



Budget Call Circular

2010-2011

**Government of Pakistan
Finance Division
(Budget Wing)
Islamabad**



BUDGET / IMMEDIATE

Government of Pakistan
Ministry of Finance and Revenue
(Finance Division)

From: **Rana Assad Amin,**
Additional Finance Secretary (Budget),
Phone: 9202083.

D.O.No.F.1(192)DBA/2009

Islamabad, the 23rd November, 2009

Subject: **Submission of Revised Estimates 2009/10, Budget Estimates 2010/11 and Medium-Term Budget Estimates (2010/13).**

Dear

Last year the Finance Division introduced 'output-based budgeting' as the method of preparing Federal Government budget under the reform of 'Medium-Term Budgetary Framework' (MTBF). The reform programme, as endorsed by the Cabinet, was introduced to enhance efficiency and effectiveness in Government's spending.

2. The Finance Division has decided to issue single 'Budget Call Circular' that is designed to fulfil the requirements of the 'output-based budgeting' over the medium-term (including the budget for year 2010/11 which will be approved by the Parliament, and forecasts for two outer years 2011/12 and 2012/13). This Budget Call Circular is in two Sections.

3. **Section I** includes budget preparation forms, instructions and procedure for preparation and submission of detailed budget - Revised Estimates (2009/10) and Budget Estimates (2010/11) in respect of Federal Government receipts, current and development expenditure.

4. **Section II** includes forms and instructions for strategic allocation of Ceilings to 'outputs' (services). This section contains forms that will be prepared by the Ministries / Divisions, the format of 'Green Book' and form required to be filled by Fund Centres to prepare medium-term budget.

5. Special instructions and Budget Calendar are enclosed as Appendix A and Appendix B respectively.

6. The receipt of this letter may kindly be acknowledged.

With regards,

Sincerely yours,

(RANA ASSAD AMIN)

All Secretaries / Additional Secretaries Incharge of Ministry / Divisions (By Name).

Copy forwarded for information and necessary action to:-

1. Auditor General of Pakistan, Islamabad.
2. Controller General of Accounts, Islamabad.
3. Registrar, Supreme Court of Pakistan, Islamabad.
4. Secretary, Federal Public Service Commission / Federal Service Tribunal / Federal Land Commission, Islamabad.
5. Additional Secretary, Finance Division (Military), Rawalpindi.
6. Director Generals Defence, Works and Commercial (Audit) including Chief Accounts Officer, Ministry of Foreign Affairs and Audit and Accounts Officer, Pakistan High Commission, London.
7. All Accountants General / Directors General Audit / Directors Audit.
8. Chief (Programming), Planning & Development Division, Islamabad.
9. Member Finance, Pakistan Railway Board, Islamabad.
10. Member Finance, WAPDA, Lahore.
11. All Joint Secretaries, Deputy Secretaries and Section Officers, Finance Division, Islamabad.



(M. NASRUL AZIZ)
Coordinator
(Ministry of Finance)
Phone: (051) 9209857

Copy forwarded to all FAs/DFAs with the following instructions:

1. All BOs / NISs may be prepared in the computerised formats. The figures may be rounded to nearest thousands.
2. The Ministries / Divisions may obtain budget provisions under relevant Cost Centres / Circle of Accounts (where the payment is actually required to be made). AGPR has been instructed **not** to authorise payment in Circle where budget provision does not exist.
3. The Federal Budget will be prepared at the Expenditure DDO level wherever applicable. The AGPR has been instructed **not** to extend any expenditure DDO over and above the printed budget 2010/11 incorporated in the system without the consent of Finance Division. The Ministries / Division who are operating their budget at Expenditure DDOs level i.e. over and above the budget DDOs are requested to submit 2010/11 (Budget) at Expenditure DDOs level to the Budget Wing on the template given at (Section I - Annex VI).
4. The budget will be prepared within the budget Ceilings.
5. No lump-sum provision should be made or proposed to be made in the budget. All items under the object classification should be proposed according to the prescribed detailed object heads of expenditure so that the number of references to the Financial Advisers / Finance Division is reduced to the minimum.



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Coordinator
(Ministry of Finance)
Phone: (051) 9209857

Special Instructions

The following are the specific instructions to complete the requirements of Section I and Section II forms:

1. The **Budget Calendar** (Appendix B) presents the activities that are required to complete the budget preparation process. The budget calendar is presented in a tabular format which contains activities, the responsible stakeholder and the deadlines of each activity. These deadlines may be adhered to.
2. The Indicative Budget Ceilings for three years i.e. 2010/11, 2011/12, 2012/13 will be communicated through a separate letter. The Indicative Budget Ceilings for current budget and development budget will be communicated separately.
3. **When the Indicative Budget Ceilings for three years are received, forms enclosed in Section II (LM Forms 1 to 5) will be completed by Principal Accounting Officers. These forms are designed to help Ministries in strategic allocation of Ceilings to 'outputs'.**
4. Upon completion of 'LM' forms, the following will be forwarded to the relevant Fund Centres by Principal Accounting Officers:
 - a. Section I forms,
 - b. Section II form (Fund Centre Form 1),
 - c. Three (3) years Ceilings that will guide Fund Centres to prepare their budgets (these Ceilings will result from completed Section II 'LM Forms'),
 - d. List of standard output indicators (for further details please refer to a separate book called 'Guidelines for Preparing Medium-Term budget 2010/13').
5. **The Section I forms will be forwarded to the Budget Wing (Finance Division) for further necessary action.** The Section I includes:
 - Annex I: Procedure for submission of Revised Estimates 2009-2010 and Budget Estimates 2010-11 in respect of Receipts of the Federal Governments.
 - Annex II: Procedure for submission of Revised Estimates 2009-2010 and Budget Estimates 2010-11 in respect of Current and Development Expenditures.
 - Annex III: Instructions relating to completion of format (BOs / NISs).
 - Annex IV: Format of 'New Item Statement' / 'Budget Order'.
 - Annex V: Proforma for indicating details of posts.
 - Annex VI: Template for Spending DDOs Budget Estimates.
6. In Section I, the Revised Estimates for the year 2009/10 for current and development expenditures must include, among other things, the following:
 - a. Appropriations or re-appropriations within the sanctioned grants,
 - b. New items of expenditure sanctioned through supplementary grants,
 - c. Surrenders made or likely to be made during the year.
7. While preparing BOs / NISs the Ministries / Divisions are required to obtain budget provisions under relevant Cost Centres / Circle of Accounts (where the payment is actually required to be made). AGPR has been instructed **not** to authorise payment where budget provision does not exist.

