



**GOVERNMENT OF THE PUNJAB
PLANNING & DEVELOPMENT BOARD**

POSITION PAPER FOR PDWP

Project Profile

| | | |
|------------|------------------------------------|--|
| 1. | Project Title: | Conversion of Pay Packages from Basic Pay Scales (BPS) to Project Pay Scales (PPS) for the Project Titled “Restructuring of Directorate General of Monitoring and Evaluation (DGM&E) for improved Monitoring and Evaluation of Development Projects in Punjab” |
| 2. | Location | Punjab |
| 3. | Sponsoring | Planning & Development Board |
| 4. | Execution | DG, Monitoring & Evaluation, P&D Board |
| 5. | Operation & Maintenance | DG, Monitoring & Evaluation, P&D Board |
| 6. | Gestation Period | Till December 31 st , 2025 |
| 7. | Source of Financing | ADP 2024-25 |
| 8. | Cost | Rs. 720.735 million (reflected at G.Sr.No. 3629) |
| 9. | Allocation | Rs. 350 million |
| 10. | Utilization | Rs. 422.112 million (till date) Rs. 297.863 million (till June, 2024) Rs. 124.249 (ADP 2024-25) |

11. Brief Description:

The Directorate General, Monitoring & Evaluation (DGM&E) was established in 2007 as an attached department of the Planning & Development Board through the Project Management Unit (PMU). The directorate comprises **19 gazetted** and **20 non-gazetted positions**. Its primary mandate is to formulate policy guidelines and standards for project management, project management services, capacity building, third-party inspections, performance monitoring, and project/program evaluation.

As M&E activities expanded across the province in subsequent years, a growing need emerged for an independent and autonomous organization that would ensure transparency, impartiality, and freedom from the influence of line departments in undertaking monitoring, evaluation, and third-party validation (TPV) of public sector development projects. However, the initially recruited human resources within the Directorate General were significantly inadequate to meet these demands.

To address the growing human resource (HR) needs of the Directorate General, Monitoring & Evaluation (DGM&E) effectively, the "**Restructuring of the Directorate General, Monitoring & Evaluation**" project was conceived and subsequently approved by the Provincial Development Working Party (PDWP) at a total cost of **Rs. 566.84 million** for a gestation period of two years, spanning from May 2018 to April 2020.

Following the initial approval, the first revision of the project was granted during the 43rd PDWP meeting on April 28, 2020, increasing the project cost to **Rs. 686.105 million** and extending the gestation period until December 31, 2024. Subsequently, the second revision was approved

during the 2nd PDWP meeting on July 5, 2024, further revising the total project cost to **Rs. 720.735** million and extending the **gestation period until December 31, 2025**.

It is important to note that the project staff receive salaries in accordance with the National Pay Scales / Basic Pay Scales, as notified by the Finance Department through Circular No. FD.SR.V.2-3(1)/2022, dated July 21, 2022. The current staffing status of the "Restructuring of the Directorate General of Monitoring and Evaluation (DGM&E) for Improved Monitoring and Evaluation of Development Projects in Punjab" is as follows:

| Description | Total Posts | Filled | Vacant |
|---------------------------------|--------------------|---------------|---------------|
| Officers (BS-16, BS-17 & BS-18) | 43 | 15 | 28 |
| Officials (BS-01 to 05) | 28 | 24 | 4 |
| Total | 71 | 39 | 32 |

12. Salary Packages:

Recently, the Planning & Development (P&D) Board issued fresh directives regarding project posts and salary packages in development projects through Letter **No. 12(24) PO (COORD-II) P&D/2024**, dated September 27, 2024 (**Annex-A**). These instructions clarify that the Standing Committee on Cabinet for Finance & Development (SCCFD), in its meeting held on October 12, 2021, resolved that salary packages for all positions in development projects and programs shall be approved by the Provincial Development Working Party (PDWP).

Accordingly, the PDWP, in its meeting on June 28, 2022, sanctioned the "Standard Pay Packages for Project Posts", including general terms and conditions. This decision was subsequently circulated by the P&D Board through Letter **No. 12(24) PO (COORD-II) P&D/2022**, dated July 14, 2022 (**Annex-B**). Furthermore, the instructions outlined in Annex-A provide additional clarifications, as detailed below:

*".....PC-Is involving HR component will only be based on the **project pay scales**. Furthermore, the vacant positions of previously approved projects /PCIs on BPS (if any) may be filled according to these **Project Pay Scales (PPS)** and a **position paper** to this effect may be presented before the PDWP for consideration/ decision."*

13. Pre-PDWP Deliberations:

The Pre-PDWP of the subject project was held on 06.02.2025 under the Chairmanship of Secretary, P&D Board, wherein following decisions were made:

1. In pursuance of decision of the Cabinet and Policy Guidelines issued by Planning & Development Board, pay for the project employees can only be on PPS Scales. Hence, no contract shall extended on BPS basis. However, amended contracts, with PPS and salary projection, can be made with consent of the project employee.
2. In the event of the project's extension beyond December 31, 2025, an increment cushion, as outlined in the relevant notification, shall be incorporated.

3. For future reference, no extension shall be granted to any development project unless the adopted salary structure aligns with PPS rather than BPS.

14. Proposal:

Following the decisions of the Pre-PDWP meeting, the existing BS positions are proposed to be shifted to PPS mode. The details of these posts along with the financial implications are enclosed in the table below:

| Sr. No | Salary on Basic Pay Scales (BPS) | | Salary on Project Pay Scales (PPS) | | One Increment Cushion | Salary with Increment (Beyond December 31, 2025) | Total Funds Required for 09 Months (without Increment Cushion) | Total Funds Required for 09 Months (with Increment Cushion) |
|--------------|----------------------------------|---------------------------|------------------------------------|---------------------------|-----------------------|--|--|---|
| | BPS | Current Salary | Project Pay Scale (PPS) | Proposed Salary | | | | |
| 1 | BS-18 (8 Posts) | 155,52 (Net: 145,598) | 7 | 157,500 (Net: 146,375) | 12,600 (8%) | 170,100 | 11,340,000 | 11,440,800 |
| 2 | BS-17 (34 Posts) | 131,232 (Net: 123,716) | 6 | 133,000 (Net: 125,500) | 10,640 (8%) | 143,640 | 40,698,000 | 41,059,760 |
| 3 | BS-16 (1 Post) | 83,591 (Net: 81,911) | 5 | 84,000 (Net: 82,300) | 8,400 (10%) | 92,400 | 756,000 | 764,400 |
| 4 | BS-5 (10 Posts) | 43,492 (Net: 43,492) | 2 | 45,000 (Net: 45,000) | 4,550 (10%) | 50,050 | 4,095,000 | 4,140,500 |
| 5 | BS-4 (1 Post) | 41,533 (Net: 41,533) | 1 | 42,000 (Net: 42,000) | 4,200 (10%) | 46,200 | 378,000 | 382,200 |
| 6 | BS (17 Posts) | 38,722 (Net: 38,722) | 1 | 39,200 (Net: 39,200) | 3,920 (10%) | 43,120 | 5,997,600 | 6,064,240 |
| Total | | | | | | | 63,264,600 | 63,851,900 |

15. Observations:

Comments awaited from Finance Department, Economic Wing, P&D Board, The Urban Unit and PERI.

16. Recommendation:

The proposal, along with detailed financial implications, is placed on board for review, consideration and approval of the PDWP forum.