PND/PnD/Coord/O/261002/0434

No.1(45)PO(ADPF)P&D/2027-28
GOVERNMENT OF THE PUNJAB
PLANNING & DEVELOPMENT BOARD
Dated: 2nd October, 2026

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To,

1. Senior Member
   Board of Revenue
2. Additional Chief Secretary (South)
   South Punjab Services And General Administration Department
3. All the Administrative Secretaries, Government of the Punjab
4. Inspector General of Police/PPO Punjab
   Police Department
5. ***The Registrar, Lahore High Court, Lahore***
6. Secretary
   Provincial Assembly of the Punjab
7. All the Commissioners, Government of the Punjab

PND
Ghulam Abbas (Chief)
chief.coord 116.58.60.194

Subject: **GUIDELINES FOR FORMULATION OF PROVINCIAL ANNUAL DEVELOPMENT PROGRAMME, 2027-28**

The Annual Development Programme (ADP) is an important policy instrument of the Government for translating its development priorities into practical interventions through effective allocation of development resources. The ADP aims to promote pro-poor, inclusive, equitable and sustainable economic growth and achieve meaningful social and economic outcomes.

2. The development needs of the province are diverse and continue to evolve, particularly due to rapid population growth and urbanization. The increasing population of Punjab requires a well-planned, evidence-based and sustained approach to ADP formulation to ensure effective and efficient utilization of available development resources. The formulation of the ADP, therefore, requires priority, ownership and due diligence by all provincial departments.

3. Effective preparation of the ADP requires proper planning, adequate groundwork and a clear understanding of the formulation process. In this regard, the Planning & Development Board has prepared the **Guidelines** for Formulation of the Annual Development Programme to facilitate all concerned stakeholders in preparing the ADP in a coordinated, transparent and results-oriented manner.

4. It is, therefore, requested to initiate the formulation of ADP 2027-28 and ensure completion of all related activities within the prescribed timelines. The Attached Departments, Autonomous Bodies, Project Directors and Executing Agencies under your administrative control may also be directed to prepare their draft ADP in accordance with the prescribed guidelines. **The financial sectoral ceilings for FY 2027-28 are provided in the Medium Term Development**

Framework (MTDF) 2026-29, as reflected in the ADP 2026-27 (copy attached). For ease of reference, the Guidelines have been uploaded on the official website of the P&D Board at **www.pndpunjab.gov.pk**.

(GHULAM ABBAS)
CHIEF
COORDINATION & MONITORING

CC:
A copy is forwarded for information and necessary action to the:-

1. Principal Secretary to Chief Minister Punjab
   Chief Minister's Office Punjab
2. Chief Economist , (Economic Development Sector)
   P&D Board
3. All Members, P&D Board
4. Director General
   DG M&E, P&D
5. Director
   Punjab Economic Research Institute (PERI)
6. Chief Executive Officer
   Urban Unit
7. All Senior Chiefs, P&D Board
8. All Chiefs, P&D Board
9. Director General (e-Governance) , (e-Governance)
   Punjab Information Technology Board
10. Joint Director , (SMDP)
    Punjab Information Technology Board
11. All Directors (Development & Finance) in the Punjab
12. System Analyst , (IT Section)
    P&D Board
13. Additional Secretary
    Chief Secretary Office
14. PSO-I to SM , (SM)
    Chief Minister's Office Punjab
15. Staff Officer to Chairman
    P&D Board
16. Staff Officer to Secretary , (Planning and Development Board)
    P&D Board

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Ghulam Abbas (Chief)
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Medium Term Development Framework (MTDF) 2026-27

(PKR Million)