8. The Federal Budget will be prepared at the Expenditure DDO level wherever applicable. The AGPR has been instructed **not** to extend any expenditure DDO over and above the printed budget 2010/11 stand incorporated in the system without the consent of Finance Division. The Ministries / Division who are operating their budget at Expenditure DDOs level i.e. over and above the budget DDOs are requested to submit 2010/11 (Budget) at Expenditure DDOs level to the Budget Wing on the template given at (Section I - Annex VI).
9. No lump-sum provision should be made or proposed to be made in the budget. All items under the object classification should be proposed according to the prescribed detailed object heads of expenditure so that the number of references to the Financial Advisers / Finance Division is reduced to the minimum.
10. You are requested to forward approved 'Green Book 2010-13' to the MTBF Secretariat, Budget Wing (Finance Division) by the date mentioned in the Budget Calendar. The standard format of 'Green Book 2010-13' is included in section II. The MTBF Secretariat has installed software called 'Financial Management Application' in your Ministry/Division to help you prepare the 'output based budget'. **The Section II forms will be retained by your Ministry/Division.**
11. To fill in Section II forms, Budget Section, P&D section and 'Master Trainers' in Ministries will provide necessary assistance to Fund Centres (Spending Units). MTBF Secretariat, Budget Wing, Finance Division will provide necessary assistance to Principal Accounting Officers in filling Section II forms. All queries and clarifications should be addressed to:

Mr. Talib Hussain Baluch
Joint Secretary (Budget)
MTBF Secretariat
Block Q, Room No. 102, Budget Wing
Pakistan Secretariat
Finance Division
Government of Pakistan
Islamabad
Tel: (051) 920 1593
12. For detailed instructions on how to prepare Medium-Term Budget (2010/13), a separate book is enclosed called 'Guidelines for preparing Medium-Term Budget 2010/13'.
13. To download an electronic copy of these forms, the MTBF website www.mtbf-pakistan.gov.pk should be used. The website also contains information on current events.

Budget Calendar

The time-schedule prescribed for the submission of budget estimates in respect of Receipts as well as Current and Development expenditures of the Federal Government on Chart of Accounts is given below:-

FEDERAL RECEIPTS

S #	Activities	Responsible	Deadline (Last date)
1.	First Preliminary Revised Estimates (2009-10) and Budget Estimates (2010-11) of Federal Government Revenues together with reasons for variations	Principal Accounting Officer	By 1 st December, 2009
2.	Final Estimates of Federal Government Revenues (Revised 2009-10) & (Budget 2010-11) together with explanatory notes thereon	Principal Accounting Officer	By 2 nd March, 2010

CURRENT AND DEVELOPMENT EXPENDITURES (REVENUE & CAPITAL)

S #	Activities	Responsible	Deadline (Last date)
1.	Issuance of 'Budget Call Circular' 2010/11	Finance Division	By 23 rd November, 2009
2.	Letter of Indicative Budget Ceilings (3 years) to the PAOs of Ministries / Divisions for current expenditure and copy of ceilings to FAs/DFAs	Finance Division	By 30 th November, 2009
3.	Letter of Indicative Budget Ceilings (3 years) to the PAOs of Ministries / Divisions for development expenditure and copy of ceilings to FAs/DFAs and Sector Chiefs in Planning Commission	Finance Division	By 21 st December, 2009
4.	Last date for Submission of Section I and Section II (Fund Centre Form 1) by Ministries/Divisions for current budget to FAs/DFAs	Fund Centres, Ministry / Division	By 8 th January, 2010
5.	Submission of Section I and Section II (Fund Centre Form 1) by Ministries/Divisions for development budget to Sector Chiefs in Planning Commission and copy to FAs/DFAs	Fund Centres, Ministry / Division	By 1 st February, 2010
6.	Last date for Submission of Section I forms (BOs/NISs) on Chart of Accounts for current expenditure to the Budget Wing (Finance Division)	Principal Accounting Officer	By 10 th March, 2010
7.	Review of budget (LM 3 Forms) in the Priorities Committee Meetings	Priorities Committee	By 15 th March, 2010
8.	APCC meeting	Planning Commission / Finance Division	15 th April, 2010 (Tentatively)

9.	Submission of Section I Forms (BOs/NISs) on Chart of Accounts for development expenditure to the Budget Wing (Finance Division) <i>Fair copies of the NISs for Development / Capital budget may be sent to BR-III Section of the Budget Wing, Finance Division after the same have been countersigned by the relevant Technical Section / Programming Section of the Planning & Development Division.</i>	Principal Accounting Officer	By 22 nd April, 2010
10.	Capture of Section II Forms in 'Financial Management Application' (FMA) software by the Ministries/Divisions. These forms will be retained by the Ministry.	Budget Section, P&D Section in Ministries / Division	By 30 th April, 2010
11.	Submission of preliminary 'Green Book' report	Principal Accounting Officer	By 5 th May, 2010
12.	NEC meeting	Planning Commission / Finance Division	10 th May, 2010 (Tentatively)
13.	Submission of final 'Green Book' report	Principal Accounting Officer	20 th May, 2010
14.	Completion of all Budget Documents (and 'Green Book'), Schedules and Summaries for Cabinet etc.	Finance Division	26 th May, 2010 (Tentatively)
15.	Presentation of Budget (including 'Green Book') to the Cabinet and Parliament	Finance Minister	29 th May, 2010 (Tentatively)

SECTION I

Forms, Instructions and Procedure

for Preparation and Submission of

Revised Estimates 2009-2010 and Budget Estimates 2010-2011

in respect of

Federal Government Receipts and

Current & Development Expenditure

**PROCEDURE FOR SUBMISSION OF
REVISED ESTIMATES 2009-2010 AND BUDGET ESTIMATES 2010-2011
IN RESPECT OF RECEIPTS OF THE FEDERAL GOVERNMENT**

1. Administrative Divisions are requested to co-ordinate the estimates of the different estimating authorities under them and submit the verified and consolidated estimates to their Financial Advisers. The Financial Advisers will scrutinize the estimates and forward them with their comments to the Budget Wing by the prescribed dates, addressed to Deputy Secretary (Budget Resources). The Finance Division intends to formulate, by the 1st December, 2009, an estimate of overall resources likely to be available in the year 2010-2011 for financing the Public Sector Development Programme (PSDP). The preliminary estimates of receipts must, therefore reach Finance Division in time. The final estimates should in any case reach the Finance Division by 2nd March, 2010.

