

Sindh slashes ADP 25pc to Rs155bln amid pandemic losses

KARACHI: The Sindh government has earmarked Rs155 billion for provincial Annual Development Plan (ADP) for the fiscal year 2020-21, which is a massive 25 percent lower than Rs208 billion, allocated for the outgoing fiscal year 2019-20, the budget document showed on Wednesday.

Presenting the provincial budget 2020-21, Sindh Chief Minister Syed Murad Ali Shah said due to COVID-19 pandemic and a cut in federal transfers the provincial government was compelled to bring down the allocation of development expenditure.

The total outlay of development expenditure for fiscal year 2020/2021 is pitched at Rs233 billion. Out of which provincial ADP is Rs155 billion, foreign project assistance is estimated at Rs54.64 billion, federal grants Rs8.3 billion, while district ADP is Rs15 billion.

According to budget documents, the Sindh government allocated Rs284 billion under all heads of development expenditures during the ongoing fiscal year. However, due to corona pandemic, the allocation has been revised to Rs129 billion.

Under the provincial ADP 2020-21, the Sindh government allocated Rs120.63 billion for ongoing projects and Rs34.73 billion for new projects, which is only 15 percent of the allocation.

The throw-forward amount in Provincial ADP 2020-2021 for 2,209 schemes is Rs564 billion as compared to Rs606 billion for 2,705 schemes in 2019-2020.

The provincial government allocated Rs21 billion for development expenditure for education for next fiscal year. This includes Rs21 billion for ongoing education projects and Rs77 million for new projects.

The key initiatives for education development of the provincial governments will be: establishment of English Medium Schools in Sindh (25 Units) with Rs800 million; up-gradation of Middle Schools to High Schools (230 Units) & High Schools to Higher Secondary Schools (115 Units) in Sindh with Rs592.1 million; Development of new Infrastructure and other essential facilities for establishment of Mehran University College of Engineering and Technology at Kharipur Mirs with Rs54 million; Construction of Blocks B&C of New Boys Hostel at IBA Main Campus, Karachi Rs.30 million.

The provincial government allocated Rs23.5 billion for development projects for health during 2020-21. This includes an amount of Rs13.5 billion for ongoing projects and another amount of Rs10 billion for new schemes.

The budget of Health Department is divided into two major segments i.e. Health Services and Medical Education. The total budget estimates for Health Department for financial year 2019-2020 was Rs120.486 billion, which has been increased to Rs139.178 billion for the next financial year 2020-21.

An amount of Rs5 billion has also been allocated in ADP 2020-21 for COVID-19 response.

Overall allocation for agriculture sector has been proposed at Rs5.5 billion in ADP 2020-21 for 73 schemes of agriculture, food, forest & wildlife and livestock & fisheries departments. Besides the provincial development budget resources, an allocation of Rs.8.1 billion is provided under foreign projects assistance.

The chief minister in his budget speech said, "Agriculture sector is faced with a double threat this year. In addition to the COVID-19 crisis, and an existential threat of locust is looming on economic horizon of Sindh.

As a result of locust activity, it is expected that Kharif Crop 2020 may sustain 303,109 tons loss in yield, and for Rabi crop 2020-21, it is estimated that it may sustain a loss of approximately 340,077 tons".

In this potentially catastrophic scenario, Shah said the government of Sindh was determined to improve the conditions in agriculture sector by increasing the overall budget to Rs14.8 billion in the next financial year 2020-21, in comparison with allocation of Rs.10.6 billion in the financial year 2019-2020.

"The number of field teams will be increased for improved and extensive surveillance, and for more effective control operations. The number of vehicles, and vehicle/tractor mounted solo power sprayers, and hand sprayers will be increased for countering locust influx.

GPS devices will be provided to field teams for enhancing accuracy of surveillances and efficient locust control operations." the chief minister said.

Irrigation sector has been allocated development budget of Rs20.1 billion in ADP 2020-21 for 198 ongoing and 18 new unapproved schemes.

The portfolio includes irrigation related schemes of Irrigation Department, lining of main canals, matching allocation schemes and Thar Coal infrastructure projects. Beside the provincial development budget resources, an allocation of Rs6.95 billion is provided under foreign projects assistance.

For the next financial year Rs14.8 billion is kept in the budget for Works and Services department. In terms of fiscal resources, Rs36.5 billion is proposed as an allocation in ADP 2020-21 for over 500 road schemes.

The portfolio includes road related schemes of Works & Services Department and Local Government Department.

Beside the provincial development budget resources, an allocation of Rs165 million is provided under foreign projects assistance.

The government of Sindh has enhanced the block allocation for grants to local bodies in Sindh from Rs74.5 billion of the current financial year 2019-20 to Rs78 billion, increased by 5 percent for the next financial year 2020-21.

The chief minister said that his government worked closely with local governments to solve the problems of people of the province at their doorsteps.

“The government of Sindh in order to strengthen the working and to cater to the needs of all local councils from time to time, has enhanced the share of local councils,” he said.

The grant to local bodies of Sindh allocated for the year 2019-2020 is Rs74.5 billion, and Rs67.5 billion has been released to all local councils by 30th May 2020.

The CM said the government of Sindh was taking lead in strengthening of Social Welfare Department and its allied facilities to mitigate the suffering of poor in prevailing circumstances due to COVID-19.

“Therefore, the budget allocation of social welfare department has been enhanced from Rs1.8 billion to Rs27.1 billion in the next financial year 2020-21 with an overall increase of 1360 percent,” he said.

The ADP for Home Department has been pitched at Rs666 million, including Rs371.72 million for police and Rs294.27 million for prison. An amount of Rs784 million has been allocated under ADP for Law and Parliamentary Affairs.

Overall Home Department has been allocated Rs113.87 billion in next FY2021 as against CFY budget estimates of Rs109.79 billion.

The allocation includes the budget of Rs102.16 billion for Sindh Police, Rs7.23 billion for Home Administration, and Rs4.48 billion for jails.