Sector	Allocation 2026-27	Allocation 2027-28
Social Sectors	**270,900**	**297,990**
School Education	**25,300**	27,830
Higher Education	**30,500**	33,550
Special Education	**3,700**	4,070
Literacy & Non-Formal Education	**3,800**	4,180
Sports & Youth Affairs	**5,500**	6,050
Specialized Health Care & Medical Education	**43,100**	47,410
Health & Population	**33,200**	36,520
Emergency Service (1122)	**800**	880
Social Welfare	**2,000**	2,200
Women Development	**2,500**	2,750
LG&CD	**115,500**	127,050
Auqaf & Religious Affairs	**2,000**	2,200
Human Rights & Minority Affairs	**3,000**	3,300
Infrastructure Development	**180,000**	**198,000**
Communication & Works	**74,100**	81,510
Irrigation	**30,000**	33,000
Energy	**4,300**	4,730
Housing, Urban Development & Public Health Engineering	**71,600**	78,760
Production Sectors	**103,250**	**113,575**
Agriculture	**60,000**	66,000
Food Safety & Consumer Protection	**900**	990
Livestock & Dairy Development	**6,750**	7,425
Industries,Commerce & Investment	**16,650**	18,315
Skills Development & Entrepreneurship	**12,560**	13,816
Mines & Minerals	**390**	429
Tourism, Archaeology and Museums	**6,000**	6,600
Climate & Ecology	**38,820**	**42,702**
Environment & Climate Change	**15,420**	16,962
Aquaculture & Fisheries	**15,300**	16,830
Forestry & Wildlife	**8,100**	8,910
Services Sectors	**86,080**	**94,688**
Labour & HR Development	**630**	693
Transport	**78,500**	86,350
Cooperatives	**250**	275
Information & Culture	**6,700**	7,370
Governance, Law & Order	**72,950**	**80,245**
Police	**12,880**	14,168
Home	**2,000**	2,200
Judiciary	**3,000**	3,300
Law and Parlimentary Affairs	**2,200**	2,420
Public Prosecution	**830**	913
Management and Professional Development	**100**	110
Board of Revenue	**18,950**	20,845
Provincial Assembly	**1,060**	1,166
Services & General Administrative	**3,120**	3,432
Information Technology and Innovation	**830**	913
Excise & Taxation	**200**	220
Planning & Development	**25,350**	27,885
Finance	**2,430**	2,673
Grand Total :	**752,000**	**827,200**

GUIDELINES FOR FORMULATION OF

ANNUAL DEVELOPMENT PROGRAM (2027-28)

OCTOBER 02, 2026

PLANNING AND DEVELOPMENT BOARD

GOVERNMENT OF THE PUNJAB

GUIDELINES FOR FORMULATION OF ANNUAL DEVELOPMENT PROGRAMME (ADP) 2027–28

All Administrative Departments are requested to adhere to the following guidelines, in letter and spirit, while formulating and submitting their proposals for ADP 2027–28.

I. GUIDING PRINCIPLES

The Planning & Development Board has streamlined and digitized the ADP formulation process through the Smart Monitoring of Development Projects (SMDP) portal. All Administrative Departments shall prepare and submit their ADP portfolios through the portal in accordance with the following principles:

- **Initiation Date:** The ADP formulation process shall commence on 1st October 2026.
- **Medium-Term Perspective:** The ADP shall continue to be prepared in a medium-term development planning framework, ensuring fiscal discipline, allocative efficiency, and operational effectiveness.
- **Multi-Year Outlook:** The 2027–28 ADP will consist of development proposals for FY 2027–28 and forward projections for FY 2028–29 and FY 2029–30.
- **Foreign-Aid Planning:** All foreign-funded components for the 2027–30 period must be finalized by the respective departments in coordination with the External Capital Assistance (ECA) Section, P&D Board.

II. ADP SUBMISSION TIMELINES

All Departments must adhere to the below given timelines.