2. The estimates of Foreign Aid Receipts for both 2009-2010 (Revised) and 2010-2011 (Budget), together with actuals for the years 2006-2007 to 2008-2009 are required to be furnished by the Economic Affairs Division. The administrative authorities can, however, assist that Division by furnishing promptly such information or material as may be required of them for compiling these estimates.

3. The estimating authorities of various Government receipts are indicated below:-

<u>Heads of Receipts</u>	<u>Estimating Authorities</u>
A. Principal Heads of Revenue	Federal Board of Revenue.
B. Other Revenue/Capital Receipts	Administrative Ministries/Divisions and Audit and Accounts Offices.
C. Foreign Aid	Economic Affairs Division.
D. Debt, Deposits and Remittances Heads	Financial Advisers, Ministries of Communications and Defence; Central Directorate of National Savings; Audit and Accounts Offices and Administrative Ministries/Divisions.

**PROCEDURE FOR SUBMISSION OF
REVISED ESTIMATES 2009-2010 AND BUDGET ESTIMATES 2010-2011
IN RESPECT OF CURRENT AND DEVELOPMENT EXPENDITURES**

Current:

1. No lump sum provisions should be made or proposed to be made in the budget. All items under the object classification should be proposed according to the prescribed detailed object heads of expenditure so that the number of references to the Financial Advisers/Finance Division is reduced to the minimum.
2. The estimates of expenditure included in the Budget Estimates should be broken down into **Charged** and **Voted** expenditure.
3. No Budget Order/New Item Statement (BO/NIS) will be accepted, in which Employee Related Expenses have been claimed, if not duly supported with the information asked for in the Annex V.

Development:

4. The Estimates of Development Expenditures 2010-2011 should not include any scheme which has not been approved in accordance with the prescribed procedure. These estimates should be accompanied with detailed expenditure estimates for budget provision in respect of individual projects and be supported by relevant PC-I or PC-II Form.
5. No lump sum provisions should be made or proposed to be made in the budget. All items under the object classification should be proposed according to the prescribed detailed object heads of expenditure so that the number of references to the Financial Advisers/Finance Division is reduced to the minimum.

6. **A statement in PPWD Form 4 showing the provision that may have been separately proposed to the Housing and Works Division for works expenditure for the year 2010-2011 if any, pertaining to a project should also be submitted along with the budget estimates.** The Housing and Works Division will compile them according to individual development projects included in the Public Sector Development Programme and furnish a copy to the Budget Wing (S.O. BR-III Section) of the Finance Division within three days after the finalization of the budget estimates in respect of development projects.

7. Fair copies of New Item Statements in respect of accepted estimates of development expenditures should be distinctly marked to indicate that the provision relates to development expenditure. **The classification of expenditure as given in the Chart of Accounts (COA) in terms of functions and detailed objects should be correctly shown on the NISs.**

8. Foreign exchange component of Development Expenditure – The foreign exchange component of estimates of development expenditure is required to be shown distinctly together with the source from which it will be met (i.e., whether from own resources or from foreign aid). When the foreign exchange components are to be financed (wholly or partly) from foreign aid, the source and type of aid should invariably be indicated in the budget provision for the relevant project/scheme and at the end of the relevant New Item Statement. In case of Foreign Aid Grants, equal amount of recoveries should be reflected in the relevant attachment for recoveries with NIS form.

9. The provision made for foreign exchange expenditure is not available for rupee expenditure or vice versa and no re-appropriation is permissible between the provision for rupee and foreign exchange expenditure. This should be kept in view while framing the estimates for rupee as well as foreign exchange requirements.

10. In case of import of Machinery and Equipment, the orders for import may not be placed unless adequate budget provision has been made for payment of duties and taxes.

**INSTRUCTIONS FOR FORMAT OF
NEW ITEM STATEMENT / BUDGET ORDER**

Important

The Ministries / Divisions / Departments should read the following instructions carefully and all BOs / NISs should invariably be prepared in the enclosed format

GENERAL INSTRUCTIONS:

1. Ministries/Divisions/Departments are required to submit one Budget Order (BO) and one New Item Statement (NIS), for every office.
2. Separate BO/NIS for Charged and Voted shall be submitted for every office. Combined total of Charged and Voted document may be shown invariably in a covering statement.
3. No column in the BO/NIS forms should be left blank. In case any column is not applicable, it may be marked N.A.
4. BO/NIS should be prepared with rounded figures. Provision upto Rs. 499 should be taken as zero and provision of Rs. 500 and above as Rs. 1,000.
5. Shaded portions should NOT be filled in by Ministries/Divisions/Departments, these will be filled by the Ministry of Finance.

SPECIFIC INSTRUCTIONS:

- Serial No. 1** Budget Year (Self-explanatory).
- Serial No. 2** Budget Document Type (Self-explanatory).
- Serial No. 3** Write **Fund information** i.e. **Demand No., Fund Code** and its **Description**.
- Serial No. 4** Write **Attached Department** and **Sub-detailed Function** (both the code and its description).
- Serial No. 5** Write **Fund Centre/DDO Code** or **Project Name (Development Scheme)** (both the code and its description). It shall be left blank where Multiple DDOs are being entered into one BO/NIS. In case of New Office/Department/Agency, the word "**NEW**" should be written in **Brackets** after the nomenclature. If an office has been opened during the current financial year, provision may be substantiated by a copy of the schedule of Supplementary Grants as an Annex to the BO/NIS. In case of Development Scheme, the name of department and scheme both should be mentioned in the NIS.

- Serial No. 6** Write the relevant **Circle** Description.
- Serial No. 7** Use this space for **writing any related information**, otherwise write N.A. and should not be left blank.
- Serial No. 8** Write all the **Function levels** i.e. **Major, Minor, Detailed** and **Sub-Detailed** codes with the descriptions and **total amount** of budget against each level (both revised estimates for the year 2009-2010 and budget estimates for the year 2010-2011) in the BO/NIS.

Serial No. 9 This has been bifurcated into three parts i.e.

