

CHAPTER - 1

THE BUDGET 2020-21

SALIENT FEATURES

1.1 The budget 2020-21 has the following salient features:

- a) The total outlay of budget 2020-21 is Rs 7,294.9 billion. This size is 11% lower than the size of budget estimates 2019-20.
- b) The resource availability during 2020-21 has been estimated at Rs 6,314.9 billion against Rs 4,917.2 billion in the budget estimates of 2019-20.
- c) The net revenue receipts for 2020-21 have been estimated at Rs 3,699.5 billion indicating an increase of 6.7% over the budget estimates of 2019-20.
- d) The provincial share in federal taxes is estimated at Rs 2,873.7 billion during 2020-21, which is 11.7% lower than the budget estimates for 2019-20.
- e) The net capital receipts for 2020-21 have been estimated at Rs 1,463.2 billion against the budget estimates of Rs 831.7 billion in 2019-20 reflecting an increase of 75.93%.
- f) The external receipts in 2020-21 are estimated at Rs 2,222.9 billion. This shows a decrease of 26.7% over the budget estimates for 2019-20.
- g) The overall expenditure during 2020-21 has been estimated at Rs 7,294.9 billion, out of which the current expenditure is Rs 6,345 billion.
- i) The development expenditure outside PSDP has been estimated at Rs 70.0 billion in the budget 2020-21.

j)

The size of Public Sector Development Programme (PSDP) for 2020-21 is Rs 1,324 billion. Out of this, Rs 676 billion has been allocated to provinces. Federal PSDP has been estimated at Rs 650 billion, out of which Rs 418.7 billion for Federal Ministries/Divisions, Rs 100.4 billion for Corporations, Rs 3 billion for Earthquake Reconstruction and Rehabilitation Authority (ERRA), and 7 B for COVID responsive and Other Natural Calamities Program.

1.2 Table-1 below presents the comparative position of budget and revised estimates for fiscal year 2019-20 and budget estimates for fiscal year 2020-21.

TABLE - 1
COMPARATIVE BUDGETARY POSITION
2019-20 AND 2020-21

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
RESOURCES (A + B)	7,899,077	6,411,374	6,314,898
A Internal Resources	4,716,753	3,988,452	5,404,551
- Net Revenue Receipts	3,462,099	3,102,409	3,699,507
- Net Capital Receipts	831,659	966,708	1,463,179
- Estimated Provincial Surplus	422,995	-80,664	241,865
B External Resources	3,032,325	2,272,921	810,347
C Privatization Proceeds	150,000	150,000	100,000
EXPENDITURE (I + II)	8,238,073	8,135,188	7,231,496
I Current Expenditure on Revenue Account	7,288,179	7,375,757	6,345,150
- Current Exp. on Revenue Account	7,288,179	7,375,757	6,345,150
II Development Expenditure	949,895	759,431	886,346
- Federal PSDP	701,000	564,476	650,000
- Dev. Expenditure outside PDSP	85,791	65,816	70,000
- Dev. Loans & Grants to Provinces	163,104	129,139	166,345
BANK BORROWING	338,996	1,723,814	916,599

CHAPTER - 2
RESOURCE POSITION
2020-21

2.1 There are two type of resources i.e. internal and external. The internal resources comprise of revenue receipts, capital receipts and estimated provincial surplus. The external resources come from foreign loans and grants. Table-2 below presents the overall comparative resource position for the year 2019-20 (budget and revised) and 2020-21 (budget).

TABLE - 2
RESOURCE POSITION

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
A Internal Resources	4,902,044	4,198,597	5,483,651
I. Net Revenue Receipts [(i) - (ii)]	3,462,099	3,102,409	3,699,507
(i) Gross Revenue Receipts	6,716,624	5,504,489	6,573,226
(ii) Less Provincial Share in Taxes	3,254,526	2,402,080	2,873,719
II. Total Capital Receipts	1,016,950	1,176,853	1,541,672
III. Estimated Provincial Surplus	422,995	-80,664	242,472
B External Resources	3,032,325	2,272,921	2,222,918
TOTAL RESOURCES (A + B)	7,934,369	6,471,519	7,706,569

INTERNAL RESOURCES**I. NET REVENUE RECEIPTS**

2.5 Tables 3 to 5 presents information on various components of tax revenue and non-tax revenue.

TABLE - 3
NET REVENUE RECEIPTS

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
TAX REVENUE (A + B)	5,822,160	4,208,459	5,464,300
A. FBR TAXES	5,555,000	3,908,000	4,963,000
- Direct Taxes	2,081,945	1,623,000	2,043,000
- Indirect Taxes	3,473,055	2,285,000	2,920,000
B. OTHER TAXES	267,160	300,459	501,300
NON-TAX REVENUE	894,464	1,296,030	1,108,926
- Property and Enterprise	269,582	243,187	210,708
- Civil Administration and Other Functions	430,961	809,666	645,616
- Miscellaneous Receipts	193,921	243,177	252,602
Gross Revenue Receipts	6,716,624	5,504,489	6,573,226
Provincial Share in Gross Revenue	3,254,526	2,402,080	2,873,719
NET REVENUE RECEIPTS	3,462,099	3,102,409	3,699,507

TABLE - 4
TAX REVENUE

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
A. FBR TAXES (I + II)	5,555,000	3,908,000	4,963,000
I. Direct Taxes	2,081,945	1,623,000	2,043,000
- Income Tax	2,073,000	1,618,037	2,036,752
- Workers Welfare Fund	5,050	2,548	3,207
- Capital Value Tax	3,895	2,415	3,041
II. Indirect Taxes	3,473,055	2,285,000	2,920,000
- Customs Duties	1,000,500	546,000	640,000
- Sales Tax	2,107,738	1,427,000	1,919,000
- Federal Excise	364,817	312,000	361,000
B. OTHER TAXES	267,160	300,459	501,300
- Other Taxes (ICT)	8,100	15,442	20,475
- Mobile Handset Levy	3,000	4,000	5,800
- Airport Tax	35	17	25
- Gas Infrastructure Development Cess (GIDC)	30,000	11,000	15,000
- Natural Gas Development Surcharge	10,000	10,000	10,000
- Petroleum Levy	216,025	260,000	450,000
TOTAL TAX REVENUE:	5,822,160	4,208,459	5,464,300

