

Government of Pakistan
Finance Division
(Budget Wing)

No F. 3(1)FO/2022-23

Islamabad, the 24th August, 2022

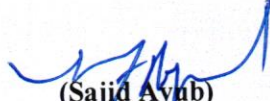
OFFICE MEMORANDUM

Subject: AMENDED STRATEGY FOR RELEASE OF FUNDS FOR DEVELOPMENT BUDGET FINANCIAL YEAR 2022-23

This refers to Finance Division O.M No F. 3(1)FO/2022-23 dated 7th July, 2022 (Copy enclosed) and to say that the Strategies for Release of Funds for Development Budget/Public Sector Development Programme for Current Financial Year 2022-23 has been amended as under: -

- i. The fund release strategy shall be applied on each Demand for Grant and Appropriation for Development Budget, included in the Schedule of Authorized Expenditure for FY 2022-23. It shall not be applicable on individual Project or Cost Centre or Detailed Object Heads in a Demand for Grant and Appropriation.
- ii. Funds shall be released and uploaded on AGPR's Server by Ministry of Planning, Development and Special Initiatives for each Demand for Grant and Appropriations at the maximum level of **10% for Quarter 1, 20% for Quarter 2, 30% for Quarter 3 and 40% for Quarter 4 of the approved budget.**
- iii. The release of funds for each approved project in a Demand for Grant and Appropriation shall be made by the PAO in each Quarter within above limits. The PAO shall ensure availability of sufficient funds for Employees Related Expenses for each project.
- iv. Quarter wise budget allocation & release will be uploaded on the MoF & AGPR Servers by the Finance Division, within the above stated release limits. No payment shall be made over and above the limits by any accounting organization/office except with the prior written approval of the Finance Division.

2. All other clauses of the strategy for release of funds issued on 07-07-2022 will remain the same.

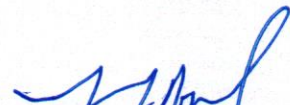

(Sajid Ayub)
Section Officer (FO)
051-9202564

Distribution:

1. The Deputy Chairman, Planning Commission, Islamabad.
2. All Principal Accounting Officers
3. All Heads of Departments, Offices and Autonomous Bodies
4. All Additional Finance Secretaries, Senior Joint Secretaries and Joint Secretaries of Finance Division.
5. Governor, State Bank of Pakistan, Karachi.
6. Auditor General of Pakistan, Islamabad.
7. Controller General of Accounts, Islamabad.
8. Accountant General Pakistan Revenues, Islamabad.
9. Military Accountant General (MAG), Rawalpindi.
10. Sub-Offices of AGPR, Lahore, Karachi, Peshawar, Quetta & Gilgit.
11. CF & AOs of all Divisions.
12. Managing Director, SBP Banking Services Corporation, Head Office, Karachi
13. Director (Budget Computerization), Budget Wing, Finance Division, Islamabad.
14. Federal Treasury Officer, Islamabad, Karachi.
15. Web Master (with the request to upload on the Finance Division's website).

Copy to:

- SA to Finance Minister
- SA to Minister of State for Finance & Revenue
- SA to Finance Secretary
- SA to Special Secretary Finance.


(Sajid Ayub)
Section Officer (FO)

Government of Pakistan
Finance Division
(Budget Wing)

No F. 3(1)FO/2022-23

Islamabad, 7th July, 2022

OFFICE MEMORANDUM

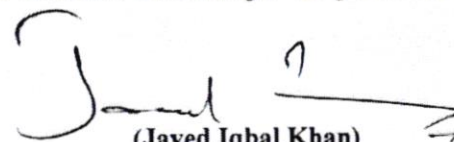
Subject: STRATEGY FOR RELEASE OF FUNDS FOR DEVELOPMENT BUDGET FINANCIAL YEAR 2022-23

The undersigned is directed to refer to the subject mentioned above and to state that in pursuance of the provisions of the Public Finance Management Act, 2019, Rule 3(9) of the Cash Management and Treasury Single Account Rules 2020 and Financial Management and Powers of Principal Accounting Officers Regulations, 2021, the budget release strategy for Development Budget for the Current Financial Year (CFY) 2022-23 is being issued for implementation with immediate effect and until further orders.

- a. Funds for Development Budget shall be released by Ministry of Planning, Development and Special Initiatives out of the PSDP allocation for CFY for the approved projects at the level of 20% for Quarter 1, 25% for Quarter 2, 30% for Quarter 3 and 25% for Quarter 4.
- b. Ministry of Planning, Development and Special Initiatives and the PAOs concerned while executing the development projects shall ensure implementation of the provisions contained under Chapter-III of the Public Finance Management Act, 2019.
- c. Ministry of Planning, Development and Special Initiatives shall devise quarterly Sector-wise/Project-wise/Division-wise strategy for release of funds for Public Sector Development Program (PSDP) within the appropriations approved by the National Assembly and included in the Schedule of Authorized Expenditure in terms of Article 83 of the Constitution of Pakistan. These documents will be shared with Finance Division.
- d. Any proposal for change to the above prescribed limits shall be considered by the Budget Wing, Finance Division on case to case basis and shall require prior approval of the Finance Secretary.
- e. All payments shall be made through the pre-audit system by all the Accounting Organizations and Offices or through Assignment Account Procedure or any other procedure issued by the Finance Division. Separate Assignment Account shall be opened for each project.
- f. No direct payment through the State Bank of Pakistan (SBP) shall be made by any office, except with the prior approval of the Finance Secretary as per Rules 3(2) and 3(3) of the Cash Management and Treasury Single Account Rules 2020.
- g. Section 23 of the Public Finance Management Act, 2019 provides that no authority shall incur or commit any expenditure from the "Federal Consolidated Fund" until the same has been sanctioned by the National Assembly and the expenditure has been provided for the financial year through:
 - i. Schedule of authorized expenditure in terms of Article 83 of the Constitution of Pakistan;
 - ii. Supplementary grant or technical supplementary grant as per Article 84 of the constitution duly approved by the Federal Government, or
 - iii. Re-appropriation as per section 2 (u) and 11 of the Public Finance Management Act, 2019.

Contd...

- h. Adequate budgetary allocations on account of Foreign Exchange Component (Rupee Cover) shall be ensured by all relevant PAOs and conveyed to Economic Affairs Division and Finance Division.
- i. The provisions of Public Finance Management Act 2019, the Financial Management and Powers of Principal Accounting Officers Regulations 2021 and Instructions issued by Planning Commission shall be strictly adhered to by all the PAOs and the Accounting Offices.
- j. The instructions with regard to Supplementary Grants shall be issued by the Budget Wing, Finance Division, separately.
- k. The Development Wing of Finance Division shall coordinate and oversee the matters relating to release of funds for development budget and other ancillary matters.
- l. There shall be no requirement of ways and means clearance from Budget Wing of Finance Division for the release of development budget.

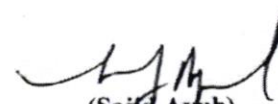

(Javed Iqbal Khan)
Joint Secretary (Budget-III)
051-9201854

Distribution:

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2. All Principal Accounting Officers
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