- | | |
|---|--|
| a) Object Code. | Space has been provided for the purpose. Consult the Chart of Accounts and fill all the required five digits carefully. Letter 'A' has been pre-printed. Budget should be entered at all Major, Minor, Detailed and Sub-Detailed levels. |
| b) Commitment Item
(Object Classification) | Self-explanatory. |
| c) Revised Estimates /
Budget Estimates | Mention provision of object item. Provision should be in thousands. Amounts in hundreds or less should not be indicated. As last three zeros are fixed and printed in the BO/NIS format, If Rs. 10,000 is to be filled in enter 10 before printed zeros. |
| d) No. of Posts | Mention the number of posts for the salary budget (these should match with the posts details as mentioned in Annex V, Posts Proforma). |
| e) Fund Centre/DDO
Code | In case of Multiple DDOs in a single BO/NIS, the respective DDO Codes/Fund Centres may be mentioned in Column 9 of BO/NIS. |

OBJECT CLASSIFICATION SHOULD BE INDICATED IN UNITS I.E. UPTO DETAILED LEVEL ALONGWITH THE AMOUNT FOR REVISED ESTIMATES 2009-2010 AND BUDGET ESTIMATES 2010-2011 IN ACCORDANCE WITH CHART OF ACCOUNTS. Since shaded zeros are filled automatically, it is not possible to provide less than Rs. 1,000 for any particular item.

Serial No. 10 Total Provision (Self-Explanatory).

Serial No. 11 – 12 Foreign Exchange component should be shown, wherever necessary, and at the end of BO/NIS against the space provided separately for Foreign Aid and Foreign Exchange Own Resources.

Certain agreements of foreign aid state that the Government of Pakistan should initially incur the expenditure in local currency and thereafter the equivalent amount would be reimbursed on actual basis by the donor agency. If such is the case in respect of a foreign aided scheme/project, the amount to be spent in local currency out of the foreign aid (reimbursable) should be clearly indicated under the scheme/project on the NIS.

Serial No. 13 Recoveries, if any, should also be shown in a separate sheet provided at the end of every BO/NIS form.

NOTE: All officers signing BOs/NISs in the administrative Ministry/ Division/ Department and DFAs should indicate their telephone number clearly on every BO/NIS.

ENQUIRIES: Should you need any clarification or additional information, please do not hesitate to contact:

M. NASRUL AZIZ
Coordinator (Ministry of Finance)
Phone: 9209587

SYED PERVEZ ABBAS NAQVI
Director (Budget Computerization)
Phone: 9218834

MIAN MUHAMMAD ASLAM
Director (PIFRA)
Phone: 9209778

FORMAT FOR BUDGET ORDER / NEW ITEM STATEMENT

Note: Shaded Portions are to be filled in only by **Budget Wing** of Ministry of Finance

Government of Pakistan

Ministry : _____

Division : _____

Department : _____

No. _____ Islamabad, the _____

From : _____

To : _____

1 Budget Year

2010 - 2011

2 Type of Document

(Tick the Box Applicable)



BO



Addl. BO



NIS



Addl. NIS

3 Fund Information :

Demand No. _____ Fund Code _____ Fund Description _____

Code

Description

4 Attached Department /

Sub-Detailed Function

5 Fund Center (DDO Code)/Project Name

(Development Scheme)

6 Circle

7 Notes (if any)

TO BE FILLED IN ONLY BY BUDGET WING (MOF)

Document with Multiple DDOs/Departments



(Tick the box where applicable)

New Diary No.

Old Diary No.

Checked By (Name)

Entered By (Name)

8	Function Code					Function Description	Revised Estimates 2009-2010				Budget Estimates 2010-2011					
							Billion	Million	Thousand	Hundred	Billion	Million	Thousand	Hundred		
									000				000			
									000				000			
									000				000			
									000				000			
9	Object Code					Commitment Item (Object Classification)	Revised Estimates 2009-2010				Budget Estimates 2010-2011				No. of Posts	Fund Center Code
							Billion	Million	Thousand	Hundred	Billion	Million	Thousand	Hundred		
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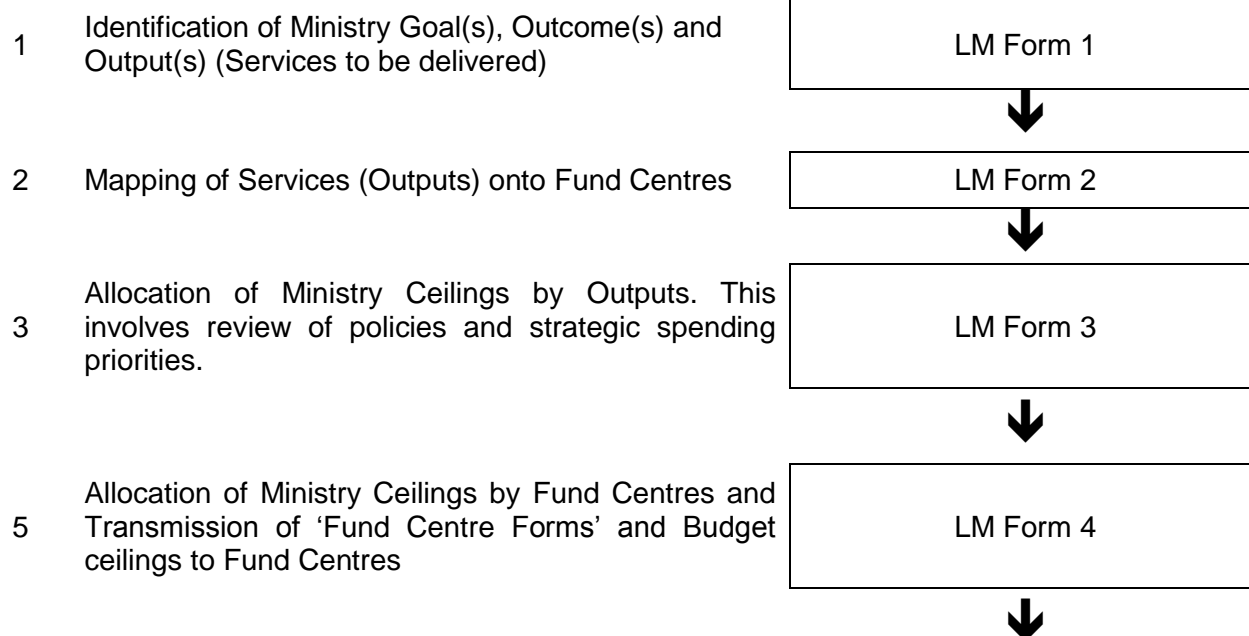
SECTION II
Budget Preparation Forms
and Instructions for Preparing
Medium-Term Budget
(2010-2013)

General Guidelines:

1. This section contains forms that are designed to prepare Medium-Term Output Based Budget (2010/13). The 'Output Based Budget' follows the 'Logic of Intervention' method.
2. This section encloses 5 'LM Forms' which are to be completed by the Ministry/Division before the forms to Fund Centres (Section 1 and Fund Centre Form-1) or PSDP Forms are dispatched to and completed by the Fund Centres.
3. The 'LM Forms' should be prepared in collaboration with the strategic management of the Ministry/Division. The strategic management includes Secretary and all officers (technical, operational, administrative and planning) including heads of Attached Departments who are directly involved in the strategic planning within a Ministry.
4. 'Medium Term Budget Estimates for Service Delivery' (Green Book) should be completed after 'LM Forms' and 'Fund Centre Form - 1' are completed. *The 'Green Book' should be approved by the concerned Principal Accounting Officer.*
5. Amounts should be rounded off to the nearest thousand. For this purpose, provision of up to Rs.499 should be taken as zero and provision of Rs.500 and above as Rs.1,000.