TABLE - 5
NON-TAX REVENUE

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
NON-TAX REVENUE (A+B+C)	894,464	1,296,030	1,108,926
A. Income from Property and Enterprise	269,582	243,187	210,708
- Pakistan Telecom Authority (Surplus)	1,000	6,449	2,000
- PTA (3/4G Licences)	52,730	125,000	27,000
- Regulatory Authorities (Surplus/ penalties)	1,282	540	542
- Mark up (Provinces)	24,112	26,111	26,843
- Mark up (PSEs & Others)	124,495	36,917	93,345
- Dividends	65,963	48,171	60,978
B. Receipts from Civil Administration and Other Functions	430,961	809,666	645,616
- General Administration	4,284	3,408	3,440
- SBP Profit	406,070	785,000	620,000
- Defence	15,453	17,553	18,431
- Law and Order	2,034	1,137	1,198
- Community Services	1,454	1,039	1,097
- Social Services	1,666	1,528	1,450
C. Miscellaneous Receipts	193,921	243,177	252,602
- Economic Services	4,127	1,254	2,096
- Foreign Grants	18,795	27,463	22,517
- Citizenship, Naturalization & Passport Fee	25,000	25,000	25,000
- Discount Retained on Local Crude Price	16,000	16,000	17,000
- Royalty on Crude Oil	24,673	25,000	23,000
- Royalty on Natural Gas	51,560	54,050	53,812
- Windfall Levy against Crude Oil	7,000	7,000	8,000
- Petroleum Levy on LPG	4,000	3,635	5,516
- Extraordinary Receipts (UNO)	30,000	27,441	28,045
- Extraordinary Receipts (Others)	57	30	41
- Others	12,711	56,304	67,575

II. NET CAPITAL RECEIPTS

TABLE - 6
NET CAPITAL RECEIPTS

(Rs in Million)

Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
TOTAL CAPITAL RECEIPTS (I + II)	1,016,950	1,176,853	1,541,672
I. Recoveries of Loans & Advances	183,520	131,713	147,167
- Provinces	79,371	84,666	89,025
- Others	104,150	47,047	58,142
II. CAPITAL RECEIPTS (A + B)	833,430	1,045,139	1,394,505
A. Public Debt Net (1 + 2)	582,677	623,864	1,178,886
1. Permanent Debt	211,930	650,656	864,067
- Pakistan Investment Bonds	200,000	410,137	400,000
- Ijara Sukuk Bonds	8,993	228,993	450,000
- Foreign Exchange Bearer Certificates (FEBCs)	(5)	(1)	(5)
- Foreign Currency Bearer Certificates (FCBCs)	(5)	(1)	(5)
- U.S. Dollar Bearer Certificates	(3)	-	(3)
- Special US Dollar Bonds	(50)	(40)	(50)
- Premium Prize Bonds (Regd.)	3,000	15,390	15,000
- Pakistan Bano Certificate (3 Years)	0	(170)	(199)
- Pakistan Bano Certificate (5 Years)	0	(220)	(528)
- FADRA	0	(3,432)	(143)
2. Floating Debt	370,747	(26,792)	314,819
- Prize Bonds	70,747	(181,967)	(85,181)
- Treasury Bills Auction	300,000	155,175	400,000
B. Public Account	250,753	421,275	215,619
- National Savings Schemes	275,628	426,842	223,279
- G.P. Fund	3,000	3,500	4,000
- Net Deposits	(27,875)	(9,067)	(11,660)
III. DISBURSEMENTS	185,291	210,145	78,493
- Government Investments, Loans, Advances and Others	76,991	72,922	78,493
- Repayment of Short Term Credits	108,300	137,222	-
NET CAPITAL RECEIPTS (I + II - III):	831,659	966,708	1,463,179
Net Lending to Others:	(27,158)	25,875	20,351

★ **EXTERNAL RESOURCES**

TABLE - 7
EXTERNAL RESOURCES

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
I. EXTERNAL LOANS (A to C)	2,990,579	2,181,203	2,157,500
A. Project Loans (i+ii)	211,171	214,745	218,153
i Federal Government	118,872	143,137	66,822
- Ministries/Divisions	16,118	17,913	13,274
- Corporations/Autonomous Bodies	102,754	125,224	53,548
ii Provinces	92,299	71,608	151,331
B. Programme Loans	276,958	620,240	503,567
C. Other Aid	2,502,450	1,346,219	1,435,781
- Islamic Development Bank	165,000	127,117	165,000
- Saudi Arabia (Saudi Oil)	480,000	138,840	165,000
- Euro Bond/International Sukuk	450,000	0	247,500
- Commercial Banks	300,000	623,610	647,213
- China Safe Deposits	0	0	0
- Eco. Trade Bank	0	0	0
- Budgetary Support from Friendly Countries	750,000	0	0
- IMF Loan for Budgetary Support	357,450	456,652	211,068
II. EXTERNAL GRANTS	27,950	32,490	20,667
- Project Aid Grants	27,950	32,490	20,667
• Federal Departments	6,130	7,254	4,811
• Autonomous Bodies	1,677	6,120	842
• Provinces	20,143	19,116	15,014
D. External Resources (I + II):	3,018,529	2,213,693	2,178,168
E. Project Loans & Grants Outside PSDP	13,796	59,228	44,750
Loans	13,250	52,296	42,411
Grants	546	6,932	2,340
GROSS EXTERNAL RESOURCES (D+E):	3,032,325	2,272,921	2,222,918
Foreign Loans and Repayment	0	0	1,228,880
Repayment of Short Term Credits	0	0	183,691
EXTERNAL RESOURCES (Net):	3,032,325	2,272,921	810,347