ADP Planning Cycle — Timelines	
DATE	**ACTION**
1st October,2026	Issuance of **ADP Formulation Guidelines**
1st Oct – 15th November	1. Departments to notify an **ADP Formulation Team**; 2. The Departments may engage in the following activities **2.1 :** Conduct quick **research studies** if required **2.2 :** Conduct formal / targeted **Stakeholder consultations**; 3. Departments to submit **ADP Strategy Paper** to P&D Board;
16th Nov – 31st December	1. Departments to initiate preparation and submission of **Project Concept Note** for prioritized **new projects**; 2. **Schemes to be uploaded** on the SMDP and concept notes for new projects must be finalized;
1st Jan – 31st January, 2027	1. Departments to furnish **First Draft of ADP** to P&D Board; 2. Departments to prepare PC-I of new projects and initiate steps for their approval by the competent fora;
1st Feb – 28th February	1. Departments to continue preparation of PC-Is for new projects and ensure their timely processing for approval by the respective competent forums. 2. Scrutiny of the draft ADP by the respective Members P&DB / Sector Chiefs.
1st March – 31st March	1. Departments to conclude submission of PC-Is for new projects latest by 15th March, 2027. 2. Scrutiny of the draft ADP by the respective Members P&DB / Sector Chiefs and process to be completed in consultation

	with line departments. 3. **The approval process of new schemes must be completed by 31st March, 2027**
1st April – 30th April	1. **Inter-departmental meetings / consultations** with P&D Board to discuss draft ADP; 2. Submission of **Final Draft ADP** to P&D Board by the Departments; ***(No unapproved schemes to be included in the final draft ADP)***
1st May – 15th May	**Briefing sessions / consultations** on proposed ADP with relevant forums / Stakeholders;
15th May – 31st May	Submission of **Final Draft ADP** to Finance Department;
Mid June	Discussion and Approval of ADP by Provincial Assembly;

III. ADP FORMULATION METHODOLOGY

All departments are required to ensure that the ADP formulation process is strategic, evidence-based, transparent, and participatory. The following steps are to be institutionalized:

1. **Constitution of an ADP Formulation Team**
   Each department must notify an ADP Formulation Team through its Administrative Secretary, based on prescribed Terms of Reference (TORs) provided in **Annex I.**
2. **Development of an ADP Work Plan**
   This includes identifying relevant stakeholders, organizing departmental consultations/conferences, and defining timelines.
3. **Stakeholder Consultations and Research**
   Meaningful consultations must be held with a diverse range of stakeholders including academia, private sector, NGOs, and marginalized communities. Relevant applied research and data analysis should underpin the proposal development process.
4. **Clearance of New Scheme Concepts**
   New scheme concepts shall require prior clearance of the committee constituted by the concerned department.
5. **Sectoral Financial Ceilings**
   Departments ensure that their ADP 2027-28 proposals remain within the allocated sectoral ceilings, in accordance with the ADP Formulation Guidelines and available fiscal space

Note: Detailed TORs and guidance documents are available in ***Annexes I & II***.

IV. ADP FORMULATION REQUIREMENTS

Each department must submit a well-defined and cohesive ADP portfolio that includes its vision, strategic objectives, policies, and proposed interventions for the next 2–3 years. Departments are to ensure alignment with the following key strategic and policy documents:

- URAAN Pakistan – 5Es National Economic Transformation Plan
- Punjab Growth Strategy
- Punjab Spatial Strategy 2047
- Climate Resilient Punjab Vision and Action Plan
- Sustainable Development Goals (SDGs)

- Punjab Local Government Act (PLGA)
- Punjab Climate Resilient Wash Sector Development Plan 2025-35
- Respective Sectoral & Sub-Sectoral Plans

Crosscutting Policy Priorities:

- **Equity and Inclusion:** All proposed schemes must be inclusive, gender-sensitive, and designed with inputs from marginalized and vulnerable populations.
- **Geographic Equity: <u>Focused effort to reduce regional disparities by ensuring a minimum 35% budgetary allocation to South Punjab, with added emphasis on flood-prone and water-scarce districts, and areas with low socio-economic and educational indicators</u>**.

