled to any pension or gratuity for the service rendered by him;

9. Either party to this agreement may terminate the agreement by giving to the other party fifteen days notice in writing of its intention to do so and on the expiration of such notice this agreement shall be terminated:

Provided that where no notice is served or served of a shorter period, the defaulting party shall pay to the other party an amount equal to the pay of the employee for the period of fifteen days or for such period by which the notice falls short, as the case may be:

10. On completion of the project, the services of the employee shall be terminated. He may, however, be re-appointed if any phase of the project is there.

11. Stamp Duty, if any, on this instrument shall be borne by the employee.

In witness whereof the said \_\_\_\_\_ and \_\_\_\_\_ on behalf of the Government have hereunto set their hands first above written.

Signed by \_\_\_\_\_

In the presence of:

Witness 1. \_\_\_\_\_  
2. \_\_\_\_\_  
Signed by \_\_\_\_\_

In the presence of:

Witness 1. \_\_\_\_\_  
2. \_\_\_\_\_

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It shall come into force at once and shall not affect the terms and conditions of the staff already working in the projects. Unless specified otherwise, all recruitments to project posts shall be carried out using this policy (even if PC-I is silent on mode of recruitment). This is usually the preferred mode for all first level managers and middle managers.

### **Recruitments Using Recruitment Policy for Market Based Talent**

This policy may be followed for senior positions such as Project Director, Deputy Project Director, CFO or equivalent, Chief Technical Officer or any other specialized expertise/skills set. PDWP (or higher forum) shall be categorically apprised of the circumstance those warrant use of this mode. The relevant committees vis-à-vis Short Listing Committee, Aptitude Test Committee and Selection Panel shall be approved by PDWP. Once approved by PDWP, the concerned department shall carry out the hiring process as per set criteria and shall submit the recommendations for approval to administrative secretary in case of PD whereas for remaining positions, PD along with a committee constituted by the administrative secretary shall accord approval. The salary ranges shall also be approved by PDWP. For budgeting purposes, middles of the range may be mentioned in PC-I cost estimates, however, the selection panel shall be competent to decide upon the final offer. The PC-I may use in vogue MP scales to benchmark the salary ranges. For positions opting for this mode of recruitment, the Project Director shall preferably get third party validation of the process.

### **Recruitment Using MP Scales Policy**

The Federal Government has notified the Management Position Scales Policy, 2020, vide O.M. No. 1/3/202-E-6, amended vide O.M. No. 1/3/2020-E-6 to establish a mechanism by which individuals may be hired on MP Scales. As against any previous MP Policies notified by the Federal Government, where the emphasis was mainly on pay scales, however, the year 2020 policy mentions the mechanism of hiring individuals as well. Before putting this into practice, under Project Implementation Policy, the Establishment Department of Government of KP shall formally notify its adoption after fulfilling codal formalities.

Once notified, for specialized positions, the PC-I may opt for this mode. If any such post within the project requires a resource with a highly specialized or technical knowledge based skill set, such that neither the KP policy regulating appointment to posts in development projects, 2008, nor the Recruitment Policy for Market based Talent, 2019, result in the identification or selection of such a resource, then the Project may decide to recruit through the Management Position Scales Policy, 2020.

### **Customized Mode of Recruitment**

For certain projects, where the approval forum is PDWP or higher, there can be instances where neither of the above three modes of recruitment are suitable for the type of HR required. In such instances, PDWP projects may, after providing sufficient justification, resort to a customized mode of recruitment and salary packages, contingent on approval of relevant authorities.

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## Engaging Human Resource through Third Party Firms

The project may engage a third party to provide for the requisite human resource for a particular project. This mode may be adopted for a variety of positions/ skills set. Some of examples include:

- (i) Doctors, nurses, paramedics, teachers required for a project
- (ii) Computer software or hardware or networking engineers required for development or maintenance of system
- (iii) Data entry operator (with or without laptops/ computers) required for a project
- (iv) Entomologists, epidemiologists required for a project
- (v) GIS specialists along with their requisite equipment (with or without mobility) and/or with or without android or any other devices

The individuals so provided by third party firms shall not have individual contracts with the project rather they shall be on payroll of third parties. Third parties may be given a certain management fee for managing these contracts.

The project shall mention the eligibility requirements to the third party along with either fixed remuneration or may ask remuneration to be part of the submitted bid. In order to ensure that there are no intermediary fees (except management fee), the project may require a third party to make all payments through the bank accounts of individuals. Similarly, only the process for recruitment under pre-agreed criterion and methodology may be outsourced and HR so recruited may be offered contractual position.

## Hiring of Project Staff Under KP Procurement Regime

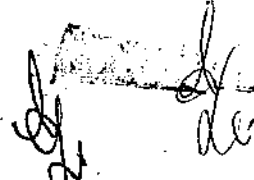
Hiring of specialized staff may also be done through KPPRA Procurement Regime (KPPRA Act 2012). The procedure given for individual consultants/expert/advisors/ Staff can be used to define a criteria based on qualification and experience of the applicant. After shortlisting, detailed interviews can be held as per prescribed procedures.

## Process of Recruitment Under Various Modes

Subject to any changes subsequently made in this Policy, PC-I may allow the project to outsource one or more steps of recruitment process including receipt of applications, evaluation/ shortlisting of applications, conduct of one or 2 stages of written test, interviews, finalization of selected candidates, joining, posting plans and/ or orientation.

## Outsourcing Entire Process of Recruitment

The PC-I may also choose to outsource the entire hiring process, to ensure that all processes, up to the final selection, are done in a transparent, meritocratic manner.



## Chapter 5: Practice of Revenue Clearance

Project implementation is a specialized task and timely execution of a project requires focused and dedicated efforts. This section deals with the due diligence aspect carried out during any PC-I appraisal (both initial approval and subsequent revisions). The due diligence aspect for the capital component of a project is usually carried at the level of P&D, whereas whatever is reflected on the revenue side, is considered part of revenue clearance at the Finance Department.

This chapter of Project Implementation Policy deals with a more pragmatic approach and intuition behind revenue clearance. Khyber Pakhtunkhwa Delegation of Financial Powers Rules, 2018, notified vide letter NO.SO(FR)/FD/9-1/2018/DOP/17441KP give absolute authority and power to P&D for approval of development schemes at level of PDWP (above Rs 200 Million) and similarly to other respective forums. The current practice of revenue clearance for the entire revenue component rests on the principle that any long term liability in terms of SNEs, vehicles etc, shall be with the concurrence of the Finance Department. However, the underlying presumption is that the development schemes have a large capital component (like road or building schemes) and a very minor revenue component. This presumption is no longer true with all innovative projects comprising a significant pie of overall development portfolio such as stipends, and micro finance loans, etc. Projects such as hospitals, with significant machinery and equipment components, or schools where furniture for students and laboratories is cleared through revenue clearance, rather than due diligence at concerned sections of P&D.

### Revenue Clearance at Finance Department

The instant Project Implementation Policy allows revenue clearance at the Finance Department only in respect of items which create long term liability, such as SNE or any equipment that has substantial maintenance costs beyond the project life.

### Instances Where Revenue Clearance May Be Required at Finance Department

The following examples shall help in understanding instances where Revenue Clearance at the Finance Department is required:

- Scheme of school upgradation/ girls stipend, revenue clearance will be required ONLY for any PMU posts being recruited on BS scales
- Outsourcing of equipment (where equipment remains property of service provider) like CT Scan, MRI etc., provided contractual obligations go beyond project life (for example MRI is installed on a 7 year contract with yearly pay for performance basis payments. In case PC-I life is only 2 years but payments will continue for 7 years, in such case revenue clearance will be required.
- Any project posts in PMU or otherwise those are fixed pay positions and have direct equivalence with BS regime

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## Revenue Clearance at P&D

In case any line item in the revenue component of a project is not creating any long term liability, the due diligence shall be carried out at the level of P&D, instead of revenue clearance at the Finance Department. Most notably, all core equipment of the project, outsourced support functions such as janitorial, security, supply chain and warehousing etc. are expenditures limited to the project life only, and have no long-term implications. Hence, they shall be excluded from revenue clearance of the Finance Department.

## Instances Where Revenue Clearance May Be Required at P&D

The following examples shall help in understanding instances where Revenue Clearance at P&D is required:

- Scheme of school upgradation, no revenue clearance required for furniture for students and teachers, laboratory equipment etc.
- Equipment of hospitals for upgradation/ new hospitals
- Stipend to girls student for high school (the scheme's core function is stipend and will continue during project life only)
- Outsourcing of support functions like janitorial, security etc.
- Outsourcing of equipment (where equipment remains property of service provider) like CT Scan, MRI etc., provided contractual obligations go beyond project life (for example MRI is installed on a 7 year contract with yearly pay for performance basis payments. In case PC-I life in 7 years (no revenue clearance required).
- Any project posts in PMU or otherwise those are fixed pay positions and have no equivalence with BPS regime
- Purchase of books under Directorate of Archives and Libraries in higher education department
- Disbursement of stipend to school going children under AIP program in E&SE department
- Hiring of teaching staff in government colleges under PMU or higher education programs etc.

## Revenue Clearance for HR

With regard to human resource, the regularization of project staff in the past successive tenures of Governments has created the potential risk of long term liability. The instant policy has provided for multiple routes for recruitment of project staff. Furthermore, regularization is only associated with BS scales; no regularization can take place for special / fixed pay packages/ MP Packages. Hence the Project Implementation Policy requires only those project posts to be considered for revenue clearance, which are recruited on BS scales. For all fixed pay/ special pay or MP based positions, the due diligence at level of P&D shall be carried out.

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## Chapter 6: Procurement Management for Projects

Procurements remain an important component of project execution. Good project management includes ensuring that all components of the project vis-à-vis civil works, goods procurements and human resources are completed in a manner such that service delivery of the project shall commence at the earliest. However, there has been a tendency to take a conservative view and start procurement as a sequential step after civil works. This is, at times, also driven by the absence of adequate storage for these equipment/ furniture. Resultantly, even after completion of civil works, service delivery cannot commence.