TABLE - 8
DETAILS OF PROVINCIAL SHARE IN FEDERAL TAXES

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21

A. DIVISIBLE POOL TAXES	3,153,770	2,300,482	2,817,212
- Income Tax	1,176,770	941,574	1,156,193
- Capital Value Tax	2,234	1,461	1,744
- Sales Tax (Excl. GST on Services)	1,206,911	851,912	1,098,916
- Federal Excise (excl. Excise Duty on Natural Gas)	199,770	174,001	198,403
- Customs Duties (excl. Export Development Surcharge)	568,086	331,534	361,957
B. STRAIGHT TRANSFERS	100,756	101,598	56,506
- Gas Development Surcharge	9,800	9,799	15,867
- Royalty on Natural Gas	50,627	53,949	52,736
- Royalty on Crude Oil	24,179	25,126	23,199
- Excise Duty on Natural Gas	16,149	12,724	14,705
- Tax Refund	0	0	-50,000
TOTAL (A to B):	3,254,526	2,402,080	2,873,719
PROVINCE- WISE SHARE			
Punjab	1,611,364	1,135,447	1,439,116
Sindh	814,916	592,321	742,030
Khyber Pakhtunkhwa (Inclusive 1% War on Terror)	533,261	379,097	477,519
Balochistan	294,983	295,214	265,054
Tax Refund	0	0	-50,000
TOTAL PROVINCIAL SHARE:	3,254,526	2,402,080	2,873,719

2.10 Table-9 below presents total net federal transfers to provinces.

TABLE - 9
NET FEDERAL TRANSFERS TO PROVINCES

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
A. Total Transfers to Provinces	3,514,157	2,623,719	3,125,064
- Divisible Pool Taxes	3,153,770	2,300,482	2,817,212
- Straight Transfers	100,756	101,598	56,506
- Special Grants / Subventions	96,482	92,500	85,000
- Project Loans / Grants	112,441	90,724	166,345
- Programme Loans	50,663	38,414	0
- Japanese Grant	45	0	0
B. Less Payments to Federal Govt.	103,483	110,777	115,868
- Interest Payments	24,112	26,111	26,843
- Loans Repayments	79,371	84,666	89,025
NET TRANSFERS TO PROVINCES (A-B):	3,410,674	2,512,942	3,009,196

CHAPTER - 3
CURRENT EXPENDITURE
2020-21

3.1 Table-10 below presents a summary of current expenditure:

TABLE - 10
SUMMARY

		(Rs in Million)		
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21	
(i) Mark-up Payment	2,891,449	2,709,351	2,946,135	
- Mark-up on Domestic Debt	2,531,685	2,374,000	2,631,000	
- Mark-up on Foreign Debt	359,764	335,351	315,135	
(ii) Pension	421,000	463,419	470,000	
- Military	327,088	354,939	369,000	
- Civil	93,912	108,480	111,000	
(iii) Defence Affairs and Services	1,152,535	1,227,388	1,289,134	
- Defence Services	1,149,665	1,224,522	1,286,192	
- Defence Administration	2,870	2,866	2,943	
(iv) Grants and Transfers	835,496	1,177,322	904,644	
- Grants to Provinces	96,482	92,500	85,000	
- Grants to Others	739,014	1,084,822	819,644	
(v) Subsidies	271,500	349,500	209,000	
(vi) Pay and Pension	79,000	-	0	
Vii) Provision for Contingencies	115,000	-	50,000	
(viii) Running of Civil Government	431,246	445,862	475,738	
CURRENT EXPENDITURE (i to viii)	6,197,226	6,372,843	6,344,651	
(xiv) Foreign Loans Repayment	1,095,254	1,245,344	0	
TOTAL CURRENT EXPENDITURE (includes foreign loans repayment)	7,292,481	7,618,187	6,344,651	

3.3 Table-11 below presents the comparative position of the budget and revised estimates of current expenditure for the year 2019-20 along with the budget estimates 2020-21. It shows breakup of Current Expenditure according to functional classification.

TABLE - 11
CURRENT EXPENDITURE

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
1) General Public Service	5,607,041	5,538,073	4,428,643
2) Defence Affairs and Services	1,152,535	1,227,388	1,289,134
3) Public Order and Safety Affairs	152,919	153,269	169,927
4) Economic Affairs	84,167	106,411	71,751
5) Environment Protection	470	470	431
6) Housing and Community Amenities	2,292	2,545	35,680
7) Health Affairs & Services	11,058	12,023	25,494
8) Recreation, Culture and Religion	9,838	9,301	9,822
9) Education Affairs and Services	77,262	81,253	83,363
10) Social Protection	190,595	245,024	230,907
TOTAL:	7,288,179	7,375,757	6,345,150

3.4 The bulk of expenditure falls under General Public Service. The expenditure against this head has been budgeted at Rs 4,428,643 million for 2020-21, which is 69.8% of current expenditure.

GENERAL PUBLIC SERVICE

3.5 Under the head of General Public Service, the major portion goes to executive & legislative organs, financial, fiscal and external affairs which stood at Rs 3,663,740 million. This component forms 82.73% of the allocation for General Public Service. The main heads of expenses are Superannuation Allowances & Pensions, Servicing of Foreign Debt, Foreign Loans Repayment Servicing of Domestic Debt and Others. Transfer payments constitute another important item.