Sequence of Filling Line Ministry Forms 'LM Forms':

Upon receipt of 'LM Forms' and the Ministerial Ceilings the Ministries/Divisions are expected to go through the following step by step process:



6 Identification of Output Indicators / Targets through consolidation of information sent by the Fund Centres.

LM Form 5



7 Presentation of all the information of LM & Fund Centre Form - 1 in the required format.

'Green Book'

Note: The 'Medium-Term Budget Estimates for Service Delivery' (Green Book) should be signed by the Principal Accounting Officer (PAO) and should be forwarded to the Budget Wing, Ministry of Finance by the date mentioned in the Budget Calendar.

Logic of Intervention

This approach which is being adopted under ‘Output Based Budgeting’ helps planners and managers think through the logic of their interventions and how they relate to the ministry’s overall objectives. It requires that the ministry/division specify how its activities, outputs and outcomes are linked. This logic can then be tested by asking a series of ‘if-then’ questions, as follows:

*If inputs (i.e. resources) are provided **then** activities can be undertaken – If activities are undertaken **then** outputs will be produced – if outputs are produced **then** outcomes will be achieved – if outcomes are achieved **then** the ministry/division will have made progress towards achieving its overall goal(s).*

The approach involves identification (in the following order) of ministry goal(s), outcomes, outputs and activities. The following terms relate to the ‘logic of intervention’ of a ministry/division and are therefore grouped together:

Goal	A summary of the overall objective(s) to which the ministry/division is aspiring. The goal provides a vision statement that embraces the desired future that the ministry is working towards (e.g. increased national income, improved nutritional status of the overall population, reduced crime, gender equality). Where a ministry has multiple objectives that cannot be subsumed within a single ‘goal’ (e.g. Ministry of Economic Affairs and Statistics) it may have multiple goals, each with its own set of outcomes and outputs.
Outcome	The results (or impact) on a target population of a particular service (output) being delivered. Examples would include improved health for men and women, increased agricultural production, functional literacy, improved local management systems or capacity. Some results are immediately measurable; others come about only after a longer period of time. Outcomes reflect the intended results from government actions
Output	A delivered service or product. Outputs are produced by activities. Outputs are delivered to an external party - usually the public, individually or collectively (e.g. infrastructure built/rehabilitated, licenses issued, provision of policy advice, investigations, vaccinations for boys and girls, better trained staff). A particular output may be the result of a set of activities that are funded through the current budget, the development budget, or both. If the logic of intervention has been designed correctly, the delivery of outputs will lead to the achievement of a successful outcome for the target population. Fund Centres may produce ministry outputs, or they may contribute to the delivery of ministry outputs (in which case the term ‘sub-output’ may be useful)
Activities	The specific tasks undertaken to achieve the required outputs (e.g. for water supply these may include design, site preparation, establishment of users committees, health and sanitation education, collection of local materials, tank construction, pipe laying, digging soak pits, commissioning)
Inputs	The resources required to undertake activities that contribute to an output (e.g. money, personnel, equipment, materials)

Instructions for Filling Form LM-1

Purpose of the Form:

This form is designed to aid Line Ministries in linking the ministerial goal(s) to outcomes and outputs.

Specific Instructions:

- Serial Number 1. Self Explanatory.
- Serial Number 2. Self Explanatory.
- Serial Number 3. Write Ministerial goal(s) here. There can be more than one goal of a line Ministry.
- Serial Number 4. Serial Numbers provide a basis for referencing between line Ministry forms. These should carefully be numbered. E.g. Outcome A can be assigned Serial Number 1.
- Serial Number 5. Write the name of the Outcome(s). The outcome(s) should clearly be linked to output(s) defined in Serial Number 7. An outcome can have one or more than one output.
- Serial Number 6. Serial Numbers provide a basis for referencing between line Ministry forms. Each Output should be numbered separately but in reference to the outcome. E.g. Output A contributing to Outcome A can be assigned Serial Number 1.1. An Output B contribution to Outcome A can be assigned Serial Number 1.2.
- Serial Number 7. Write the name of Output(s). The output(s) should clearly be linked to outcomes(s) defined in Serial Number 5. Ideally, one output should only contribute to one outcome.

Note: Please refer to the 'Logic of Intervention' for explanation of the terms, 'Goal', 'Outcome' and 'Output'.

Instructions for Filling Form LM-2

Purpose of the Form:

This form is designed to aid the Line Ministries/Divisions in mapping Outputs, as defined in the Form LM – 1, to Fund Centres and understand contribution of Fund Centres during budget years. This form can help identify new outputs to be introduced by Fund Centres during a particular year, or contribution pattern by a Fund Centres (e.g. a Fund Centres may contribute to output A for two years only).

Specific Instructions:

- Serial Number 1. Self Explanatory.
- Serial Number 2. Self Explanatory.
- Serial Number 3. Serial Number for an Output should be exactly the same as given in the Form LM - 1.
- Serial Number 4. Write the name of Output(s). This should be exactly the same as given in the Form LM – 1.
- Serial Number 5. Write the Fund Centre code (PIFRA assigned code) of the Fund Centre that contributes to the output defined in Serial Number 4. E.g. Output A can be contributed by two Fund Centres. The Fund Centre codes are the same as defined in the Pink Book.
- Serial Number 6. Write the name of the Fund Centre(s) that contribute to the output defined in Serial Number 4.
- Serial Number 7. Write whether the Fund Centre is a Current or Development Budget consuming entity. Use the letter 'R' for 'Current' and letter 'D' for 'Development' budget consuming entity.
- Serial Number 8. If a Fund Centre contributes to an output during the year 2009/10 mark 'Y' else mark 'N'.
- Serial Number 9. Same as Serial Number 7 but for the year 2010/11.
- Serial Number 10. Same as Serial Number 8 but for the year 2011/12.
- Serial Number 11. Same as Serial Number 9 but for the year 2012/13.