### Relevant Rules for Procurement

All procurements under projects are carried out as per Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014, notified vide letter No.SO (FR)/FD/9-7/2010/Vol-II, and as amended from time to time. The instant Project Implementation Policy elaborates the manner in which the procurement rules are put into practice in project setting. The provisions of KPPRA Rules, therefore, shall have an overriding effect.

### Mode of Procurement

Once the project is approved, it shall be the authority of the PD to determine the most appropriate method for procurement. This has been legally covered under section 33 of KPPRA Act that it is the authority of the procuring entity (Project authority in this case) to select the most appropriate method for carrying out procurements. Devising bid solicitation documents (BSD) and specifications, TORs, evaluation criteria, all rest with the project authority and that is the reason PD of the projects has been classified as Category-I officer in Delegation of Financial Powers Rules 2018.

### Procurement Process

The Project Director shall constitute all relevant procurement committees, such as for devising BSD (specifications/BOQ/Drawing/Design/Evaluation Criteria/ Type of contract etc.) and if required, a sub-committee for technical evaluation, a committee for Grievance Redressal and a committee for physical inspection as per provisions of KPPRA Procurement Rules 2014. For observance of codal formalities, the project director shall be responsible.

### Constituting Committees for Procurements in Projects

During preparation of PC-I/ revision of PC-I, the committees mentioned in this chapter may be mentioned. However, in case PC-I is silent, and the nature of project so requires, Project Director may constitute one or more of following procurement committees/ subcommittees.

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**Procurement Committee**

This is an overarching committee and shall have ultimate responsibility and authority to approve recommendations of other sub-committees. Normally the Project Director may head this committee. However, PD may assign someone under them to head this. Membership may include representatives of administrative departments; though this remains purely optional.

**Procurement Sub-Committees**

One or more sub-committees may be notified to support and assist the primary Procurement Committee amongst following:

**Technical Specification Committee**

This committee will be responsible for finalizing specifications of goods/ equipment/ furniture, services/ consultant's specifications and deliverables.

**Tender Committee**

This committee shall initiate the tender process and shall carry out steps like publishing of ad (if required), pre-bid conferences, receiving of bids.

**Technical Bid Opening Committee**

Once bids have been received by the tender committee, they shall hand over the technical bids to the technical evaluation committee. They shall evaluate bids and upload technical evaluations.

**Note:** in case of pre-qualification/ EOI, technical bid opening committee may also evaluate the bid against pre-qualification criterion.

**Financial Bid Opening Committee**

After technical evaluation is completed, the tender committee shall handover financial bids of technically qualified bidders to the financial opening committee that shall open the bids.

Procurement committee based upon technical and financial evaluation shall finalize the overall evaluation and shall upload final evaluation.

**Physical Inspection Committee**

Once goods or services are delivered, this committee may verify the physical quantities and conformance with specifications.

**Grievance Committee**

Grievance committee shall be constituted to decide upon grievances. Usually, mid to senior level officers from the Administrative Department shall chair this committee.

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Membership is different from other committees to ensure impartial redressal with the exception of one individual (who may serve as secretary of the grievance committee). Additionally, the Grievance Committee shall ensure the application of, and compliance with, the Khyber Pakhtunkhwa Public Procurement Grievance Redressal Rules, 2017, notified vide No. SO(FR)/FD/9-7/2017/Vol-II.

**Price Reasonability Committee**

The PD has to make a price reasonability committee to determine if price is reasonable or not, especially for high cost procurements.

**Mode of Procurement**

An important decision during procurement of equipment is mode of procurement. Commonly used Inco Terms like DDP, C&F or any other are admissible. The decision regarding choosing one mode over others or seeking bids for more than one mode clearly indicating preferred mode for evaluation of bids may be decided upon by the committees and shall be reflected in procurement documents.

Depending upon project nature, the Project Director and Procurement Committee may ask for third party inspections of firms both in case of local and imported firms. The third party inspection is a preferred mode, in case monetary volume of a particular item is high or quantities are high or complex items are being procured. For imported items, third party pre shipment inspection may be invoked too. In order to meet with the costs involved, preferably PC-I shall provide for some funds. However, some of the third party inspections, after mentioning in procurement documents, may be carried out at the vendor's cost.

**Supply Chain Management**

An important reason for delayed project execution is delayed procurement of goods (equipment, furniture etc.) on account of non-availability of space to store these items. In order to address this issue, PC-I and/ or Procurement Committee may opt for procuring services of supply chain, warehousing and transportation service providers. Similarly, the procurement documents may allow for partial payment upon receipt of procured items and the balance payment after successful installation and operationalization.

**Service Level Agreements**

In order to have long term operationalization of procured items, service level agreements may be made part of procurement by the Procurement Committee (say 3 to 5 years). However, it shall be either quoted separately or some percentage (say 2% to 5% for each year) of total bid may be retained for each completed year and respective part shall be paid on each successful year completion.

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## **Procurement of Machinery & Equipment, Furniture or Other Items on Placement Basis/ Rental Mode With Guaranteed Load**

In order to encourage use of pay for performance model and to get maximum benefit out of actual utilization of any machinery, equipment, furniture or other items, PC-I may opt for getting the item on placement basis or rental basis with guaranteed load. This may include either time based or usage based arrangement. This may be used for any medical equipment, laboratory items, heavy machinery like bulldozers, excavators, tractors, trolleys, mining and agriculture equipment etc. Similarly, if the project nature so desires, it may also be used for office equipment like generators, photocopiers etc.

### **Utilization of Procured Items**

In order to have efficient utilization of procured items, a role may be given in PC-I or by administrative department or Steering committee (for details, see Chapter 9: Institutional Arrangements for Project Implementation), to use delivered items of one project against any other project where funds are available and Purchase Orders of similar items have been issued. However, extreme caution shall be carried out in this regard so that the original project does not suffer due to any breakdown in supply of future orders and supply chain.

### **Variation of Estimated Amounts From Bid Amount**

Project execution in many instances suffer greatly, and can be delayed on account of non-clarity in cases where the bids price received is more than the estimated price provided in PC-I. In this regard, it is important to understand that PC-I prices are, at best, an intelligent estimate; these estimation may not be true reflection of actual price. The inflationary trends and gap between preparation of PC-I and actual procurement also contributes towards this.

Procurement on other hand is a completely separate process and is a reflection of market forces (so far as it is transparent and competitive as per spirit of Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014). Hence the variation in prices shall not be a reason for stopping procurements; provided that the Procurement Committee is convinced that all relevant provisions of Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014 have been fulfilled AND price reasonability has been ascertained.

Usually the Procurement Committee shall be competent to decide upon the way forward in this regard, keeping in view the options listed in next para of instant chapter. However in case of large volume procurements and for the options other than Option-I, the Procurement Committee may seek advice of either administrative department or Steering Committee (see Chapter 9: Institutional Arrangements for Project Implementation, for details)

There are potentially four options to deal with the above mentioned proposition.

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- **Option 1:** Reduce quantities in a manner that overall funds provision is adhered to
- **Option 2:** Re-appropriate from other heads preferably within revenue component and meet the additional funds through the re-appropriation
- **Option 3:** P&D guidelines provide to go overall 10% to 15% over and above approved cost and the same cushion may be utilized for meeting enhanced cost
- **Option 4:** Combination of above

## Chapter 7: Operational/ Project Management

Development projects are implemented in order to improve outreach and service delivery of respective functions of government departments, which may not be easy to realize using current budget mode of financing and instruments like service rules, organizational structures etc. It is, therefore, imperative that development schemes are provided with more flexibility and innovative approaches. On the other hand, it is equally important that these projects do follow modern practices and deliver efficiently rather than regress into a medium to funnel these resources through porous channels. The instant chapter deals with some of these principles and instruments to help projects deliver more efficiently.

### Project Conception

Projects shall be conceived as one complete whole, comprising various components such as civil works, goods (equipment etc.), services, human resource, trainings and capacity building, Standard Operating Procedures (SOPs) and Project Management (the instrument that connects all individual components).

### Project Implementation Plan

Successful implementation of a project requires a detailed implementation plan. Ideally all PC-Is shall have this. Prospectively, during revision of PC-Is, detailed project implementation plan shall be invariably ensured, mentioning key interventions, activities and sub activities under each area and timelines along with key milestones. It shall help in identifying activities along the critical path (though the critical path may keep on changing depending upon delays in each or some activities).

### Technical Support

Modern project management requires a variety of skill sets. However, it is not absolutely essential to have all these expertise as in-house resources. Some of the expertise may be tapped in externally, on a need basis. It implies that whether a PMU is formed or not, on a need basis, so far as practicable, these expertise may be sourced-in for short term/ medium term support. The executing agency in such a case, may build only enough capacity in-house, such that it allows the executing agency to benefit from the external resources (to be able to interpret the reports and advice of external support).

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Examples of such external technical support includes software development, GIS mapping and other spatial planning components, financial and performance audits, legal services, transaction advisory services, communication services (including social media and design services). The instant Project Implementation Policy not only acknowledges these areas but also encourages executing agencies to use this as a preferred mode going forward (for projects to be developed in future/ projects undergoing revisions).

**Design Consultants & Resident Supervision**

In case the project has a complex nature, it is imperative to engage design consultants, rather than solely relying on in-house capacity of the works department (C&W, PHE, Irrigation, LG, Tourism or any other department/body). Similarly, in most of such cases, it shall be imperative to engage design consultants too so that there are no gaps at time of execution between the design and implementation. This has stretched implications for transactions that require specialized knowledge, such as complex energy projects for which project aims either IPO (initial public offering) or strategic buyouts or any other mode.

**Certification**

An important area to enhance service delivery is enhancing our focus to standardization and Standard Operating Procedures and this can be best achieved through various certifications in respective fields. This may include both national and international certification and licensing. Projects are encouraged to build provisions for such licensing and certification fees as part of PC-I, along with provisions necessary to achieve these certifications, such as trainings etc.