3.6 The details of expenditures classified under General Public Service are given in Table-12 below.

TABLE - 12
GENERAL PUBLIC SERVICE

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
GENERAL PUBLIC SERVICE	5,607,041	5,538,073	4,428,643
Executive & Legislative Organs, Financial, Fiscal Affairs & External Affairs	4,716,758	4,839,651	3,663,740
- Superannuation Allowances & Pensions	421,000	463,419	470,000
- Servicing of Foreign Debt	359,764	335,351	315,135
- Foreign Loans Repayment	1,095,254	1,245,344	0
- Servicing of Domestic Debt	2,531,685	2,374,000	2,631,000
- Others	309,055	421,537	247,605
Foreign Economic Aid	6,422	6,418	2,387
Transfers	643,391	646,720	687,355
General Services	9,805	9,311	10,623
Basic Research	4,992	4,992	5,952
Research and Development General Public Services	14,417	14,562	15,108
Administration of General Public Services	6,846	8,539	3,149
General Public Services not elsewhere defined	204,410	7,881	40,329

DEFENCE AFFAIRS AND SERVICES

3.7 Details of estimates of expenditure on Defence Affairs and Services in 2019-20 (budget & revised) and 2020-21 (budget) are given in Table-13 below:

TABLE - 13
DEFENCE AFFAIRS AND SERVICES

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
DEFENCE AFFAIRS AND SERVICES	1,152,535	1,227,388	1,289,134
- Defence Administration	2,870	2,866	2,943
- Defence Services	1,149,665	1,224,522	1,286,192
- Employees Related Expenses	450,413	455,860	475,657
- Operating Expenses	264,656	318,114	301,109
- Physical Assets	315,375	317,118	357,756
- Civil Works	123,252	135,715	155,478
- Less Recoveries	-4,031	-2,285	-3,808

PUBLIC ORDER AND SAFETY AFFAIRS

3.8 Under the head of Public Order and Safety Affairs, an amount of Rs 169,927 million has been provided in the budget 2020-21 as compared to Rs 152,919 million in the budget estimates 2019-20 and Rs 153,269 million in revised estimates of the outgoing fiscal year 2019-20. The allocation for Police (Rs 158,621 million) forms the major component, with a share of 93.35%, in the total allocation under this head. Table-14 below provides the details.

TABLE - 14
PUBLIC ORDER AND SAFETY AFFAIRS

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
PUBLIC ORDER AND SAFETY AFFAIRS	152,919	153,269	169,927
- Law Courts	6,012	5,992	6,903
- Police	142,837	143,207	158,621
- Fire Protection	274	274	303
- Prison Administration and Operation	43	43	47
- R & D Public Order and Safety	47	47	50
- Administration of Public Order	3,706	3,705	4,003

ECONOMIC AFFAIRS

3.9 The allocation under the head of Economic Affairs in the budget 2020-21 has been projected at Rs 71,751 million, as compared with Rs 84,167 million in the budget estimates 2019-20 and Rs 106,411 million in revised estimates 2019-20. Major share of this head goes to Construction and Transport is 21.79% of total allocation for Economic Affairs. Table-15 below provides the details under this head:

TABLE - 15
ECONOMIC AFFAIRS

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
ECONOMIC AFFAIRS	84,167	106,411	71,751
- General Economic, Commercial and Labour Affairs	32,580	53,301	14,108
- Agriculture, Food, Irrigation, Forestry and Fishing	4,917	4,916	13,696
- Fuel and Energy	24,718	23,299	10,762
- Mining and Manufacturing	1,811	2,310	1,968
- Construction and Transport	14,753	14,752	15,638
- Communications	3,714	4,182	3,779
- Other Industries	1,674	3,651	11,800

ENVIRONMENT PROTECTION

3.10 Under the head of Environment Protection, an amount of Rs 431 million has been estimated in budget 2020-21 for Waste Water Management, which is lower by 8.3% than budget estimates 2019-20.

TABLE - 16
ENVIRONMENT PROTECTION

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
ENVIRONMENT PROTECTION	470	470	431
Waste Water Management	470	470	431

HOUSING AND COMMUNITY AMENITIES

3.11 Under the head of Housing and Community Amenities, an amount of Rs 31,000 million has been provided in the budget 2020-21 for Housing Development as compared to Rs 31,000 million in the Budget 2020-21 as to Revised 2019-20 i.e Rs 252 million in revised estimates 2019-20.

TABLE - 17
HOUSING AND COMMUNITY AMENITIES

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
HOUSING AND COMMUNITY AMENITIES	2,292	2,545	35,680
Housing Development	0	252	31,000
Community Development	2,292	2,292	4,680

HEALTH AFFAIRS AND SERVICES

3.12 Under the head of Health Affairs and Services, a total allocation of Rs 25,494 million has been made in the budget estimates 2020-21, which is higher by 130.55% from the budget estimates 2019-20. The allocation for Hospital Services forms the major component with amounting to Rs 22,774, which is 89.33% under this classification. Details are given in Table-18 below:

TABLE - 18
HEALTH AFFAIRS AND SERVICES

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
HEALTH AFFAIRS AND SERVICES	11,058	12,023	25,494
- Medical Products, Appliances and Equipment	31	31	31
- Hospital Services	8,702	9,762	22,774
- Public Health Services	463	463	504
- Health Administration	1,862	1,767	2,184

RECREATION, CULTURE AND RELIGION

3.13 In budget 2020-21 an amount of Rs 9,822 million has been budgeted for Recreation, Culture and Religion. Overall estimates under this classification for 2020-21 are almost equal with budget estimates 2019-20, and higher by 5.6% when compared with revised estimates 2019-20. The bulk of expenditure at Rs 7,500 million under this head has been earmarked for Broadcasting and Publishing i, which is 76.36% of the total allocation. Details are given in Table-19 below:

TABLE - 19
RECREATION, CULTURE AND RELIGION

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
RECREATION, CULTURE AND RELIGION	9,838	9,301	9,822
- Recreation and Sporting Services	0.4	0.4	0.4
- Cultural Services	717	646	747
- Broadcasting and Publishing	7,631	7,176	7,500
- Religious Affairs	1,050	1,039	1,122
- Administration of Information, Recreation & Culture	439	440	453

EDUCATION AFFAIRS AND SERVICES

3.14 Education Affairs and Services have been provided with Rs 83,363 million in the budget estimates 2020-21 as compared with Rs 77,262 million in budget estimates 2019-20 and Rs 81,253 million in revised estimates 2019-20. The bulk of expenditure at Rs 70,741 million has been allocated for Tertiary Education Affairs and Services in budget 2020-21, which is 84.86% of the total allocation under this head. The details are as under:

TABLE - 20
EDUCATION AFFAIRS AND SERVICES

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
EDUCATION AFFAIRS AND SERVICES	77,262	81,253	83,363
- Pre-Primary & Primary Education Affairs Services	2,831	2,781	2,931
- Secondary Education Affairs & Services	6,718	6,726	7,344
- Tertiary Education Affairs and Services	65,233	70,037	70,741
- Education Services not Definable by Level	0	0	0
- Subsidiary Services to Education	310	393	312
- Administration	1,407	727	1,237
- Education Affairs, Services not elsewhere classified	763	589	798

SOCIAL PROTECTION

3.15 Under the head of Social Protection, an amount of Rs 230,907 million has been allocated in the budget 2020-21, which is higher by 21.15 % as compared to the budget estimates 2019-20. The bulk of expenditure at Rs 208,258 million has been allocated for Social Protection (not elsewhere class) in budget 2020-21, which is 90.19% of the total allocation under this head

TABLE - 21
SOCIAL PROTECTION

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
SOCIAL PROTECTION	190,595	245,024	230,907
- Administration	1,827	1,827	21,763
- Others	864	894	886
- Social Protection (not elsewhere class)	187,904	242,303	208,258

CHAPTER - 4**SUBSIDIES, GRANTS AND TRANSFERS****2020-21****SUBSIDIES**

4.1 In order to alleviate the impact of inflation on citizens, especially the poor segments of society, the Federal Government spends a fairly large sum on providing power and food subsidies. In the budget estimates 2019-20 subsidies were Rs 271,500 million; in revised estimates 2019-20 that increased to Rs 349,500 million due to grant of subsidy to DISCOs, Subsidy on Sale of essentials, Corona Stimules and Fertilizer Plant Subsidy (Engro, Fatima). Total subsidies for fiscal year 2020-21 have been estimated at Rs 209,000 million which is decreased by 23.02% and 40% over budget estimates and revised estimates of 2019-20 respectively.

4.2 In budget 2020-21, the allocation for subsidies to WAPDA/PEPCO forms the major component, which is 59.33% of the total allocation followed by subsidy to Naya Pakistan Housing Authority with share of 14.36%, KESC with share of 12.2% and, PASSCO with share of 3.35%. Table-22 provides the details:

TABLE - 22
SUBSIDIES

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
Subsidy to WAPDA/PEPCO:	191,000	201,000	124,000
1 Inter-Disco Tariff Differential	162,000	162,000	110,000
2 Tariff Differential for Agriculture Tubewells in Balochistan	8,000	8,000	3,000
3 To pick up WAPDA/PEPCO receivables from merged districts of KPK	18,000	18,000	10,000
4 Subsidy to WAPDA on account of Tariff Differential for AJ&K	3,000	3,000	1,000
5 Bill Deferment (Corona)	0	10,000	0
			Contd....

SUBSIDIES

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
Subsidy to Petroleum:	0	23,000	0
7 PSO & APL & Other	-	23,000	0
Subsidy to KESC:	59,500	59,500	25,500
8 To pick up KESC's Tariff Differential	25,000	25,000	10,000
9 For Tariff Differential for Agriculture Tubewells in Balochistan	500	500	500
11 Subsidy to DISCOs & K-Electric	-	0	-
12 To KESC for industrial support package	10,000	10,000	5,000
13 Subsidy to LNG sector for providing Gas on lower rates to industry	24,000	24,000	10,000
Subsidy to USC:	5,500	43,500	3,000
14 Ramzan Package	2,500	2,500	3,000
15 Sale of Sugar	3,000	1,000	0
16 Subsidy on Sale of Essentials	0	30,000	0
17 Corona Stimules	-	10,000	0
Subsidy to PASSCO for:	15,500	15,500	7,000
18 Wheat Operation	2,000	2,000	2,000
19 Wheat Reserved Stock	5,000	5,000	5,000
20 Wheat supplied to Gilgit-Baltistan (Arrears)	8,000	8,000	0
21 Support for Wheat/Flour Export	-	0	-
22 Support for Sugar Export	-	0	-
23 Reimbursement on account of Paddy Operation	-	0	-
24 Reimbursement on account of Donation of Wheat by the GOP	500	500	0
Subsidy to National Food Security & Research Division	-	-	-
25 National Food Security & Research Division	-	-	-
Subsidy to Others:	-	7,000	49,500
26 Sale of Wheat in FATA	-	0	-
27 Wheat Subsidy to Gilgit Balistan (PF Wing)	-	-	6,000
28 Fertilizer Import Subsidy to TCP	-	-	0
29 Metro Bus Subsidy	-	-	2,000
30 Fertilizer Plant Subsidy (Engro, Fatima)	-	7,000	6,000
31 Subsidy to Naya Pakistan Housing Authority	-	-	30,000
32 Other (Lump)	-	-	5,500
TOTAL SUBSIDIES:	271,500	349,500	209,000