Instructions for Filling Form LM-3

Purpose of the Form:

Firstly, the form helps Ministry in allocating 'Medium Term Budget Ceiling' (communicated by Finance Division and Planning Commission) to its strategic priorities.

Secondly, the form helps in analysing the impact of change in ministerial plans (i.e. medium term baseline plan that was formed last year vs. the allocated budget ceilings this year).

Thirdly, the form also helps in analysing allocation of ceilings to the Fund Centres.

Specific Instructions:

Serial Number 1. Self Explanatory.

Serial Number 2. Self Explanatory.

Serial Number 3. Serial Numbers provide a basis for referencing between the Ministry/Division forms. In this column, a reference to the outcomes(s) & output(s) defined in the Form LM – 1 should be maintained.

Serial Number 4. Write the Fund Centre code of the Fund Centre which contributes to a particular output. Output to Fund Centre mapping as done in Line Ministry (LM) Form – 2 should be maintained.

Serial Number 5. Write code for the Fund Centre that contributes to multiple Outputs. This code should be unique for a particular Fund Centre. E.g. If Fund Centre A contributes to two outputs, then it can be given the code say, '1'. Write this code at both places where Fund Centre A appears. This code can be used to confirm that multiple %age contributions of a Fund Centre equal to 100%.

Serial Number 6. Write the Outcome and then the corresponding Output. Under the output write the phrase 'Current Budget Fund Centres' and underneath that write the names of the contributing Fund Centre(s). After that write the phrase 'Development Budget Fund Centres' and underneath that write the names of the contributing Fund Centre(s). This process should be repeated for all the Outcomes and Outputs.

Note: Write the totals in each of the columns from 9 to 19 against each Outcome, Output, 'Current Budget', 'Development Budget'. The process would be as follows:

First write down the totals of all the Current budget Fund Centres contributing to a particular Output against the phrase 'Current Budget Fund Centres' and for development budget Fund Centres, against the phrase 'Development Budget Fund Centres'. Write the totals of the Current and Development budgets against the corresponding Output. Totals of all the Outputs should be written against the corresponding Outcome.

Filled sample example of the form LM-3 can be downloaded from MTBF website: www.mtbfPakistan.gov.pk

Serial Number 7. Write 'R' for Current Fund Centre and 'D' for Development Fund Centre.

- Serial Number 8. Write the percentage contribution of the Fund Centre to a particular output. For example, if a Fund Centre is contributing 40% to Output A and 60% to Output B, then under Output A write the percentage contribution '40%'.
- Serial Number 9. Write actual expenditure against each Fund Centre for the year 2008/09. If a Fund Centre is contributing to more than one Output then write only the proportionate amount. For example, if the total expenditure of a Fund Centre is Rs. 100,000 and it is contributing 40% to Output A and 60% to Output B, amounts which would be written under each Output would be Rs. 40,000 and Rs. 60,000 respectively. Total expenditure of all the Fund Centres under a particular Output would be written against the Output in bold.
- Serial Number 10. Write Original Budget for 2009/10. Like 'Serial Number 9' write only the proportionate amount in case of multi contributing Fund Centre.

For two of the Medium Term Budget years (2010/11 and 2011/12) fill in the following eight columns (Serial Number 11 – 18):

- Serial Number 11. Write the Baseline Budget. This is the amount which was allocated in the previous budget preparation cycle of 2009/12. Years 2010/11 and 2011/12 were the outer years in the previous budget cycle.
- Serial Number 12. This column is used for identification of new initiatives. Example of new initiative in case of development budget can be a 'new project'. Examples of new initiatives in case of current budget can be 'new Fund Centre', 'a new service' etc.
- Serial Number 13. This column is used for changes in the baseline due to other reasons. Example of 'Other reasons' in case of development budget can be 'cost of existing projects'. Examples of 'Other reasons' in case of current budget can be 'change in inflation', 'change in staff emoluments', 'new staff hired' etc.
- Serial Number 14. In this column write the total of three columns 11 to 13. The Grand Total of this column (as required in Serial Number 23) should equal to the total ceiling (Current + Development) communicated to the Line Ministry.

Serial Numbers 15 – 18. Fill these columns in the same way as the columns 11 to 14.

- Serial Number 19. Write the ceilings for the year 2012/13 as allocated to the different Fund Centres.
- Serial Number 20. Write any remarks. References to any supporting documents can also be made.
- Serial Number 21. Write the total of the Current budget written against all the Outputs in the columns 9 to 19.
- Serial Number 22. Write the total of the Development budget written against all the Outputs in the columns 9 to 19.
- Serial Number 23. Write the Grand totals for each of the column from 9 to 19.

Instructions for Filling Form LM-4

Purpose of the Form:

Based on the analysis carried out in the Form LM – 3, this form aids line ministry in viewing and presenting proposed budget for Fund Centres. The proposed budget also becomes 'Budget Ceiling' for the Fund Centres. These 'ceilings' will be communicated to Fund Centres within which they will be required to prepare their budget estimates.

Specific Instructions:

- Serial Number 1. Self Explanatory.
- Serial Number 2. Self Explanatory.
- Serial Number 3. Write down unique serial number against each Fund Centre.
- Serial Number 4. Write the Fund Centre Code of the Fund Centres. This list includes all the Fund Centres against which Ministry desires to allocate budget.
- Serial Number 5. Write the names of the Fund Centres. This list includes all the Fund Centres against which Ministry desires to allocate budget.
- Serial Number 6. Write 'R' for current and 'D' for development for each Fund Centre.
- Serial Number 7. Write actual expenditure for the year 2008/09.
- Serial Number 8. Write original budget for the year 2009/10.
- Serial Number 9. Based on the analysis carried out in the Form LM – 3 write the budgetary ceilings for the year 2010/11.
- Serial Number 10. Same as Serial Number 7 but for the budget year 2011/12.
- Serial Number 11. Same as Serial Number 8 but for the budget year 2012/13.
- Serial Number 12. Write the totals. Total of all the Fund Centres should not be more than total Ministry ceiling (Current + Development).

Instructions for Filling Form LM-5

Purpose of the Form:

Based on the budget allocated, this form looks at medium term Indicators (Measures) and Targets for the Outputs defined in the Form LM - 1.

Specific Instructions:

- Serial Number 1. Self Explanatory.
- Serial Number 2. Self Explanatory.
- Serial Number 3. Serial numbers provide a basis for referencing between Line Ministry forms. These should carefully be numbered. The serial number assigned to Outputs in the Form LM – 1 should be used here.
- Serial Number 4. Write the name of output(s). This should be the same as defined in the Form LM – 1.
- Serial Number 5. Write Indicators here. This is the unit of measurement of Output. E.g. Hospital services can be measured through provision of hospital services to the number of patients.