**Logistics Support**

Projects are encouraged to utilize third party logistics services rather than in-house purchase of such goods or services. These include supply chain, warehousing and transportation services instead of building own warehouses, rent-a-car services instead of purchasing own vehicles, use of vouchers for employees through e-based transport services, instead of own vehicles/ motorcycles, use of courier services instead of in-house capacity, renting office space for PMU instead of a project aiming to build its own office (in certain cases, this is equally applicable to service delivery projects such as rest areas at tourists spots etc.), janitorial, security, maintenance firms engagement instead of in-house capacity.

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## Chapter 8: Financial Management (Accounting and Auditing) of Projects

Project Director of any development project is Category-I officer as per Khyber Pakhtunkhwa Delegation of Financial Powers Rules, 2018, notified vide letter NO.SO(FR)/FD/9-1/2018/DOP/17441KP. The Project Director shall be competent to sanction all expenditures as per PC-I under relevant heads.

Key financial management provisions, including the financial responsibilities of the PD, for efficient fiscal management and project functionality are explained below.

### Responsibilities of Project Director as Drawing and Disbursing Officer (DDO)

As per the First Schedule of the Khyber Pakhtunkhwa Delegation of Financial Powers Rules, 2018, notified vide letter NO.SO(FR)/FD/9-1/2018/DOP/17441KP, the PD is designated as a Category-I DDO. The posting order issued for the PD by the administrative department or sponsoring agency will be enough to grant Category-I powers to the PD.

If, however, the post of PD is vacant, the Administrative Secretary may give additional charge of post of PD to a suitable person for a period of 90 days, or till the appointment of regular incumbent. Any individual with the additional charge can exercise Category-I powers to ensure smooth project functionality. A three month extension may also be given in the additional charge, if no suitable candidate is found.

### Financial Phasing of the Project

When any administrative department, or sponsoring agency submits a PC-I to the relevant approving forum, it should add a tentative financial phasing with the PC-I. The tentative financial phasing should be on bi-annual basis (6 monthly). This phasing shall mention which project activities will be covered in which phase. However, the administrative secretary will be authorized to review and revise the financial phasing in accordance with the on ground implementation from time to time.

### Financial Forecasting

Financial forecasting within the project, will be adhered to, to as maximum an extent as possible. However, wherever need be, revisions can be allowed. These revisions have to come through the Administrative Secretary.

It is proposed that the Administrative Secretary will review the project on a monthly basis. If they feel that forecasting needs to be changed, then a request can be sent through P&D to FD for the next quarter.

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## Projects with Exemptions

Any Projects that have any exemption by Federal Government Statutory Regulatory Order, will undertake the process for exemption as per existing rules and laws. It will be the responsibility of the PD to ensure completion of the exemption process.

## Provision of Funds and Release Mechanism

The Finance Department may release funds of approved projects to relevant heads on bi-annual basis in accordance with the financial phasing given in the PC-I. FD will release the money on controlling level. The Administrative Secretary will ensure that within a week of receipt of funds from FD, the money is made available for spending.

## Authorization of AG

Consequently, the Project director will aim at ensuring that within spending level availability, the money should be available on the withdrawal level.

## Releases According to Financial Phasing

While most projects may require phased releases, releases may not always need financial phasing. In such instances, funds can be released in their entirety.

Similarly, if the Administrative Secretary is satisfied that there is a modification required in the financial phasing given in the PC-I, then that request has to be sent through P&D to FD. FD may then release funds according to modified request.

## Assan Assignment Account

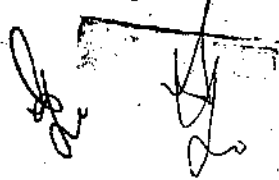
Finance Division has issued detailed instructions with regards to opening Assan Assignment Accounts, as per Assan Assignment Account Procedure (Local Currency), 2020, approved by Finance Division, Islamabad vide No. F.2(2)BI/2008/2020-1081 and circulated by the CGA vide No.1376/CGA/A.A/RP-2018 (LC), dated 26.10.2020. Though necessary instructions have already been communicated to all concerned, a quick overview of the process of opening this account is detailed below.

In case of projects where a separate PD has been nominated, the PD will be responsible for opening Assan Assignment Account, in line with instructions in Assan Assignment Account Procedure (Local Currency), 2020.

In cases where a PD is not nominated, and the project is below a certain cost (PKR 200 million), a Principal Accounting Officer will open this account.

Signatories for the Assan Assignment Account will be in line with the directions contained in Assan Assignment Account Procedure (Local Currency), 2020. Compliance with these directions will be the responsibility of the Principal Accounting Officer. In instances where the PD has been hired, one signatory has to be PD, and one has to be a representative of the Administrative Secretary.

All payments, except for those payments which are to be made for quotation or petty purchases, must be made through the Assan Assignment Account.



### Opening of Commercial Account

A project preferably should open 2 commercial accounts. Each of these is explained briefly below.

#### Account for Salary and Operational Purpose

In this account, funds will be maintained such that a one month salary budget, plus a one month operational expenditure budget for projects with a PMU is always present. These operational expenditures may be limited to operations which are procured as petty purchases below PKR 50,000/-, or procurements through quotations below PKR 100,000/-, as per provisions laid down in Chapter III, (6)(a), (6)(b) and any other relevant provision in Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014, notified vide letter No.SO (FR)/FD/9-7/2010/Vol-II, and as amended from time to time.

It is crucial to note that all procurements done through competitive bidding, as per KPPRA Rules, 2014, shall be paid through the Assan Assignment Account. The PD will be responsible for ensuring compliance with this condition.

#### Account for LC Payments

A second commercial account will be maintained, to be used purely for LC payments. Every project above PKR 1 billion, will need to open their WeBOC account, ensure registration for tax number (FTN), and sales tax registration.

#### Maintenance of Petty Cash

Projects may be allowed to maintain petty cash, in order to undertake operational expenditures. All petty cash expenditures will be verified through vouched accounts. The PD will be responsible for maintenance of petty cash vouched accounts. Petty cash provisions, with respect to the financial outlay of the project are given in the table below.

Project Cost	Petty Cash Provision (PKR per month)
Greater than PKR 1 Billion	500,000/-
PKR 200 million to PKR 1 Billion	150,000/-
Less than PKR 200 million	50,000/-

#### Re-Appropriation of Funds Within the Budgetary Allocation

It is expected that certain projects may need to re-appropriate funding during the lifetime of the project. As per the financial phasing, within any one quarter, if one item has to be bought, or money has to be moved from one head to another, the Administrative Secretary shall have the re-appropriating rights to do so at the spending level.

If re-appropriation has to take place between any two subsequent quarters, the Administrative Secretary shall, again, have the right to re-appropriate.

**ATTESTED**  
*[Signature]*

## Need For PC-I Revision Based on Financial Changes

Project costs related to procurements may vary, especially if any procurement is necessitated at a later stage of the project. For this purpose, if any procurement is to be done outside of the procurement plan, the project can go into a PC-I revision.

Certain instances where project expenditure is upward of 15% of total approved PC-I cost, special provision can be given. In such cases, approval can be given by the administrative Secretary, which can subsequently be confirmed by the approving forum.

Similarly, if the item cost of any one particular item varies, such that this variation does not raise the cost of the project by more than 15%, the Administrative Secretary (or PD in the case of procurement of goods and works, as per the delegation of financial powers) has the power to grant approval, followed by approval from relevant forum.

## Audits

All projects shall undergo a regular audit process (statutory audit by Auditor General) on annual basis and special audit if so required. Additionally, for large and complex projects, audit by chartered accountant firms shall also be mandated.

All audits shall be conducted for three main elements, and may include any other project implementation element as per need. These three domains are:

- (i) Procurement and Financial Audits
- (ii) Process Audits
- (iii) HR Recruitment Audits

Large projects shall be encouraged to have annual audits of procurement, HR recruitment, and Financials etc. on an annual basis.

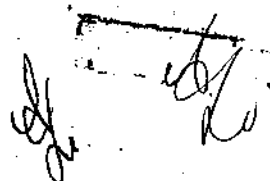
Other supporting audit functions are listed below:

### Pre-Audit

Projects for which a separate PMU is made, must ensure the presence of a separate internal pre-audit wing within the PMU. All payments will be processed through this pre-audit wing. Only after a pre-audit is conducted by the internal audit wing, will payments be processed. The Internal Audit Wing will also draft and submit a yearly internal audit report, which will be put up to the administrative Secretary for necessary action and compliance.

### Audit by DG Civil Audit

DG Civil Audit will conduct an annual audit of all projects. The resultant report of this audit will be put up by the competent authority for consideration as per the audit manual and standing instructions issued by AG Pak.

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**Audit by Third Party**

Projects which have a separate PMU, will need to budget financial provision for third party audits. All third party audits will be conducted annual, as opposed to a singular third party audit during project closure. Procurement of a third party to conduct audits can be such that any one party can conduct all three audits, or three different organizations can conduct each audit. The selection of firms for audit can be done under the relevant provisions of KPPRA Rules, 2014.

These audits will cover three main types:

**Financial Audit + Procurement Audit**

All financial procedures and procurement procedures compliance will be assessed.

**Process Audit**

Process controls of PMU and project implementation will be assessed.

**HR Recruitment Audit**

HR files and records will be assessed

**Clear and Discrepant LC Documents**

While acknowledging the discrepancy in LC documents may be non mala fide in some cases, it is important to protect the projects' own financial interests. Therefore it is proposed that a revocable Letter of Credit may be issued, wherever possible. If a revocable Letter of Credit cannot be issued, an irrevocable letter of credit may be issued. However, the irrevocable letter of credit must include strict, time-bound terms, e.g. in the case of equipment, delivery and installation of equipment may be included as a term.

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## Chapter 9: Institutional Arrangements for Project Implementation

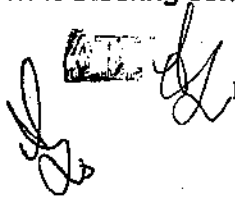
Under Khyber Pakhtunkhwa Delegation of Financial Powers Rules, 2018, notified vide letter NO.SO(FR)/FD/9-1/2018/DOP/17441KP, the ultimate authority for approval of any development project lies with respective approval forum (PDWP, DDWP etc.). However, there has been increasing emphasis on establishing certain institutional arrangements (particularly for flagship initiatives/ programs) such as steering committees (usually headed by quite senior level like Minister, concerned Secretary or Commissioners). The results of execution of such projects through oversight of such steering committees are overall encouraging. However, under current arrangement, the mandate of the steering committee with regard to any adjustment or change in project design or execution is extremely limited rather than non-existent.