GRANTS AND TRANSFERS

4.3 Grants and transfers to provinces and others for the year 2020-21 have been estimated at Rs 904,644 million as compared with Rs 835,496 million in budget estimates 2019-20 and Rs 1,177,322 million in revised estimates. The detail of grants and transfers to the provinces and others is given in the following Table:

TABLE - 23
GRANTS AND TRANSFERS

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
I. GRANTS IN AID & MISCELLANEOUS ADJUSTMENTS	96,482	92,500	85,000
A. SPECIAL GRANTS	86,482	83,500	85,000
- Punjab	-	0	-
- Sindh	20,400	16,700	19,000
- Khyber Pakhtunkhwa	56,082	56,000	56,000
- Balochistan	10,000	10,800	10,000
B. LUMP PROVISION	10,000	9,000	0
II. GRANTS TO OTHERS	739,014	1,084,822	819,644
- Contingent Liabilities	308,000	302,000	323,000
- Miscellaneous Grants (SPD & NECOP)	84,000	89,000	93,000
- Other outstanding Liabilities	-	0	-
- Pakistan Railways to meet their losses	39,000	42,000	40,000
- National Internship Programme	54	54	0
- Lump Provision for Relief etc.	3,000	9,000	3,000

Contd.....

GRANTS AND TRANSFERS

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
- Competition Commission of Pakistan	210	210	250
- Reimbursement of Telegraphic Transfers (TT) Charges on Home Remittances	15,000	22,000	22,477
- Pakistan Remittance Initiative	100	100	23
- Audit Oversight Board	0	0	0
- FWBL's Key Initiatives/Development	500	500	0
- Public Private Partnership Authority-PPPA	75	75	100
- Walled Accounts	1,000	1,000	500
- Scheme for marketing Home Remittance	2,000	1,900	2,000
- Grants to AJK Government	54,890	54,890	54,890
- Grant-in-Aid to Gilgit Baltistan	33,000	31,000	32,000
- Grant to Bait-ul-Maal	5,653	5,653	6,104
- Wheat Subsidy to Gilgit Baltistan	6,045	6,040	0
- Grant to Pakistan Textile City Ltd.	-	0	-
- Grant to Pakistan Machine Tool Factory	-	0	500
- BISP	180,000	234,200	200,000
- FMU	35	0	300
- Grant To Pakistan Post Office Dept	0	0	3,500
- DLTL	0	30,000	10,000
- Other (Artist, Retired Officer)	-	-	3,000
- Technology Upgradation Fund	-	-	400
- Pakistan innovation Fund (IF Wing)	-	-	100
- PPAF	2,150	7,200	2,000
- ECP (LG Election)	4,302	0	2,500
- NDMA	0	28,000	5,000

- Medical Equipments	0	5,000	5,000
- Tax Refund	0	100,000	0
- Daily Wagers Relief	0	75,000	0
- Relief to SME & Agriculture (Locust)	0	40,000	10,000
TOTAL GRANTS (I + II):	835,496	1,177,322	904,644

CHAPTER - 5
LOANS AND INVESTMENTS
2020-21

5.1 The financial assets of the Federal Government consist of investible funds and loans provided to Government Azad Jammu and Kashmir (AJK) and various agencies/institutions as well as government servants to enable them to meet their

CURRENT LOANS & ADVANCES

5.2 Total current loans and advances have been estimated at Rs 66,776 million in budget 2020-21. The following Table provides the details:

TABLE - 24
CURRENT LOANS & ADVANCES

(Rs in Million)			
Classification	Budget 2019-20	Revised 2019-20	Budget 2020-21
1 Ways & Means Advances to the Govt. AJK for repayment of principal & interest	17,080	17,080	15,000
2 Junagadh and Kathiawar Chiefs	21	21	21
3 Loans/Advances to Employees of PNRA	15	15	15
4 Loans/Advances to Friendly Countries	500	500	200
5 Gilgit-Baltistan for Repayment of Principal and Interest	-	18	10
6 Interest free Loans to WAPDA Operation and Maintenance, Hub Dam & Khanpur Dam	40	-	20
8 Loan to State Engineering Corporation	20	20	25
9 Current Loans to PIA	24,525	27,168	20,000
10 Loans and Advances to Governments Servants	14,522	14,514	15,485
11 Loans to Pakistan Steel Mills Karachi	4,800	6,100	16,000
12 PIACL Indigenous Development of IFE	-	600	-
13 Loan to Pakistan Machine Tool Factory	-	416	-
TOTAL:	61,523	66,452	66,776

DEVELOPMENT LOANS AND ADVANCES

5.3 Development loans and advances are made by the Federal Government to Provinces, Government of Azad Jammu and Kashmir, Public Sector Enterprises (PSEs), Financial/Non-Financial Institutions, District Governments/TMAs and Others to assist them in carrying out their development programmes.

5.4 Total development loans and advances (local and external) were estimated at Rs 406,448 million in the budget 2019-20, which have now been revised downwards to Rs 321,691 million in revised estimates 2019-20. For budget 2020-21, total development loans and advances have been estimated at Rs 400,943 million, showing a minor decrease of 0.01% over budget estimates 2019-20 and 24.63% over revised estimates 2019-20.

5.5 For budget 2020-21, development loans and advances (local) have been estimated at Rs 128,319 million, while External development loans and advances has been estimated at Rs 272,623 million. The details are as in Table-30 below:

TABLE - 25
DEVELOPMENT LOANS AND ADVANCES

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
1 Development Loans and Advances	136,113	124,640	128,319
2 External Development Loans and Advances	270,335	197,051	272,623
TOTAL:	406,448	321,691	400,943

CURRENT INVESTMENTS

5.6 The federal current investments for the year 2020-21 have been estimated at Rs 11,717 million as compared with Rs 15,468 million and Rs 6,470 million in the budget estimates and revised estimates of 2019-20 respectively. The allocation for investment in 2020-21 is higher by 81% as compared with revised estimates 2019-20. Table-26 provides the comparative position.