Note 1: Ministries should prepare standard list of indicators and send it to the Fund Centres along with the Fund Centre forms and the budget ceilings. Fund Centres will provide targets for the relevant indicators. If the Fund Centres can not find the relevant indicators they can suggest the new ones and provide target as well. LM-5 will show the consolidated picture of the indicators and targets.

Note 2: Where possible, the Indicators/Measures and Targets should be broken into gender related information. For example, primary education being an output (service) of Ministry of Education can have two indicators/measures namely; Number of male students enrolled and Number of female students enrolled. These two can be assigned different targets.

- Serial Number 6. Write the Actual Achievement in 2008-09 against the indicators mentioned in Serial Number 6.
- Serial Number 7. Write the Original Target for 2009-10. **This should be the same as mentioned for 2009-12.**
- Serial Number 8. Write medium term target here for the year 2010/11.
- Serial Number 9. Write medium term target here for the year 2011/12.
- Serial Number 10. Write medium term target here for the year 2012/13.

Format of the

‘Medium Term Budget Estimates

for Service Delivery’

(Green Book)

2010 - 2013

GOVERNMENT OF PAKISTAN
MEDIUM TERM BUDGET ESTIMATES FOR SERVICE DELIVERY (GREEN BOOK)
2010-13

(1) **Ministry - Division:** _____

(2) **Principal Accounting Officer:** e.g. Secretary, Chairman, Military Secretary etc _____

(3) **Goal:** _____

(4) Medium Term Budget by Outcome

'000

S. #	Outcomes	Actual 2008-09	Original Budget 2009-10	Medium Term Budget		
				Budget Estimate 2010-11	Budget Forecast 2011-12	Budget Forecast 2012-13
1						
2						
3						
Total						

(5) Medium Term Budget by Output

Outcome 1: (Write description of outcome) _____

'000

S. #	Outputs	Actual 2008-09	Original Budget 2009-10	Medium Term Budget		
				Budget Estimate 2010-11	Budget Forecast 2011-12	Budget Forecast 2012-13
1.1						
1.2						
1.3						
1.4						
Total						

Outcome 2: (Write description of outcome) _____

'000

S. #	Outputs	Actual 2008-09	Original Budget 2009-10	Medium Term Budget		
				Budget Estimate 2010-11	Budget Forecast 2011-12	Budget Forecast 2012-13
2.1						
2.2						
2.3						
2.4						
Total						

Outcome 3: (Write description of outcome) _____

'000

S. #	Outputs	Actual 2008-09	Original Budget 2009-10	Medium Term Budget		
				Budget Estimate 2010-11	Budget Forecast 2011-12	Budget Forecast 2012-13
3.1						
3.2						
3.3						
3.4						
Total						

(6) Medium Term Budget by Object Classification

'000

Code	Description	Actual 2008-09	Original Budget 2009-10	Medium Term Budget		
				Budget Estimate 2010-11	Budget Forecast 2011-12	Budget Forecast 2012-13
A01	Employee Related Expenses					
A02	Project Pre Investment Analysis					
A03	Operating Expenses					
A04	Employer Contributions					
A05	Grants, Subsidies and Write offs					
A06	Transfers					
A07	Interest Payment					
A08	Loans Advances					
A09	Physical Assets					
A10	Principal Repayments					
A11	Investment					
A12	Civil Works					
A13	Repair and Maintenance					
Total						

(7) Major Achievements:

Describe major initiatives undertaken, targets / results achieved in 2008-09. Please write maximum of one page

(8) Medium Term Targets for Output Indicators

S. #	Outputs	Indicators	Actual Achieved 2008-09	Original Target 2009-10	Medium Term Targets		
					Target 2010-11	Target 2011-12	Target 2012-13
1.1							
1.2							
1.3							
1.4							
2.1							
2.2							
2.3							
2.4							
3.1							
3.2							
3.3							
3.4							

(9) Major Construction Projects and Associated Percentage Completion

S. #	Name of Project(s)	Percentage		
		Medium Term Targets		
		Target 2010-11	Target 2011-12	Target 2012-13
		%	%	%
1				
2				
3				

(10)

Signature _____

Designation Principal Accounting Officer (PAO)

Name _____

Date _____

Instructions for Filling the ‘Green Book’

Purpose of the Green Book:

This report is designed to aid the presentation of Medium Term Output based Budget for 2009-13. The information on this report will be derived from the budget preparation forms for line Ministries/Divisions LM 1-5 and the Fund Centre Form – 1. **This report should be approved by the concerned Principle Accounting Officers.** This report will help different stakeholders in analysing the cost of services (outputs) and their effect (outcomes) in the medium term as well as the performance of the ministry during the preceding year and the performance targets for the next three years.

Specific Instructions:

- Serial Number 1. Write name of the ministry.
- Serial Number 2. Write the designation of the Principal Accounting Officer.
- Serial Number 3. Write the ‘Goal’ of the ministry.
- Serial Number 4. Write a Serial Number for each Outcome e.g. 1, 2.... The serial number should be same as mentioned on LM1 form.
Write the name of the Outcome(s) from LM - 1 form.
Actual budget 2008-09: Fill in this column with the figures of actual budget for 2008-09 from the form LM 3.
Original budget 2009-10: Fill in this column with figures of the original budget from the form LM 3.
Budget Estimates 2010-11: Fill in this column with the budget estimates worked out on the form LM 3.
Budget Forecast 2011-12: Fill in this column with the budget estimates worked out on the forms LM 3.
Budget Forecast 2012-13: Fill in this column with the budget estimates worked out on the form LM 3.
- Serial Number 5. **Outcome:** Write the serial number and description of each outcome from serial number 4 (see above).
Output: Write the serial number and name for each Output. The Serial Number and name should be exactly the same as mentioned in the Form LM – 1.
Write the name of the Output(s) from LM 1 form.
Actual budget 2008-09: Fill in this column with the figures of actual budget for 2008-09 from the form LM 3.
Original budget 2009-10: Fill in this column with figures of the original budget from Green Book of the previous year 2009-10.
Budget Estimates 2010-11: Fill in this column with the budget estimates worked out on the forms LM 3.
Budget Forecast 2011-12: Fill in this column with the budget estimates worked out on the forms LM 3.

Budget Forecast 2012-13: Fill in this column with the budget estimates worked out on the forms LM 3.

The same information should be filled in for each outcome in this serial number.