The instant project implementation policy intends to develop linkages of project execution with these institutional arrangements, even if overall the powers of such institutional forums shall be quite limited.

### Project/ Programme Steering Committee

It shall be headed by a senior level such as Minister, Administrative Secretary or Commissioner. The committee shall oversee project implementation and shall be restricted by TORs duly approved by approval forum (mainly PDWP). For projects approved at the level of DDWP, the practice of such institutional arrangement may not be adopted unless extremely important due to the nature of the project. Generally steering committee may have following mandate:

- Make decisions as to phasing of facilities with in overall scope of project
- Guide procurement committees as to cost variations between PC-I estimated and actual bids (See procurement chapter)
- Re-allocation of some resources (within same project), recommendations to PDWP (See Procurement Chapter)
- May recommend a matter to PDWP for advice (see Advice of Approval Forums chapter)
- May recommend revision of particular component to approval forum (See Revision of PC-I chapter)
- May constitute one or more committees under it to support itself (however, such committees shall be recommending bodies to Steering Committee and would be restricted by mandate of Steering Committee)
- Any other mandate specifically given to steering committee



8

### Requisite for establishing Steering Committees as Institutional Arrangements for Project Implementation

In order to provide for the steering committee, the PC-I at time of formulation or during revisions shall mention the composition of the Steering Committee along with a mandate that is proposed to be assigned to the steering committee. The approval forum shall approve the composition and TORs/ mandate.

## Chapter 10: Monitoring and Evaluation

Monitoring, evaluation, and learning remains a key component of project management and implementation. As a critical function monitoring, evaluation and learning functions are required to;

- assess project implementation;
- recommend corrective action;
- anticipate possible bottlenecks;
- track project progress against implementation timelines;
- identify and record critical baseline, mid line, and end line data, and;
- help identify negative externalities which could impact the overall completion of the project.

### Monitoring Staff

It is recommended that all projects shall have a dedicated monitoring and evaluation team (or a single dedicated resource, in case of smaller projects). For projects with dedicated PMUs, it is imperative to include an in-house monitoring and evaluation resource.

### Project Monitoring Committee

A Project Monitoring Committee may be designated after the first quarter is over, and the project enters its operational phase. This monitoring committee shall prepare quarterly reports, which should identify processes on key indicators of the project, and overall project implementation. These reports may be presented to the sponsoring and executing agency, and subsequently may be forwarded to P&D, or relevant approval forums.

### Project Monitoring Tools

During the formulation of the PC-I, it is expected that all projects will incorporate a results-based monitoring paradigm, where key outcome, output, process, and input indicators will be identified and tracked throughout the lifetime of the project. All indicators must list tangible means of verification, along with proposed frequency of monitoring (if applicable). These results-based monitoring tools will remain a live document throughout the lifetime of the project, and may be revised as per need.

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In addition to project specific tools that may be designed, all projects shall be monitored through available e-based portals that may be used for effective monitoring and evaluation of projects include the following:

- (i) Planning Commission Forms Management System (PCFMS)
- (ii) Development Projects Management System (DPMS)

Additionally, it is also recommended that projects spanning across three years or more may start submitting their PC-III forms during the second year.

### PC-IV Forms

The monitoring reports formulated by the Project Monitoring Committee may be used as justification for project revision, project extension, or for PC-IV formulation. For any projects looking to move a PC-IV, it is suggested that the PC-IV be drafted primarily, or in consultation with the monitoring and evaluation team. For this purpose, any project moving into the closure phase may retain monitoring and evaluation staff as part of the closure phase skeleton staff.

In the interest of ensuring that only projects that merit moving to the current side, move a PC-IV form, it is suggested that multi-level monitoring mechanisms may be adopted, such that for any project moving to submit a PC-IV form, the Administrative Department and P&D will work in collaboration. The Administrative Department will identify which projects can be considered for PC-IV. Ultimately, DG M&E will decide which projects qualify, in consultation with relevant stakeholders.

### Risk Assessment

A risk register must be maintained for all projects. The risk register should clearly identify high, medium and low risks to the projects, including an analysis on the risk appetite of the project. Additionally, the risk register shall also list key actions needed for risk reduction, and risk mitigation. Critical risks that should be considered include:

- Financial risk
- Administrative risk
- Implementation risk
- Fiduciary risk
- FE projects, or projects involving foreign procurements – impact of devaluation should be accounted for before hand
- Environmental risk assessment: projects, especially those that focus on, or relate to civil works, should have an initial environment impact assessment, and should also undertake a biannual and/or annual exercise to ascertain the adverse environmental impacts of the project

The project risk register should clearly identify the person responsible for periodic risk assessment, escalating high risk warnings to the concerned authority, and risk mitigation actions.

## Chapter 11: Revision

PC-I is the main project document and covers the entire life cycle of the project. However, the timeframe between PC-I development and execution and gestation life itself warrants revision in PC-I. The revision in PC-I is essentially not a bad practice (frequent revisions does imply project planning quality) and in certain cases it brings value by adding mid-course correction and incorporating the implementation learning experiences.

Thus, a PC-I may be revised either if it requires certain changes in scope and design or for projects with long gestation periods, mid project life revision (say after 2 years of approval) is likely to bring value and improve project implementation quality. Similarly, in cases where a project can be completed at reduced scope, the project may be sent for revision to the concerned approval forum.

For all projects going into revisions, the provisions of this project implementation policy may be incorporated so far as practicable and does not adversely affect the quality of implementation.

However, if the project requires some clarity or change in one or more aspects and it does not affect the overall scope nor it goes beyond 15% of its approved cost, the preferred method is through seeking advice from the approval forum (details in Advice of Approval Forum chapter of this policy).

### Extension in Scope of Civil Works as a Result of Revisions

Subject to any provisions mentioned in Building and Road Code and under KPPRA Rule 18(c)iii, the civil works exceeding 15% may be given to same contractor provided that the committee (so constituted) ascertains and certifies that the extension in scope of work is such that cannot be separated from the original scope of work and would have adverse effect on the final work completed and must certify that the conditions mentioned in above Rule 18(c) iii are met. The committee so constituted shall be headed by the Administrative Secretary of the department under which the executing agency falls. Furthermore, it shall be Project Director as its member besides membership from Finance and P&D Departments.

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## Chapter 12: Out-Transition / Project Closure

Development Projects, by definition, have a definite and limited life. They cannot continue indefinitely, even if several extensions are granted from time to time. Project closures remain a critical component of any project, as a well-managed closure with the proper exit strategy can ensure sustainability of the impact generated by the project.

PC-IV is the project closure document and shall be prepared preferably 3 months before the end of gestation life of the project. As suggested in earlier (see Chapter 10: Monitoring and Evaluation), PC-IV forms may be developed during the Closure phase, and monitoring and evaluation personnel may assist in the formulation of a PC-IV form. However, a few other considerations need to be addressed to ensure that the out-transition of any project is smooth. These considerations are listed below. It is also imperative to note that project closure ultimately remains the responsibility of the sponsoring agency.

### Closure of PMU

In case a dedicated PMU was established outside the premises of the administrative department, it is imperative that all assets and equipment procured for the project are disposed of in an appropriate manner. This disposal can include auction of items, or return of items to sponsoring agencies or administrative departments. Additionally, all pending liabilities of rent must be cleared before the project ends.

In cases where the project or PMU was housed within the administrative department, all items borrowed or loaned from the administrative department may be returned back in working condition.

Ultimately, by the closing date, the complete inventory of the project must either be returned to the administrative department, auctioned, or written off.

### HR Discharge

In the interest of ensuring that projects do not become draconian in their closure, it is imperative that all projects must issue closure notices at least three months in advance to all staff, regardless of whether the project moves to the current side or not. Additionally, any financial liability, e.g. salaries, must be paid before the closing date of the project.

### Integration of Project into Steady-State Service Delivery

For projects that were introduced as a medium to introduce innovation in service delivery, it is imperative that transition of project into steady state must retain the quality of service delivery. Thus, a needs assessment of service delivery (e.g. needs assessment of service delivery staff) may be conducted to identify capacity building needs for continued quality service delivery provision, and easing any roadblocks during the transition from project mode to current/regular mode. This transition of service delivery should take place at least six months before the official closing of the project.

**TESTED**

## Financial Closing

All projects must ensure that financial closing is undertaken efficiently. This includes ensuring that all liabilities are paid, and all accounts are adjusted before or on the closing date of the project. Two key actions that need to be undertaken are as follows:

### Closure of Designated Bank Accounts

All bank accounts must be closed by the PD or the Principal Accounting Officer (if no PD has been appointed), upon closing for project or shifting of expenditures to pre-audit system of accounting.

### Transfer of Remaining Funds

The sponsoring agency should ensure that all liabilities are cleared well within the closure phase. Additionally, any funds remaining in any bank account may be withdrawn in the form of a pay order which can be submitted to the relevant authorities, thereby ensuring that all bank accounts are closed on the date of the project closure.

## Closure Audits

### Financial Audits

The sponsoring agency must ensure that financial audits are conducted during the last 3 to 6 months of the project to ensure that all liability, payments, and cash movements in general are accounted for. Additionally, these closing financial audits must also identify that no further expenditures are forecasted.

### Project Closure Audits

The concerned administrative department or sponsoring agency must conduct a project closure audit within the last month of the closing date.

