



WORKING PAPER FOR PDWP

Part-A - Project Profile

1.	Project Title	Infrastructure Improvement And Facade Rehabilitation Of Spice Market Packages From Dehli Gate To Akbari Gate, Walled City, Lahore
2.	Location	Lahore
3.	Sponsoring Agency	LG&CD Department
4.	Executing Agency	Walled City of Lahore Authority
5.	Operation & Maintenance	Walled City of Lahore Authority
6.	Relevant Department & Stakeholder invited in Pre-PDWP Meeting	LG&CD Department, Finance Department, Deputy Commissioner Lahore, Urban Unit, PERI, DG M&E
7.	Proposed Cost	Rs. 1,005.392/-/- million
8.	Source of Funding	Approved by Provincial Cabinet 27.03.2025 Inclusion in ADP 2024-25
9.	Gestation Period	24 Months Till June 2027

10. Background of the Project:

Development, conservation and restoration of the cultural heritage in the Walled City is a technical and professional area. Currently, there is a significant number of both international and local tourists but the residents in the Walled City hardly get any economic benefits. Even the visitors to the historic places like Badshahi Mosque and the Lahore Fort have little contribution towards the residents of the area. The project is designed not only to increase the number of tourists, but also to ensure that the local residents in the area benefit from this boost. WCLA is currently executing Package 1 of Bhatti gate from Bhatti gate to katri haji allah baksh in joint coordination of PTEGP and WCLA. The first package of the scheme i.e. Pilot Urban Rehabilitation and Infrastructure Improvement Project Package-I from Bhatti Gate to Katri Haji Allah Baksh Walled City Lahore (amounted to Rs. 1730 Million and revised amount is Rs. 863.23 Million) is being funded by the World Bank with tax component being paid by Government of the Punjab. Likewise the Project i.e. Pilot Urban Rehabilitation & Infrastructure Improvement Project Phase-2 from Bhatti Gate to Taxali Gate will be funded by the Government of the Punjab. The Administrative Department has submitted the PC-I at cost of Rs. 1,005.3 /- million with gestation period of 24 months till June 2027.

11. Justification of the Project:

Development, conservation and restoration of the cultural heritage in the Walled City is a technical and professional area, for which adequately qualified professionals is present. During implementation of the said project a lot of highly skilled manpower would be required to carry out quality work of International Standards. Similarly for the provision and management of urban infrastructure and services state of the arch technologies, management tools would be

employed to ensure quality output. Professional expertise would be sought for developing the domestic and international tourism.

12. Scope of Work

- i. Infrastructure Improvement and Facade Rehabilitation of Spice Market (Package 01) From Dehli Gate To Gurmandi Chowk , Walled City, Lahore"
- ii. Infrastructure Improvement and Facade Rehabilitation of Spice Market (Package 02) Road ,Parking , Drain,Works , Walled City, Lahore"
- iii. Infrastructure Improvement and Facade Rehabilitation of Spice Market (Package 3) Akbari Bazar , Walled City, Lahore"
- iv. Re Construction of Missing Akbari Gate (Package 4) Walled City, Lahore"

13. Objectives of the Project

1. Infrastructure Development
 - a. Improve road networks, pedestrian pathways, and drainage systems to enhance connectivity and accessibility.
 - b. Upgrade public utilities, including water supply, sewerage, and electricity, to meet urban development standards.
2. Heritage Conservation & Tourism Promotion
 - a. Restore and preserve historical sites and cultural landmarks to boost heritage tourism.
 - b. Develop tourist-friendly amenities, including signages, walkways, and guided tour facilities, to attract local and international visitors.
3. Economic Upliftment & Livelihood Enhancement
 - a. Support local businesses and artisans by improving market spaces and promoting traditional crafts.
 - b. Facilitate skill development programs for the local population to create employment opportunities.
4. Environmental Sustainability
 - a. Implement green urban initiatives, such as tree plantation, sustainable waste management, and air pollution control measures.
 - b. Promote eco-friendly transportation options, including bicycle lanes and pedestrian-friendly zones.
5. Social Well-being & Community Engagement
 - a. Improve public spaces, parks, and recreational facilities to enhance the quality of life for residents.
 - b. Strengthen community participation through stakeholder consultations and inclusive decision-making.