TABLE - 26
CURRENT INVESTMENTS

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
1 GoP Contribution in Equity of Pak China Investment Co. Ltd. Islamabad	500	0	200
2 GoP Equity injection in Sarmaya-e-Pakistan Ltd	200	0	200
3 Fifth General Capital Increase of Aisian Development Bank	0.1	-	0.0
4 Lump Provision for Miscellaneous Expenditure	-	-	-
5 Paid up Capital for the proposed Exim Bank of Pakistan	2,000	-	1,000
6 4th General Increase of Capital Stock Islamic Development Bank (IDB)	1,264	1,324	1,263
7 Pakistan Mortgage Refinance Company Ltd. PMRCL	5,000	4,642	1,550
8 GoP Equity in DISCOs through PHPL for payment of DSL of STFF	6,000	0	6,000
9 Pakistan's Annual Contribution to Inter Governmental Group IF 24 (G-24)	4	4	4
10 International Financial Institutions GOP contribution in equity of Pak-Libya Holding Company Limited	500	500	300
11 MCR DOE Postal Life Insurance Company	-	-	1,000
12 Equity For Post Payment Compnay	-	-	200
TOTAL:	15,468	6,470	11,717

CHAPTER - 6

PUBLIC SECTOR DEVELOPMENT PROGRAMME (PSDP) 2020-21

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

6.2 For the year 2020-21, National Economic Council (NEC) has approved an overall size of PSDP at Rs 1,324 billion, which is 2.9% of Gross Domestic Product (GDP).

6.3 The Salient features of PSDP allocation for 2020-21 are as follows:

- The size of national PSDP estimated in the budget for 2020-21 showing decrease of 17.91% over budget estimates of 2019-20.
- Federal PSDP for the year 2020-21 has been kept at Rs 650 billion, which is lower by 7.27% than budget estimates of 2019-20.
- The share of Federal Ministries/Divisions in 2020-21 PSDP is Rs 418.676 billion which indicates an increase of 20.22% over budget estimates of 2019-20.
- The Corporations' PSDP for 2020-21 has been placed at Rs 158.325 billion which is lower by 19.94 % as on the budget estimates of 2019-20.
- An amount of Rs 70 billion has been allocated in the budget 2020-21 for Covid Responsive and other Natural Calamities Program.
- Earthquake Rehabilitation and Reconstruction Authority (ERRA) has been allocated Rs 3 billion in the budget 2020-21.

- The Provincial Development Programme for 2020-21 has been estimated at Rs 674 billion as against Rs 912 billion in budget estimates 2019-20, showing a decrease of 26%.

6.4 The following Table-27 indicates details of the size of Public Sector Development Programme (PSDP).

TABLE - 27
SIZE OF PSDP

(Rs in Million)

Classification	Budget 2019-20	Budget 2020-21
A. Federal Ministries/Divisions	348,240	418,676
1 Aviation Division	1,267	1,321
2 Board of Investment	100	80
3 Cabinet Division	15,986	47,802
4 Capital Administration & Development Division	-	-
5 Climate Change Division	7,579	5,000
6 Commerce Division	100	104
7 Communications Division (other than NHA)	248	255
8 Defence Division	456	660
9 Defence Production Division	1,700	1,579
10 Economic Affairs Division	-	-
11 Establishment Division	333	283
12 Federal Education & Professional Division	4,797	4,526
13 Finance Division	36,822	18,667
14 Foreign Affairs Division	30	10
15 Higher Education Commission	29,047	29,470
16 Housing & Works Division	2,930	8,737
17 Human Rights Division	143	256
18 Industries and Production Division	2,343	800

Contd.....

SIZE OF PSDP**(Rs in Million)**

Classification	Budget 2019-20	Budget 2020-21
19 Information & Broadcasting & National Heritage Division	516	361
20 Information Tech. & Telecom Division	7,342	6,673
21 Inter Provincial Coordination Division	340	929
22 Interior Division	9,848	14,758
23 Kashmir Affairs & Gilgit Baltistan Division	44,699	100,425
i. AJK	26,894	27,425
ii. Gilgit Baltistan	17,805	25,000
iii. Merged Districts KPK (Ex FATA)	0	48,000
24 Law and Justice Division	1,340	991
25 Maritime Affairs Division	3,600	2,683
26 Narcotics Control Division	135	54
27 National Food Security & Research Division	12,048	12,000
28 National Health Services, Regulations & Coordination Division	13,377	14,508
29 National History & Literary Heritage Division	128	195
30 Pakistan Atomic Energy Commission	24,457	23,297
31 Pakistan Nuclear Regulatory Authority	301	350
32 M/o. Energy (Petroleum Division)	582	1,786
33 Planning, Development & Reform Division	7,964	3,545
34 Postal Services Division	-	-
35 Poverty Alleviation and Social Safety Div.	200	135
36 Railways Division	16,000	24,000
37 Religious Affairs & Interfaith Harmony	1,000	54
38 Revenue Division	1,818	1,697
39 Science & Technological Research Division	7,407	4,458
40 States & Frontier Regions Division	-	-

Contd.....