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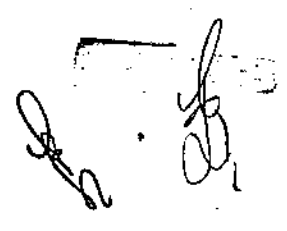
## ▶ Chapter 13: Advice of Approval Forums

Project Implementation is like 'beating heart surgery'. A good PC-I shall aim to take a holistic view of project implementation and shall provide for various scenarios that may be faced during execution. However, the fact remains that in developing countries the volatility of internal and external environments and risk exposure of projects makes it very difficult to cover all scenarios. In such cases, often projects suffer delay in execution on account of lack of clarity of approval forum versus execution tier particularly at Project Director Level (even Administrative Secretary's powers in such case are unclear).

The Project Director is usually left with no other choice but to take the project to revision (through submitting revised PC-I). The current process of revision (due diligence at level of CPO, pre-PDWP, PDWP etc.) is lengthy and the clarity a particular project requires may not be the most efficient utilization of resources besides unnecessary delayed execution.

As an alternative, the instant project implementation policy is providing a quicker mechanism for such execution related issues. Thus, for any projects looking to resolve an issue which does not alter the overall project design, the project director or administrative secretary or steering committee (see institutional arrangement chapter above) may refer the specific question or issue along with background knowledge directly to PDWP or DDWP (as the case may be) in form of working paper. It shall be addressed to Secretary P&D for PDWP and head of approval forum in other cases. The Secretary P&D may, directly or after seeking advice of the concerned section, shall place the matter before PDWP along with his/her or sections' recommendations. In such cases there shall not be any need to submit revised PC-I. PDWP shall take decision after evaluating the issue at hand. The decision so taken shall be duly minuted by the approval forum and shall be deemed to be decision of PDWP/ approval forum as the case may be (provisions shall apply mutatis mutandis to DDWP and other forums). By issuance of such minutes, the PC-I shall also be deemed to be amended to that extent.

Common examples where advice of approval forum may be sought through submitting working paper include inability to find HR on approved package or mentioned age limit or qualifications in the PC-I, any particular technology or specifications have become upgraded and previous is either not available or not imperative to go for that, PC-I did not provide for funding for any of enabling/ desirable set of measures (such as outsourcing or external expertise or audits by chartered accountant or design etc.). Thus in such cases, instead of revising PC-I, advice from the approval forum may be sought on that specific issue.



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# Chapter 14: Provisions Related to Special Types of Projects

In cognizance of the fact that projects remain multi-faceted, key provisions for special types of projects are given below.

## Restructuring of Organization & Institutional Development

Some departments might need projects to improve their own performance. The main aim of these projects is to improve operations (e.g. Food Authority - can be launched as a project).

In this case, all HR, along with JDs etc. will be mentioned in the PC-I to ensure that the right technical staff is hired. Additionally, basic scale and project allowance will need to be mentioned as well in the PC-I. This is necessary in cases where department thinks that recruitment has to be done on scale, and fixed pay is not suitable for the relevant posts.

For such projects, the HR may need some regulatory powers. The project needs to identify which law/rule can be used to give them such powers.

All positions may only be taken on the current side, when after PC-IV evaluation, the positions are proven to be useful and their utility has been established. If the position is shifted to the current side, and recruitment processes are initiated, staff that may already be working against these posts during project mode, may be given a fixed number of marks based upon the issuance (by the PD or equivalent in-charge) of a certificate marking satisfactory performance. These marks may not exceed 5% of the total marks available.

## Land Acquisition

Projects where a major chunk of land acquisition is involved, will require suitable staff to assist the land acquisition. This staff needs to be included in the PC-I (should be expert in land survey and land measurement).

In these cases, the PD will be responsible for identification of suitable land, draft notification under section 4 and section 6 of Land Acquisition Act, 1894. Project director will be responsible for transfer of requisite funds to the account of concerned land acquisition collector.

## PC-II

The PC-II forms address feasibility of projects. Projects that are directed by the department or approving forum, to conduct a feasibility, may do so before drafting a PC-I.

Within PC-II, all aspects can be covered to make a PC-I.

**ATTESTED**

## Different Funding Sources

### PSDP, HDF, FPA

PSDP, HDF, and FPA projects usually vary only to the extent that they are funded by different sources. The PIP shall be applicable on all projects in the same manner as it would on any PDWP or DDWP project.

### PPP Projects

In case a project is being implemented in PPP mode, the following may be ensured:

- PPP engagement type
- Duration
- Responsibility and risks of private sector
- Responsibility and risks of public sector
- Draft concession agreement, or ToRs of transaction advisor
- Closure and termination mechanism
- Penalties for breach of contract
- Relevant application of KPPRA Rules, 2014

### Civil Infrastructure Projects

Civil infrastructure projects may be undertaken on rough costing.

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GOVERNMENT OF KHYBER PAKHTUNKHWA  
PLANNING & DEVELOPMENT DEPARTMENT

Dated Peshawar the May 09, 2024.

**NOTIFICATION:**

**NO. SO/E/P&D/5-6/RI&ISP/P&D/2023:** Syed Zahir Ali Shah (PPS BS-19), Project Director, Project Coordination & Management Unit (PCMU), Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-RI&ISP) is hereby transferred and posted as Chief Planning Officer, Sports & Youth Affairs Department by relieving Mr. Hamid Naveed (PPS BS-19 A.C.B), Chief of Section (Regional Development), P&D Department from the additional charge of the post.

02. Consequent upon the above, Mr. Shahid Ali (PMS BS-19), Additional Secretary (Admin), P&D Department is hereby authorized to hold the additional charge of the post of Project Director, Project Coordination & Management Unit (PCMU), Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-RI&ISP), in addition to his own duties, till further orders.

**ADDITIONAL CHIEF SECRETARY  
P&D DEPARTMENT**

**ENDST: NO. & DATE EVEN.**

Copy forwarded to the:

1. Accountant General, Khyber Pakhtunkhwa.
2. Secretaries to Govt. of Khyber Pakhtunkhwa; Irrigation, Agriculture, Public Health Engineering, C&W, Local Government Departments.
3. Project Director, Project Coordination & Management Unit (PCMU), Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KP-RI&ISP).
4. PS to Additional Chief Secretary, P&D Department.
5. PS to Secretary, P&D Department.
6. PA to Chief Economist, P&D Department.
7. PAs to Additional Secretaries (Admin)/(Planning), P&D Department.
8. PAs to Deputy Secretaries (Estt)/(Admin), P&D Department.
9. Officers concerned.

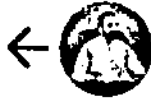
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**(AKHLAQ AHMAD)**  
Section Officer (Estt.)

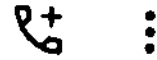


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9 May 2024

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10 May 2024



GOVERNMENT OF KHYBER PAKHTUNKHWA  
PLANNING & DEVELOPMENT DEPARTMENT

Copy Reference: 09 May 02, 727\*

**H.O.T.I.P.O.A.I.L.O.M**

**CO-ADDITIONAL SECRETARY** Ayaz Zahir Ali Shah (PWS BS-19), Project Director, Project Coordination & Management Unit (PCMU), Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KPIISIP) is hereby transferred and posted as Chief Planning Officer, Sports & Youth Affairs Department by relieving Mr. Hameed Ahmed PWS BS-18 A.C.03, Chief of Section (Regional Development), P&D Department from the additional charge of the post.

C2. Consequently upon the above, Mr. Shariq Ali (PWS BS-19), Additional Secretary (Admin), P&D Department is hereby authorized to hold the additional charge of the post of Project Director, Project Coordination & Management Unit (PCMU), Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KPIISIP), in addition to his own duties, till further orders.



ADDITIONAL CHIEF SECRETARY  
P&D DEPARTMENT

**DISTR. NO. & DATE/RYN**  
Copy forwarded to the

- 1. Accountant General, Khyber Pakhtunkhwa
- 2. Secretaries to Govt. of Khyber Pakhtunkhwa, Irrigation, Agriculture, Public Health Engineering, C&W, Local Government Departments.
- 3. Project Director, Project Coordination & Management Unit (PCMU), Khyber Pakhtunkhwa Rural Investment & Institutional Support Project (KPIISIP).
- 4. PS to Additional Chief Secretary, P&D Department.
- 5. PS to Secretary, P&D Department.
- 6. PA to Chief Economist, P&D Department.
- 7. PA to Additional Secretaries (Admin)/Planning, P&D Department.
- 8. PA to Deputy Secretaries (E&D/Admin), P&D Department.
- 9. Officers concerned.

*(Signature)*  
(ABDUL AHMAD)  
Section Officer (E&D)

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PLANNING & DEVELOPMENT DEPARTMENT  
GOVT. OF KHYBER PAKHTUNKHWA  
Project Coordination & Management Unit (PCMU)  
Khyber Pakhtunkhwa Rural Investment & Institutional Support Project  
(KP-RIISP)

No. PCMU/KP-RIISP/P&DD/5-6/Contract

May 09, 2024

Mr. Kamal Ahmad S/O Alif Din  
Hoti Khel, Nowshera Kalaan  
Nowshera

SUBJECT: Termination of Mr. Kamal Ahmad, Director Technical/Operations BPS-19  
KP-RIISP


The competent authority is pleased to Terminate the services of Mr. Kamal Ahmad Director Technical/Operations BPS-19 Khyber Pakhtunkhwa Rural Investment and Institutional Support Project (KP-RIISP) for Project Coordination and Management Unit (PCMU), Khyber Pakhtunkhwa, Planning and Development Department Khyber Pakhtunkhwa on the immediate basis in the large public interest.