Private Sector and Community Participation:

Preference should be given to viable projects that can be implemented through Public-Private Partnership (PPP) mode, to maximize development resource mobilization. Departments must propose initiatives that enhance private sector participation and community engagement, particularly by:

- **<u>Identifying at least five PPP projects.</u>**

Data and Evidence Base:

- All proposals must utilize updated and credible datasets, including:
- Population Census 2023
- Punjab MICS 2024
- Punjab Household Survey 2025
- PSLM 2024, HIES 2023–24, LFS 2024

<u>V. FUNDING PRIORITIZATION CRITERIA</u>

To ensure efficient and impactful allocation of development funds, the following priorities shall guide departmental planning:

1. Counterpart funding for foreign-aided projects to avoid delays in disbursement and implementation.
2. Maximum allocation to Chief Minister's priority initiatives and ongoing projects at an advanced stage with demonstrable impact.
3. Schemes, which are likely to be completed by June of CFY 2026-27, as per commitment of the departments, must be completed and should not be continued in next year's ADP 2027-28 to ensure timely delivery and avoid cost overruns.
4. Schemes, which have utilized more than 80% of the total cost must be allocated remaining funds in ADP 2027-28.
5. Schemes, which have remaining throw-forward up to PKR.100.00 million by June 2027, must be fully funded in ADP 2027-28.
6. Emergency Response Projects addressing climate disasters, floods, and health emergencies.
7. Schemes, which were approved five years back i.e., before 2021-22 and are still appearing in ADP, Administrative Departments to either complete those schemes within allocated funds or rationalize the scope and total cost in revised PC-1s.
8. Schemes carrying token allocation, zero utilization and or un-approved for the last two consecutive years should not be proposed in the next year's ADP 2027-28.

Sectoral Funding Distribution:

- **70%** for ongoing projects (with preference to those with over 70% financial progress).
- **30%** for new schemes, reforms, and innovation-based interventions.

Guidelines for new schemes:

- Departments are required to prepare sectoral development strategies and identify new schemes in consultation with the relevant stakeholders considering revival of socio-economic conditions to minimize the impact of present inflation and reduce poverty.
- New proposed schemes must be aligned with socio-economic objectives and policy framework given in the 13th Five Year Plan.
- **Approval process of new schemes, to be included in next year's ADP, must be concluded by 31st March 2027, so that only approved schemes are included in ADP 2027-28 as per requirement of PFM Act, 2022**.
- PC-1s of proposed new schemes to be considered in next year's ADP are required to be furnished from 1st January 2026 till 15th March 2027 so that approval process can be completed before 31st March 2027.
- New schemes should be arranged in order of priority within each sector/sub-sector so that if resources fall short of requirements, least priority schemes at bottom may be dropped.
- The allocation for new schemes included in Provincial ADP must not be less than 30% of the total cost of every individual scheme.
- Ensure each scheme components are appropriately tagged for SDGs, climate action and gender mainstreaming in accordance with relevant policy frameworks.
- The nomenclature of the schemes/projects has to be correctly given along with date of approval and date of completion in order to avoid discrepancies.
- Realistic, estimated cost be mentioned and proper allocation for Revenue and Capital components may be given for each scheme.

Special Emphasis Areas:

- **Human Capital Development (Health & Education)**
  - Universal access to quality healthcare and education.
  - Special focus on maternal and child health, primary education, and skills training.
- **Population Planning Program**
  - Expanding access to reproductive health services.
  - Promoting birth spacing, maternal health, and women's empowerment.
  - Integrating family planning with community health and poverty reduction programs.
- **Poverty Alleviation & Regional Equity**
  - Targeted programs to lift underdeveloped regions and bridge disparities with developed districts.
  - Social protection and livelihood restoration.
- **Women Development & Gender Mainstreaming**
  - Women's economic empowerment, vocational training, and access to finance.
  - Protection, inclusion, and leadership roles for women in governance and development.
- **Employment Generation, Agriculture & SME Support**
  - SME facilitation, agro-based industries, and entrepreneurship support for job creation.
  - Food security through modernization and mechanization of agriculture,