SIZE OF PSDP**(Rs in Million)**

Classification	Budget 2019-20	Budget 2020-21
41 Statistics Division	-	-
42 SUPARCO	6,033	4,975
43 Textile Division	203	0
44 Water Resources Division	85,021	81,250
B. Corporations	197,759	158,325
1 National Highway Authority (NHA)	155,967	118,675
2 NTDC/PEPCO/WAPDA	41,792	39,650
C. ERRA	5,000	3,000
D. COVID Responsive and Other Natural Calamities Program	0	70,000
E Relief and Rehabilitation of IDPs	17,000	0
F Security Enhancement	53,000	0
G Prime Minister's Youth Skill Dev. Initiative	5,000	0
H Clean Green Pakistan Movement/ Tourism	2,000	0
I Gas Infrastructure Development Cess	1,000	0
J Merged Areas of FATA 10 Years Development Plan	48,000	0
L Pak SDGs & Community Development Programme	24,000	0
Total Federal PSDP (A to K):	701,000	650,000
L Provinces	912,000	674,000
TOTAL NATIONAL PSDP (A to L):	1,613,000	1,324,000

DEVELOPMENT EXPENDITURE OUTSIDE PSDP 2020-21

6.5 Under the head of Development Expenditure Outside Public Sector Development Programme, an amount of Rs 70,000 million has been allocated in the budget 2020-21, reflecting an decrease of 18.40% over budget estimates 2019-20 and 6.35% over revised estimates 2019-20. Table-28 provides the details.

TABLE - 28
DEVELOPMENT EXPENDITURE OUTSIDE PSDP

Classification	(Rs in Million)		
	Budget 2019-20	Revised 2019-20	Budget 2020-21
1 Benazir Income Support Programme	-	0	-
2 Crop Loan Insurance Scheme	1,000	1,000	1,000
3 Livestock Insurance Scheme	500	500	500
4 Credit Guarantee Scheme for Small Farmers	100	100	100
5 Provision for Reconstruction of Afghanistan	5,000	2,500	2,000
6 Subsidy to TCP for Import of Urea Fertilizer	5,000	5,000	0
7 Provision for Misc. Dev. Exp. Out side PSDP	8,350	-	0
8 Grants for Pakistan Poverty Alleviation Fund	-	0	-
9 Public Financial Management & Accountability to support services delivery programme	2,000	1,000	2,000
10 Prime Minister's Interest Free Loan (PMIFL)	-	-	-
11 Strategic Trade Policy Framework	-	-	-
12 Textile Policy 2009-14	-	5,000	-
13 Duty drawback of local taxes and levies 2014-15	-	0	-
14 Local Taxes and Levies 2015-16	-	0	-
15 Local Taxes and Levies 2015	-	0	-
16 Duty Drawback of Taxes Order 2016-17	35,000	35,000	0
17 Drawback of Local Taxes and Levies (Non-Textile) Order, 2017	-	0	-
18 Duty drawback local taxes & levies 2016-17	-	0	-
19 Duty Drawback of Taxes Order 2017-18	-	0	-
20 Public Management and Accountability to Support Service Delivery Program (PFR) Performance incentive to progress	4,000	1,400	2,000
21 SME Landing Program	450	450	2,000
22 Export package strategic trade policy	5,000	-	0
23 National Disaster Risk Management fund	1,000	-	0
24 Low cast housing scheme	5,000	5,000	0
25 PM Kamyab Jawan Programme	450	-	0
26 Development Exp. Of EAD outside PSDP	8,366	0	0
27 Development Exp. Of FATA outside PSDP	-	0	-
28 Prime Minister's Youth Business Loan	-	5,000	1,000
29 Grant Relief & Rehabilitation of Internally Displaced Persons (Program)	-	-	17,000
30 Security Enhancement & others	-	-	36,400
31 Gass Infrastructure Development Cess	-	-	3,000
32 Tempraray Displaced Persons Emergency Recovery Project	3,866	3,866	3,000
34 Others	709	-	0
TOTAL:	85,791	65,816	70,000

WORKING OF FISCAL DEFICIT AND FINANCING
BUDGET 2020-21

(Rs. in Billion)

Working Deficit		Financing of Deficit	
A) Federal Revenue (net)	3,700	Gross External Loans	2,223
B) Total Federal Expenditure (i+ii)	7,136	Less Repayments	1,413
i) Current Expenditure	6,345	Long Term Foreign Loans	1,229
ii) Development and Net Lending (a+b+c)	792	Short Term Foreign Loans	184
a) Federal PSDP	650	i) Net External Financing	810
b) Other Development Expenditure	70	ii) Domestic Financing (a+b+c)	2,384
c) Net Lending	72	a) Bank Financing	889
C) Federal Deficit (A-B)	-3,437	b) Non Bank Financing	1,395
Estimated Provincial Surplus	242	Public debt	1,179
		Public Account	216
		c) Privatization Proceeds	100
Overall Fiscal Deficit	-3,195	Total Financing of Deficit (i+ii)	3,195
% of GDP	-7.0%	% of GDP	7.0%

BUDGET AT A GLANCE
FOR THE FISCAL YEAR 2020-21

(Rs. in Billion)

RECEIPTS		EXPENDITURE	
TAX REVENUE	5,464	A. CURRENT	6,345
- FBR Taxes	4,963	Interest Payments	2,946
- Other Taxes	501	Pension	470
- NON-TAX REVENUE	1,109	Defence Affairs & Services	1,289
a) Gross Revenue Receipts	6,573	Grants and Transfers	905
b) Less Provincial Share	2,874	Subsidies	209
I. Net Revenue Receipts (a-b)	3,700	Running of Civil Govt.	476
II. Capital Receipts (Non-Bank)	1,395	Provision for Pay & Pension	0
		Provision for Contingencies	50
III. External Receipts (net)	810	B. DEVELOPMENT	792
IV. Estimated Provincial Surplus	242	Federal PSDP	650
V. Bank Borrowing	889	Net Lending	72
VI. Privatization Proceeds	100	Other Dev. Expenditure	70
<u>TOTAL RESOURCES (I to VI)</u>	<u>7,136</u>	<u>TOTAL EXPENDITURE(A+B)</u>	<u>7,136</u>