Sd

Additional Chief Secretary  
Govt Of Khyber Pakhtunkhwa

Copy for information to:

1. PS to Additional Chief Secretary Planning and Development Department Khyber Pakhtunkhwa
2. PS to Secretary, Planning and Development Department Khyber Pakhtunkhwa
3. PA to Additional Secretary, Admin Planning and Development Department Khyber Pakhtunkhwa

  
Project Director  
KP-RIISP

  
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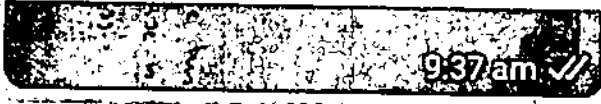

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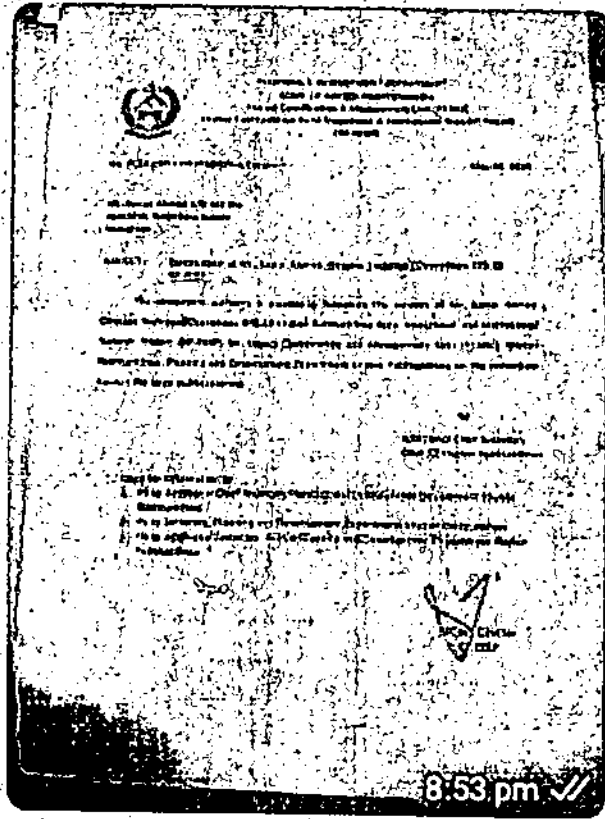


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 Message



Judgment Sheet  
**IN THE PESHAWAR HIGH COURT, PESHAWAR**  
JUDICIAL DEPARTMENT

**WP No.2583-P/2024**

**Syed Zahir Ali Shah vs. Govt. of Khyber Pakhtunkhwa & others.**

**Date of hearing:** 22.05.2024

**Present:**

**Mr. Muhammad Zahid Aman, Advocate, for petitioner.**

**JUDGMENT**

**MUHAMMAD NAEEM ANWAR, J.**- Syed Zahir Ali Shah, the petitioner through the instant petition filed under Article 199 of the Constitutional of Islamic Republic of Pakistan 1973 has challenged the notification No. SO(E)P&D/5-6/RI&SP/P&D/2023 dated 09.05.2024, whereby he was transferred and posted as Chief Planning Officer, Sports & Youth Affairs Department from the office of Project Director, Project Coordination Management Unit (PCMU), Khyber Pakhtunkhwa, Rural Investment and Institutional Sports Project, and prayed that his transfer order may be declared as illegal, arbitrary and unfair, against the principle governing the subjects.

**2.** Arguments heard record perused.

**3.** It is an admitted fact that petitioner is a civil servant of Government of Khyber Pakhtunkhwa, Planning and Development Department who was posted as Director General PC&A, P&D Department in addition to his own duties vide order dated 18.10.2023, wherefrom he was transferred and posted as Chief Planning Officer, Sports & Youth Affairs Department, vide order dated 14.12.2023. The duty which was assigned to him was in respect of the project which was a joint initiative of Government of Pakistan, Government of Khyber Pakhtunkhwa and World Bank aiming to support the integration of the formers of the Federally Administered Tribal Area (FATA) into administration structure of KP and to enhance access to citizen-

centric public services in eight newly merged districts and six frontier regions of the province. The project is under the implementation since October, 2023 and in order to establish project implementation unit, placed in Planning & Development, Agriculture, Communication and Works, Irrigation, Public Health Engineering and Local Government Department. EC&ECS approved the project for a duration of eight years at the total cost of 109,998 million including 80,883 million from the World Bank/IDA Loan Rs.27,431 million from Government of KPK and 1684 million is community share.

4. It is indisputable that pursuant to his posting and transfer the petitioner has assumed the charge and started the work; however, petitioner is a civil servant as such a civil servant can be posted at any place including as a Project Director where he was posted and for redressal of the grievance of the civil servant under Article 212 of Constitution of Islamic Republic of Pakistan, 1973, a specific forum has been provided, the petitioner has not approached to the tribunal, constituted for the redressal of the grievance of the civil servant, and even has not preferred a departmental appeal. When questioned, learned counsel for petitioner submitted at the bar that there is no efficacious remedy available to the petitioner and that the procedure provided under the Civil Servants Act and Khyber Pakhtunkhwa Services Tribunal Act is a lengthy process, where the grievance of the petitioner cannot be redressed. He also referred to clause XVII of the project implementation Policy reflecting that Project Director and staff will be appointed for a period of three years or project term whichever is less. Clause 10 (iii) pertaining to termination of service on completion of project. No doubt that the project is for specific period with certain goals and objective but the question is whether this Court could exercise the jurisdiction for the matters pertaining to the terms and conditions of the civil servants. The Hon'ble Supreme Court in the case of Khalid Jayaid Khalid (1998 SCMR 2061) has observed that "the

dispute raised by respondent No.1 in the writ petition admittedly related to his transfer/posting which is a matter relating to terms and conditions of the service. Such disputes exclusively fall within the jurisdiction of the Service Tribunal as envisaged by Article 212 of the Constitution of Islamic Republic of Pakistan, 1973. A bare reading of the impugned order shows that the learned Judge in Chambers has not considered this aspect of the matter before passing the impugned order". It is the basic principle of law that when the law requires that a particular thing is to be done in a particular manner, it must be done in that manner and not otherwise. Reliance may be placed on the case of "*Ajmir Shah, Ex-Sepoy vs. the Inspector General, Frontier Corps Khyber Pakhtunkhwa and another*" (2020 SCMR 2129).

5. Be that as it may, this Court in respect of the matters pertaining to terms & conditions of a civil servant which also includes posting & transfer, cannot interfere while sitting under Article 199 of Constitution of Islamic Republic of Pakistan, 1973, and, as such, the instant petition is not maintainable before this Court, which is hereby dismissed. Reliance is placed on the case of *Ali Azhar Khan Baloch vs. Province of Sindh & others* (2015 SCMR 456). "*Peer Muhammad Vs. Govt. of Baluchistan through Chief Secretary & others*" (2007 SCMR 54), "*Nazir Hussain, (Ex-Director Excise & Taxation), Administrator, AUOAF, NWFP, Peshawar vs. NWFP through the Chief Secretary/Secretary, Services & General Administration "Department, Government of NWFP Peshawar and 2 others"* (1992 SCMR 1843), "*Muhammad Sajjad vs. Federation of Pakistan & others*" (2021 SCMR 1060), & "*Syed Afzal Ahmad Hydari Vs Secretary Defence Production Division, Ministry of Defence, Rawalpindi & 3 others*" (1991 SCMR 477). In the case of *Asadullah Rashid v. Haji Muhammad Muneer & others* (1998 SCMR 2129) it was observed by the Hon'ble

Supreme Court that Constitution petition under Article 199 of the Constitution is not maintainable by a civil servant in relation to any matter connected with the terms and conditions of service in respect whereof the Service Tribunal has jurisdiction. When so, this petition is dismissed being not maintainable, in *limine*.

**Announced**  
**22.05.2024**

  
**JUDGE**  
  
**JUDGE**



**GOVERNMENT OF KHYBER PAKHTUNKHWA  
PLANNING & DEVELOPMENT DEPARTMENT**

No. SO(E)P&D/5-6/KP-RI&ISP/2024  
Dated Peshawar, June 05, 2024.

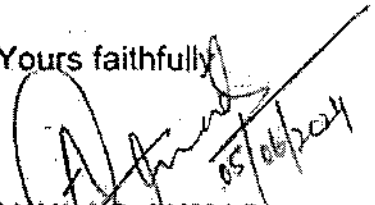
To  
Syed Zahir Ali Shah,  
Chief Planning Officer, Sports Department.

Subject: REPRESENTATION AGAINST TRANSFER ORDER DATED 09<sup>TH</sup> MAY, 2024.

Dear Sir,

I am directed to refer to your application/representation dated 23.05.2024 on the subject noted above and to inform you to kindly attend the office of Secretary, P&D Department on 06.06.2024 at 1100 AM, please.

Yours faithfully

  
(AKHLAQ AHMAD)  
Section Officer (Estt.)

ENDST. OF EVEN NUMBER & DATE.

Copy forwarded to the PS to Secretary, P&D Department.

  
Section Officer (Estt.)



May 23, 2024

**Syed Imtiaz Hussain Shah**  
 Additional Chief Secretary  
 Government of Khyber Pakhtunkhwa  
 Peshawar – Khyber Pakhtunkhwa

**REPRESENTATION AGAINST TRANSFER ORDER DATED 9<sup>TH</sup> MAY, 2024**

Dear Sir,

I hope this letter finds you in the best of health and spirits. I am writing to formally represent against the transfer order issued to me on the 9<sup>th</sup> of May, 2024, which I received unexpectedly through a WhatsApp message at midnight. This transfer order pertains to my current role as Project Director of the Khyber Pakhtunkhwa Rural Investment and Institutional Support Project (KP-RIISP), a position secured through a rigorous selection process overseen by a high-powered committee under your esteemed leadership.

The KP-RIISP project, funded by the World Bank, is of paramount importance to the socio-economic development of Khyber Pakhtunkhwa. Upon my formal selection and deputation, my team and I dedicated extensive effort and time to revive this crucial project. Through close collaboration with the World Bank team, we have managed to elevate the project from a challenging state to a point where it has been recently ranked as 'Satisfactory' by the World Bank—a milestone that occurred on the very day this surprising transfer-order was issued. In my humble opinion, this transfer, if executed, would undoubtedly set the project back to its initial struggling phase due to the abrupt removal of the current dedicated team. The continuity of leadership and the established rapport with the World Bank team are critical for the ongoing success and completion of the project.