Serial Number 6. Write the medium term budget estimates and forecasts for 2010-13 in the relevant columns. You will find this information on the Fund Centre Form-1. Also, write the Actuals for 2008-09 and original budget for 2009-10.

Serial Number 7. Write major achievements in terms of new initiative undertaken, new service delivered and over-achievement against original targets set in the preceding year etc. These achievements should focus the performance achieved during 2008-09 and 2009-10 (if possible). The section should not exceed more than a page write-up.

Serial Number 8. Serial numbers of outputs should be the same as defined in the Line Ministry form LM-1.

Write the name of outputs(s). This should be the same as those defined in the Line Ministry Form LM – 1.

Write Indicator / Measure here. This is the unit of measurement of Output. E.g. Hospital services can be measured through provision of hospital services to the number of patients.

Note: Where possible, the Indicators/Measures should be broken into gender related information. For example, primary education being an output (service) of Ministry of Education can have two indicators/measures namely; Number of male student enrolment and Number of female student enrolment.

Write Actual achievement for 2008-09.

Write the Original Target for 2009-10. The original target should be taken from 2009-12 LM forms.

Write medium term target here for the year 2010 – 13 from the Line Ministry Form LM 5.

Serial Number 9. In this section, write details of the major construction related projects e.g. name of the project, percentage completion in 2010 – 13. Also, write actual percentage completion in 2008-09 and original target for 2009-10. You will find this information on Fund Centre Form – 1, Serial number 10.

Please note that the percentage completion target for 2010-13 should be written cumulatively e.g. if a project is targeted to be completed 10% in 2010-11, 20% in 2011-12 and 30% in 2012-13, then it should be written as 10% in 2010-11, 30% in 2011-12 and 60% in 2012-13.

Form for Ministry Fund Centres

‘Medium Term Budget and Service Delivery Information’

(2010-13)

Note: This Form should be filled in and submitted by those Ministerial entities that prepare and submit BOs / NISs.

Note: This Form should be filled in and submitted by those Ministerial entities that prepare and submit BOs / NISs.

Fund Centre Form - 1

GOVERNMENT OF PAKISTAN
**MEDIUM TERM BUDGET BY MAJOR OBJECT AND SERVICE INDICATORS
 2010-2013**

(1) Ministry _____ (3) Fund Centre Code _____

(2) Division _____ (4) Fund Centre Name _____

(5) Object Code and Description	(6) Budget Estimates 2010-11	(7) Budget Forecast 2011-12	(8) Budget Forecast 2012-13
	'000	'000	'000
A01 Employee Related Expenses			
A02 Project Pre Investment Analysis			
A03 Operating Expenses			
A04 Employer Contributions			
A05 Grants, Subsidies and Write offs			
A06 Transfers			
A07 Interest Payment			
A08 Loans Advances			
A09 Physical Assets			
A10 Principal Repayments			
A11 Investment			
A12 Civil Works			
A13 Repair and Maintenance			
Grand Total			
'Ceiling' communicated by Ministry (Should be same as Grand Total above)			
<u>Foreign Exchange</u>			
Foreign Aid			
Own Resources			
Total Foreign Exchange			
Total Recoveries			

(9) Does your Fund Centre (Spending Unit) provide service(s) to the Public / Government entity. (Please tick the appropriate box)

Yes:
No:

If no, please go to the item number (10)

If yes, then please provide the following information.

Output (Service) Indicator(s)	2008-09 Actual achieved	2009-10 Original Target	2010-11 Target	2011-12 Target	2012-13 Target

Note: 1) Please use the list of output indicators sent by your ministry. If you can't find relevant indicators in the list, please develop your own indicators and their targets and provide the information in the serial number 11.
2) All of the above indicators and targets that relate to service delivered should be gender-disaggregated.

(10) Is this a construction project (Please tick the appropriate box)

Yes:
No:

If yes, then please provide the following information.

2010-11 Target	2011-12 Target	2012-13 Target

Percentage completion of the project work

Note: Please write the cumulative %age completion. For Example, if a project is 40% complete in 2009-10 and a further 40% and 20% work will be done in 2010-11 and 2011-12 respectively, then write 80% in 2010-11 and 2011-12 in 100%.

(11) Any Other Information / Comments

(Signature) _____
Name & Designation _____
Telephone No. _____

Note: This form should be signed by the Fund Centre (Spending Unit) Head.

Instructions for filling Fund Centre Form - 1

The purpose of this Form is to present Budget Estimates of a Fund Centre for the Medium Term period (i.e. 2010-13). The Budget Estimates on this form will be provided at major object level for three years. The contribution of the Fund Centre to the Ministry output would also be presented on this form.

Specific Instructions:

- Serial Number 1: Write full name of the relevant **Ministry** (e.g. *Ministry of Education*)
- Serial Number 2: Identify **Division** within the Ministry (e.g. *Education Division*)
- Serial Number 3: Write Fund Centre Code for your Fund Centre (e.g. KA0451)
- Serial Number 4: Write full name of your Fund Centre (Spending Unit).
- Serial Number 5: **Code** and **description** of the required items of the expenditure have already been provided.
- Serial Number 6: Write budget estimate for 2010-11 at major object code level only. You can copy these figures from **BOs / NISs**. Write the amounts in thousands, which means that you don't have to write the last three zeros. Total budget estimate for the year should not be more than the ceiling communicated by your ministry. If a code is not applicable to your Fund Centre, please delete the entire row.
- Serial Number 7: Write budget forecast for 2011-12 at major object code level. Write the amounts in thousands, which means that you don't have to write the last three zeros. Total budget forecast should not be more than the ceiling communicated by your ministry.
- Serial Number 8: **Same** as serial number 7 above but for 2012-13.
- Serial Number 9: Write the targets for the Output / service indicators. List of the indicators will be provided by your ministry. You are required to provide information for only those indicators which are relevant to your Fund Centre. **All indicators that relate to service delivered to individuals should be gender-disaggregated.** If none of the indicators in the list is relevant to your Fund Centre then provide the relevant information in item number 11. You are required to provide target information for the years 2009-10 to 2012-13 and the information regarding actual achievement for the year 2008-09.

Serial Number 10: If your Fund Centre is a construction project then provide the information regarding percentage completion of work in the relevant columns. The %age should be cumulative.

Serial Number 11: Provide any other relevant information / comments, if any. As mentioned in serial number 9 above, if you cannot find the relevant indicator in the list communicated by your ministry, then provide the indicator and target information in the space given for 'other information'.

Note: This form should be signed by the Fund Centre (Spending Unit) Head.