crop diversification, value addition, and agri-export enhancement.
    - Support for farmers through Kissan Cards, crop insurance, and solarization of tubewells.
- **Improving Public Service Delivery & Resource Management**
    - Efficiency reforms in local government, health, and education delivery systems.
    - Performance monitoring, accountability, and citizen feedback mechanisms.
- **Irrigation Modernization & Integrated Water Resource Management**
    - Canal lining, efficient irrigation methods, and water-saving technologies.
    - Equitable water distribution across regions.
- **Water Management, Supply & Sanitation, and Climate Justice**
    - Integrated water governance with safe drinking water supply and urban/rural sanitation programs.
    - Enhanced disaster risk reduction and climate adaptation for vulnerable populations.
    - Water conservation, recycling, and community-based management.
- **Schemes to Reduce Import Dependency & Strengthen Local Industry**
    - Support for local manufacturing, agro-processing, and value addition.
    - Promotion of export-oriented industries.
- **Transport & Connectivity**
    - Environment-friendly and safe urban transport options.
    - Upgradation of roads, mass transit systems, and bridges for regional integration.
    - Support to rural access roads for farm-to-market connectivity.
- **Environment, Climate Change & Disaster Risk Reduction**
    - Strengthening climate justice and adaptation frameworks.
    - Air and water quality monitoring, urban greening, and afforestation programs.
    - Community-based disaster risk reduction systems.
- **Renewable Energy & Sustainable Infrastructure**
    - Green buildings, climate-smart transport, and energy-efficient infrastructure.
    - Solar projects.
- **ICT-Driven Governance & Digital Public Services**
    - Expansion of digital platforms for service delivery.
    - Strengthening e-governance, data integration, and transparency.
- **Reconstruction & Resilience in Flood-Affected Areas**
    - Reconstruction of damaged schools, hospitals, and roads.
    - Climate-resilient infrastructure for long-term disaster mitigation.

VI. ADP UPLOAD REQUIREMENTS

All Administrative Departments are required to upload ADP portfolios on the SMDP along with the following mandatory requirements / documents:

1. ADP Proposal
2. Concept Notes
3. PC-I / PC-II of new schemes
4. SDGs Alignment / Climate Budget Tagging / Gender Budget Tagging.
5. Punjab Spatial Strategy Alignment
6. Climate & Green Growth Alignment

Key Deadlines:

- Final deadline for submission of last PC-Is / PC-II: By **15th March, 2027.**
- Approval of PC-I / PC-II documents: By **31st March, 2027.**
- Submission of final ADP draft portfolio to Finance Department: May 2027

VII. GENERAL DIRECTIONS

- No block or bulk allocations shall be proposed. Umbrella programs may be submitted only in exceptional cases and must comply with P&D Board's specific guidance.
- Scheme nomenclature, costing, location details, and coding must be thoroughly verified to prevent mid-year revisions.
- GIS-based mapping shall be mandatory for all proposed development schemes to ensure spatial accuracy, monitoring and transparency
- Budget allocation and expenditure should be made against respective PIFRA expenditure codes.
- All PC-Is shall contain sufficient financial details according to PIFRA chart of accounts.
- There should be no lump sum provision. Detailed break up of allocations to be submitted along with versions of proposed ADP.
- Engagement of qualified professionals and consultants for feasibility studies, technical designs, and financial analysis is encouraged under the "Services Rendered" budget head.
- **Only approved schemes will be included in the final ADP**.
- All departments must ensure mainstreaming of disaster risk reduction and climate resilience into every phase of project design and execution.

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ADP FORMULATION STEPS

1. ADP Formulation Team

Each Department shall notify an ADP Formulation Team to lead the entire process. Members should be selected based on pre-defined TORs, ensuring gender balance where possible. The team should remain consistent throughout the formulation phase, with immediate replacement of any transferred member.