It is noteworthy that in my 29 years of distinguished service, this is the first instance where I feel compelled to initiate a representation or similar appeal. The shock and discouragement brought about by this transfer order are profound, especially given the timing, coinciding with the project's commendable ranking. Rather than a transfer, I believe an acknowledgment of our team's hard work and dedication would have been more appropriate. In light of the project's significance and the unprecedented progress we have achieved, I earnestly request a reconsideration and withdrawal of the transfer order. The manner in which the order was issued and communicated—via a WhatsApp message in the middle of the night—raises concerns about the ethical and lawful grounds of such an action.

Sir, I trust that your wisdom and sense of justice will prevail in this matter. I respectfully request a sympathetic review of the transfer order, or the issuance of an order afresh that honors the respect and dedication I have demonstrated throughout the decades long service under your good offices with the Government of Khyber Pakhtunkhwa. Thank you for your kind attention to this urgent matter.

Yours sincerely,-

**SYED ZAHIR ALI SHAH**

Project Director, KP-RIISP, Currently Chief Planning Officer, Spots & Youth Affairs Department, GoKP

*Ali*  
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**PAKISTAN:**  
**Khyber Pakhtunkhwa Rural Investment and Institutional Strengthening Project**  
**(KP-RIISP)**  
*Implementation Support Mission: May 6-10, 2024*  
*Aide Memoire*  
*Draft for Discussion*

**I. INTRODUCTION**

1. A World Bank implementation support mission took place from May 6-10, 2024 for the Khyber Pakhtunkhwa Rural Investment and Institutional Strengthening Project<sup>1</sup>. **The objective of the mission was to review progress in implementation and to discuss and agree on key next steps for project implementation. The mission is grateful to the Government of Khyber Pakhtunkhwa (GoKP) for the courtesy and cooperation extended to the mission.** The mission findings were discussed in a wrap up meeting chaired by Mr. Syed Imtiaz Shah, Additional Chief Secretary, with participation of all participating departments, on May 10, 2024.
2. **This Aide Memoire summarizes the key issued, agreed actions and timelines discussed during the mission.** The Aide Memoire will be classified as "Public" under the World Bank's Access to Information policy upon approval.

**II. OVERALL STATUS AND KEY PROJECT DATA**

3. The project's development objective is to *"strengthen state capabilities for delivery of basic services and climate resilient infrastructure in the project areas, including for the poor and vulnerable."* **The project focuses on addressing development gaps in the newly merged areas (8 merged districts and 6 frontier regions) of the province. The project will finance investments to extend state systems into the merged areas, address critical infrastructure gaps, and strengthen local livelihoods and development.**
4. **The key project and performance data as of May 10, 2024, are shown below:**

<b>Key Project Data</b>	
Board Approval: 13-June-2023 Effectiveness Date: 06-Sept-2023 Original Closing Date: 31-Dec-2029 Revised Closing Date (if relevant): MTR Date: -	Original Ln./Cr. Amt: \$200 million Revised Ln./Cr. Amt: - Amount Disbursed (% disbursed): \$17.09 (8.5%)

<sup>1</sup> The mission members included Anna O'Donnell (Lead Social Development Specialist and TTL), Shan Rehman (Sr. Social Development Specialist), Mishka Zaman (Sr. Social Development Specialist), Sana Ahmad (Environment Specialist), Ahmad Shah Ahmedzai (Financial Management Specialist), Shafiq Hussain (Procurement Specialist), Tara Moayed (Local Development Consultant) Brigitta Bode (Community Development Consultant), Chaudhury Mohammad Ashraff (Consultant FAO), and Basit Khan (Program Associate).

**ATTESTED**  




III. ACHIEVEMENT OF PROJECT DEVELOPMENT OBJECTIVE

5. **Project Development Objective.** Progress towards the development objective of the project is rated as *Satisfactory*. This is the second implementation support mission since the project was declared effective on September 6, 2023. Key procurement actions are underway in all departments, and progress towards recruitment of key consultancies to support implementation has advanced well since the last mission. It is expected that the project objective will be achieved within the project period.

IV. CURRENT IMPLEMENTATION STATUS

6. **Implementation Status.** The overall project implementation status is rated *Satisfactory*. Since the last implementation support mission (ISM), almost all agreed actions have been completed by departmental PIUs and PCMUs. PIUs have nominated Environment & Social focal points for the departments. All accounts have been opened, and all departments have received their first disbursements. Discussions were held with the departments during the mission, and it was agreed that several additional posts should be added in the GoKP share for departments to facilitate the deputation of staff towards the project activities. It was agreed that the PIUs would submit these requests to the PCMU by Friday, May 10<sup>th</sup>, and the PCMU would facilitate the approval of these by Friday May 15, 2024.

7. **Project Coordination and Management.** The mission reviewed the current staffing and implementation arrangements. A summary of these discussions and agreed next steps are provided below:

a. **Project Steering Committee.** During the mission, several key actions were highlighted that are awaiting approval from the PSC. These include (i) approval of the project implementation manuals from Agriculture and LG departments; (ii) approval of annual work plan; and (iii) resolution of staffing and budgeting from GoKP share. The mission recommends convening the PSC as soon as possible to address any pending decisions required for smooth implementation of the project.

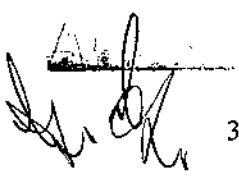
b. **Project Coordination.** The mission discussed the need for more frequent and systemic coordination to support PIUs in implementation. It was agreed that the PCMU would convene monthly coordination meetings with Project Directors to address and resolve any challenges in the departments and facilitate their resolution. In addition, PCMU technical officers would regularly interact with PIU focal persons to strengthen their capacity and support in the preparation of any project related activities and documents. The first monthly project coordination meeting would take place before May 31, 2024 and would take place on a monthly basis thereafter.

c. **Counterpart staffing.** During the mission, departments raised the need to add additional nomenclature to the revenue clearance so as to facilitate deputation of staff to the project. These cases have been submitted to the PCMU for processing. In addition, several discussions highlighted the duration of posting on an additional charge basis, as the revenue clearance indicates the need to follow KP Project Policy 2022, which limits additional charge postings to 6 months. The Bank views adequate staffing as critical to project implementation and recommends bringing this to resolution in the PSC in the near future, including and especially the deputation of key staff in financial management, procurement, and environment and social.

8. **Project Implementation.** The project is being implemented through six (06) Line Departments, namely Agriculture, Communication & Works, Irrigation, Local Government, Public Health and Engineering, and Planning & Development Department. Line departments will implement activities within their purview with full authority for procurement, contract

management, and financial management of their designated account. Technical discussions were held with all line departments with the view to advance readiness in starting up project activities. A summary of discussions by department is presented below:



- a. **Agriculture Department:** Activities in the Agriculture Department include implementation through several directorates. The PIU will be supported through a Project Implementation and Supervision Consultancy. The evaluation report has been submitted to the World Bank and is currently under review. The RfP is expected to be issued by May 22, 2024. The department undertook awareness raising activities between February and April 2024 in all the merged districts. The department has received over 11,000 applications for its different activities. RFQ's for Stone Pickers, Olive Oil Extractors and Multi-Purpose Pulpers have been received and bids will be opened on May 20, 2024. The Bank provided no objection to the department's Project Implementation Manual on December 13, 2023. The Department awaits approval of these in the Project Steering Committee.
- b. **Communication & Works Department:** The C&W department is recruiting a D&S consultancy. The RfP for the D&S consultancy will close on May 24, 2024. The mission agreed that the evaluation would be prioritized within a short time and submitted to the Bank for no objection in order to on board the consultants by July 2024. Since the last mission, the GoKP has undertaken an initial assessment of available land for district complexes. Based on this assessment, six districts have available government land, of which five have buildings that would require missing facilities, and one district would require a new construction on existing land. Two districts have identified land where there are ongoing land disputes for the site preliminarily identified. The mission discussed that the D&S consultants, once onboarded, would be undertaking a verification of the land status and acquisition process and review these also in line with the Bank's policy and project ESMF. The mission also discussed that the project should prioritize sites where there are no underlying land issues. Finally, the mission advised that C&W strengthen its own or establish a new robust grievance redress mechanism and community outreach program. It was agreed that C&W would prepare a draft GRM with the support of the PCMU Social Specialist by June 15, 2024.
- c. **Irrigation Department:** The mission discussed the status of the D&S consultancy to support preparation of a master plan of the merged areas, alongside a priority investment plan, and the selection of several schemes for financing under the project. The RfP for the consultancy was issued on April 23, 2024 and is expected to close on June 4, 2024. The combined evaluation report is expected to be submitted to the Bank by August 8, 2024. The department presented the approach towards development the master plan in a phased approach by district, given the security context and also to enable the identification of priority investments for consideration under the project. The mission discussed that the masterplan should go beyond just the Bank financing and present an area plan and priority set of investments in the irrigation sector, alongside clear prioritization criteria. The mission also advised that Bank financed schemes should be in line with requirements on operational policies on international waterways (OP7.30), as well as the Bank's Environment and Social Standards (ESS) and the project ESMF. The mission encouraged an upstream review of any ready designs to be screened according to the ESMF and international waterways for early review.