Composition:

- Headed by Special / Additional Secretary or senior officer.
- Representatives from attached bodies, directorates, field offices, research institutes/universities, and SPUs.
- Experts on marginalized groups and gender inclusion.

Key TORs:

- Coordinate and develop the Department's ADP.
- Align ADP with Punjab Growth Strategy and Punjab Spatial Strategy 2047.
- Conduct targeted stakeholder consultations.
- Assess needs for external technical/research support.
- Prepare and submit the ADP Strategy Paper to P&D Board.
- Develop a logical framework and responsibility matrix.
- Ensure timely preparation of high-quality PC-I and PC-II.

2. Plan of Activities

The team shall prepare a work plan detailing activities, timelines, and responsibilities. Key stakeholders must be identified from the following categories:

- **Citizens / Individuals:** through community representatives, ensuring gender and marginalized group representation.
- **Industry / Business:** Via chambers, associations, or direct engagement.
- **Departmental Platforms:** Attached bodies, directorates, and field offices.
- **Research Institutions:** Consulting firms, think tanks, universities, or academia.
- **Development Partners:** UN agencies, ADB, World Bank, and other donors.
- **Other Departments:** For cross-sectoral coherence (e.g., Women Development, Environment & Climate Change, PITB).
- Vertical alignment with federal, provincial, and local plans must also be ensured.

3. Stakeholder Consultations & Research

Departments must conduct structured stakeholder consultations to design transparent and evidence-based ADPs aligned with provincial priorities.

Key principles (as per **Annex-II**) should guide consultations. Departments may also engage short-term technical experts to conduct supporting research, data analysis and PC-I preparation.

4. Logical Framework

Departments shall develop a three-year logical framework reflecting sectoral and departmental goals.

The framework should:

- Define measurable targets and indicators (with gender-disaggregated data).
- Identify beneficiaries, baselines, data sources, and monitoring frequency.
- Highlight key interventions and their link to strategic objectives.
- Align with Punjab Growth Strategy, SDGs, equity principles, CPEC, and PPP initiatives.

GUIDANCE FOR EFFECTIVE STAKEHOLDER CONSULTATIONS

1. What is Consultation?

Consultation is a structured process for gathering views and opinions from relevant stakeholders on defined issues or policy matters. It differs from expert input or data collection — consultations seek stakeholder perspectives rather than technical reports.

In the context of ADP formulation, consultations are critical for identifying key issues, solutions, and strategic inputs. Sessions should be led by a senior departmental officer, beginning with a brief presentation on the topic, existing research, and evidence. Findings from prior studies may also be shared to enrich discussion.

2. Why Consult?

Consultations enhance the legitimacy, quality, and credibility of departmental proposals. They ensure decisions are transparent, evidence-based, and aligned with public interest, helping departments gather diverse perspectives to refine objectives and improve value for money.

3. Key Principles

Departments must observe the following principles while conducting consultations:

- Frame issues clearly and concisely.
- Allow all participants an equal opportunity to share views.
- Include diverse and marginalized groups.
- Notify participants well in advance.
- Provide background information before sessions.
- Share conclusions and key takeaways for participant concurrence.

4. Steps for Conducting Consultations

Step 1: Define Objectives

Set clear goals and an agenda in advance. Share it with stakeholders to clarify scope, expected outcomes, and the relation to past or future consultations.

Step 2: Stakeholder Mapping

Identify all relevant stakeholders — those affected, involved in implementation, or possessing relevant expertise. Ensure inclusion of women, minorities, and special persons.

Step 3: Select Methods and Tools

Choose suitable formats such as focus groups, interviews, or hybrid sessions. Develop structured questions and share them beforehand.

Step 4: Plan Timing and Sequence

Schedule consultations early in the policy process to allow meaningful input. Provide sufficient time and information for participants to prepare and respond.

Step 5: Analyze and Report

Summarize and analyze stakeholder inputs, linking feedback to agenda items and departmental actions. Share final outcomes with participants for transparency.