- d. **Local Government Department.** Recruitment for a Facilitation Partner to support village council investments is underway and the RfP was cleared by the Bank on May 7, 2024. The department aims to issue the RfP by May 10, 2024 to shortlisted firms. The mission discussed the recruitment of additional staff to support the department and augment capacity given the nature of investments. It was clarified that the staff are being recruited on GoKP share and do not require the Bank's no objection. However, these have been discussed with and endorsed by the Bank as required for smooth project implementation. The department will follow up with ETEA and the Admin Department to initiate recruitment of these staff as per the GoKP Project Policy 2022.
- e. **PHED:** The department has prepared a master plan for the merged areas along with a list of priority water supply and sanitation interventions. The RfP for the D&S consultancy closed on April 24<sup>th</sup> 2024 and the evaluation process is underway, with the objective to onboard the consultant by July 2024. The mission discussed that in the interim period, the E&S focal point could begin screening of the selected schemes, and the field formation could begin surveys on source water and other requirements. The mission discussed that the implementation would be in line with the ESMF and it was agreed that the department would share a process flow for scheme preparation, highlighting the Environment and Social side and their sequencing by May 15, 2024. The Bank would advise on the screening of the first batch of schemes and any supplementary actions required as well as any inclusions to the bidding documents. Once onboarded, the D&S consultants would undertake a design review and check and support the department in the preparation of bidding documents. The mission also discussed the sub-project approval process, given the inclusion of specific schemes in the umbrella PC-1 approved by ECNEC, and whether additional approval of these PC-1s are required. The mission advised that this point could be raised and clarified at the next PSC.
- f. **Planning & Development:** P&DD has established a PCMU for coordination and monitoring purposes. The PCMU is also responsible for consolidated reporting on project results and on ensuring compliance with the Environmental and Social Commitment Plan (ESCP), and conduct monitoring and evaluation. The PCMU is in the process of recruiting several project staff, including a Project Coordinator, FM Specialist, Procurement Specialist, Social Specialist, Environment Specialist, IT Specialist, and M&E Specialist. While several of these positions are post review, the Bank has reviewed evaluation reports for the positions, and noted several weaknesses, including weak justifications on the selection against the stated evaluation criteria. The mission discussed that the PCMU should review and evaluate all specialist candidates against the agreed criteria and using the latest TORs as cleared by the Bank. The PCMU has also initiated recruitment of project implementation support staff. The mission discussed that the recruitment of these staff should be for project purposes, have a clear terms of reference, and be agreed with the Bank. The Bank has provided comments on the proposed PCMU budget and staffing plan. The PCMU agreed to resubmit the revised budget by May 15, 2024. The PCMU is in the process of recruiting an M&E consultancy. The REOI is with the Bank for review. The PCMU has also submitted a revised Project Operations Manual for Bank review. The Bank agreed to provide comments by May 15, 2024.

V.

**ENVIRONMENT AND SOCIAL RISK MANAGEMENT**

2. **Environmental and Social Risk Management:** The overall progress on environment and social safeguards is *Satisfactory*. The mission held a workshop on May 8 for the newly assigned PIUs E&S Specialists and PCMU staff on the project ESMF and applicable World Bank environment and social standards. It was emphasized that all subprojects will be screened prior to selection to ensure they meet Project E&S requirements. The issue of land acquisition under the Project was especially highlighted and it was clarified that government land would be used for the administrative complexes, and land acquisition will be kept to a minimal. Moreover, Project funds cannot be used to pay for the purchase of land. All land proposed for use under the Project would be screened prior to selection to determine its ownership and that it is free of encumbrances. The Project Resettlement Policy Framework (RPF) will guide all land acquisition. The PCMU positions of Social Specialist and Environment Specialist should be in place as soon as possible to ensure the commitments made in the Environment and Social Commitment Plan can be met. The mission noted that the Project GBV/SEA Mitigation Plan and the Security Management Plan should be finalized by August 15, 2024.

3. **Grievance Redress Mechanism.** The PCMU will notify the interim GRM by June 15, 2024. All PIUs will prepare departmental GRMs with the support of the PCMU specialist which will be a part of and integrate as a fully functional multi-tiered project GRM system. The Project GRM should be in place before start of civil works.

P&DD		
Prepare Security Management Plan	August 15, 2024	PCMU
Prepare GBV/SEA and Gender Action Plan	August 15, 2024	PCMU
Establish Project GRM linked with departmental GRMs (will ensure GRM requirements under ESS10, ESS2, and for GBV/SEA complaints are met)	August 15, 2024	PCMU

**VI. FIDUCIARY MANAGEMENT**


4. **Procurement.** The overall procurement activity under the project is considered *Satisfactory*. All departments have initiated key consultancy assignments and the progress in recruitment is satisfactory. All departments have nominated procurement specialists who are responsible for the procurement activities under the project. During the mission, it was highlighted that the Procurement Specialist from the PCMU is expected to spend at least 50 percent of his time supporting departments and building the capacity of dedicated procurement specialists in the project. Details of on-going consultants' recruitments are already provided in the agency-wise implementation status under paragraph 8 above.

5. **Financial Management.** The overall progress on the financial management for the project is rated *Satisfactory*. Designated accounts for all six departments have been opened, and the first withdrawal application has been completed. A total of US\$17.06 million has been disbursed across all six DAs. The operations manuals for the Agriculture Department and the Local Government Department have obtained a No Objection from the Bank and include sections on the financial management arrangements and detailed funds flow arrangements to beneficiaries and the VCs, respectively. A Project Operations Manual prepared by the PCMU is in draft status and outlines the overall FM arrangements for the project.

**VII. NEXT STEPS AND TIMETABLE**



6. A summary of the agreed actions is presented below:

Activity	Date	By Whom
<b>Project Management</b>		
Project Steering Committee meeting	As soon as possible	PCMU/PSC

**ATTESTED**  


105 99

Project Coordination Meeting	May 22, 2024 and monthly thereafter	PCMU
Resolution of counterpart staffing issues raised by PIUs	May 20, 2024	PCMU
<b>Project Implementation</b>		
<i>Agriculture Dept</i>		
Submission of RfP to the Bank	May 22, 2024	Agriculture Dept.
Evaluation of bids received for goods packages	May 30, 2024	Agriculture Dept.
<i>Communication and Works Dept</i>		
Combined Evaluation Report and Draft Contract submitted to Bank	July 10, 2024	C&W
Submission of updated land status report submitted to Bank	May 25, 2024	C&W
Draft GRM developed	June 15, 2024	C&W
<i>Irrigation Dept.</i>		
Combined Evaluation Report and Draft Contract submitted to Bank	August 8, 2024	Irrigation Dept.
<i>Local Government Department</i>		
RfP issued to shortlisted firms	May 10, 2024	LG Dept.
MOU with ETEA for recruitment of project staff	May 22, 2024	LG Dept
<i>PHED</i>		
Combined Evaluation Report and Draft Contract submitted to Bank	June 5, 2024	PHED
Process flow assessments for schemes shared with Bank.	May 15, 2024	PHED
<i>P&amp;DD</i>		
Revised evaluation reports for specialist positions submitted to bank	May 24, 2024	PCMU
Revised budget and staffing plan submitted to Bank	May 15, 2024	PCMU
Draft Security Management Plan submitted to Bank	June 15, 2024	PCMU
Draft GBV/SEA SH Action Plan submitted to Bank	June 15, 2024	PCMU
Revised GRM including PIUs submitted to Bank	August 15, 2024	PCMU
REOI for M&E Consultancy issued	May 14, 2024	PCMU
Monthly coordination meetings initiated	May 22, 2024	PCMU
Project Steering Committee organized	As soon as possible	PCMU

  
**ATTESTED**  


**Annex 1: Action table from Previous ISM and Status**

Activity	Date	By Whom	Status
<b>Project Management</b>			
Request for DA submitted to SBP and NBP	<b>December 12, 2023</b>	<b>PCMU</b>	<b>Completed</b>
Project Operation Manuals approved by PSC	December 18, 2023	PSC/PCMU	Delayed
DAs opened	January 15, 2024	PCMU	Completed
<b>Project Implementation</b>			
<i>Agriculture Dept</i>			
6 month workplan and interim arrangements submitted to WB	December 8, 2023	PIU-Ag	Completed
Awareness raising plan submitted to WB	December 15, 2023	PIU-Ag	Completed
REOI for Supervision Consultancy issued	December 22, 2023	PIU-Ag	Completed
Goods packages submitted to WB via STEP	January 7, 2024	PIU-Ag	Completed
<i>Communication and Works Dept</i>			
Shortlisting report sent to Bank for review	December 8, 2023	PIU-C&W	Completed
Confirmation of status for identified land shared with Bank	December 22, 2023	PIU-C&W	Completed
RFP finalized with Bank concurrence	December 31, 2023	PIU- C&W	Completed
RFP issued to shortlisted firms	January 15, 2024	PIU-C&W	Completed
<i>Irrigation Dept.</i>			
D&S TOR and Cost Estimates shared with WB	December 10, 2023	PIU-Irr	Completed
REOI for D&S Consultancy issued	December 18, 2023	PIU-Irr	Completed
<i>Local Government Department</i>			
Operations Manual sent to WB for no objection	December 15, 2023	PIU-LG	Completed
Shortlisting report sent to WB for concurrence	January 4, 2024	PIU-LG	Completed
<i>PHED</i>			
Draft RFP shared with the WB for review	December 15, 2023	PIU-PHED	Completed
Shortlisting report submitted to WB	January 15, 2024	PIU-PHED	Completed
<i>P&amp;DD</i>			
Recruitment of key PCMU staff initiated in STEP	December 15, 2023	PCMU	Completed
Draft TOR for M&E Consultancy submitted to WB	December 18, 2023	PCMU	Completed

*[Signature]*  
**ATTESTED**

*[Signature]*



M. Zohair Anjum  
Advocate  
Supreme Court of Pakistan  
Enrolment No. 5338  
B.C. NO. 10-7290  
17301-6468374-9  
C.M. 0333-0972362

*(Handwritten signatures and notes)*  
M. Zohair Anjum  
Advocate  
Supreme Court of Pakistan  
Enrolment No. 5338

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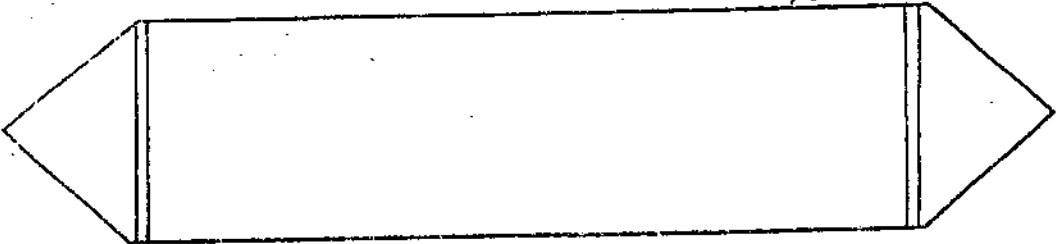
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انچیسٹری آف

Service Appeal w/s 4 of KP Services (Amendment) Act 1974

مقدمہ  
رقم  
1974

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