14. Relationship of the project with the sector policy/growth strategy:

The vision of the Government is to make urban centers the engines of national growth, centers of economic activity and knowledge, and focal points for cultural change. Projects to be executed under this program are an integral part of the Development Profile of the province. The overall program is in line with Pakistan Vision 2025, Govt. of Pakistan, Punjab Growth Strategy 2018 and Punjab Urban Development Sector Plan 2018. The proposed scheme is based on the Government of Pakistan's (GOP) Vision 2025 which aims at transforming the urban areas into creative eco-friendly sustainable cities through improved city governance, effective urban planning, efficient local mobility infrastructure and better security to make urbanization an important driver of growth. Similarly, the Punjab Growth Strategy 2023 envisions sustained improvement in living

standards in cities. It is linked to Sustainable Development Goals (SDG-11 Sustainable cities and communities) which states “to make cities inclusive, safe, resilient and sustainable”.

15. Other major ongoing & potential projects in the sector:

- PICIIP
- PRSWSSP
- DREAMS (I &II)
- Heritage and Urban Regeneration in Lahore Fort (AFD Funded)

16. Annual Operating Cost

Not provided

Existing Facility

Not provided

17. Capital Cost Estimate

The summary of the project cost is given below;

(Rs. in Million)

No.	Description	Total Amount
1	Infrastructure improvement and façade rehabilitation of spice market (package 01) from dehli gate to gurmandi chowk , walled city, Lahore.	231.2523
2.	Infrastructure Improvement And Facade Rehabilitation Of Spice Market (Package 02) Road ,Parking , Drain,Works , Walled City, Lahore.	218.8057
3.	Infrastructure Improvement And Facade Rehabilitation Of Spice Market (Package 3) Akbari Bazar , Walled City, Lahore.	339.1508
4.	Re construction of missing akbari gate (package 4) walled city, Lahore.	100.5185
5.	Contingencies @ 2%	17.79454
6.	(6%) Consultancy Cost for Package	53.38363
7.	5% PST as per withholding rules of PRA	44.48636
	GRAND TOTAL AMOUNT (Rs.)	1005.39183

18. Financial Phasing of the Project:

	2025-26	2026-27
Proposed Allocation	3,000	2,391.36

19. Period of Implementation:

Project implementation period will be 24 months (Till June 2027).

20. Annual Income after completion:

N/A

21. Manpower Requirement:

WCLA shall have the overall responsibility for the project. The concerned engineering and conservation staff of WCLA shall be directly responsible project's performance. However, in light of the practice adopted in other projects, Project's Management and Monitoring Consultant as well as staff shall be hired.

22. Economic /Financial Appraisal:

One of the objectives of the project is save the heritage to attract tourism and to improve the standards of local residents in the area and to work towards a situation.

23. Environmental Appraisal:

The environmental condition of the area shall highly be improved. The increased water quantity shall help improve the clean environment. The underground upgraded services of storm water and sewerage shall remove nuisance and present the healthy clean environment. The overhead cables shall be removed and replaced with the latest underground electrical system like Package-I and Package-II. This shall show the true historic vivid Lahore Walled City Picture.

PART-B

Pre-PDWP meetings were held on 08.04.2025 under the Chairmanship of Member (LG/UD), P&D Board wherein the said project was discussed in detail. Observation conveyed to AD.

Comments of P&D Board:

1. Project Steering Committee headed by Secretary LG&CD Department and consisting of all relevant stakeholders may be constituted to steer the smooth implementation of the project.
2. The project requires need assessment / feasibility study / designing, however, the same has not been done in the case of the project.
3. Background / justification of the project are not mentioned in the PC-I.
4. The detail plan of the area is not provided in the PC-I. Sponsoring agency may provide detail plan including the re-allocation plan in the PC-I.
5. Has the WCLA obtained NOC for execution of the project from all relevant stakeholders.
6. Master plan of the project needs to be provided in the PC-I.
7. Storm water / drainage plan should be provided in the PC-I.
8. Street Surfacing, Water Supply System, Sewerage System, Electrical, Illumination & Telecom Work plan may be attached in PC-I.
9. Consultancy cost may be reduced to 2%.
10. Provision of "Miscellaneous (Community Awareness, Tourism Development / Promotion & Signages) justification may be provided.
11. Dismantling cost of various items from the same place is proposed at different rates. Administrative department may justify.
12. Architectural documentation including photographic documentation is taken separately. The provision should be reviewed / rationalized.
13. Project Implementation plan with Gantt chart may be provided.
14. It is observed that 11 schemes have been proposed by WCLA of similar nature and site office has been proposed in that schemes. 01 site office may be established with rationalized cost for all schemes.
15. Sundries @ 10 % and 20% contractor profit on labour may be deleted.
16. All relevant drawings are missing in the PC-I. Same needs to be provided.
17. Credit cost against dismantling may be deducted from the relevant cost head.
18. Provision of extra labour may be deleted.
19. Electrical works may rationalized in accordance with the existing facilities.
20. Economic and Financial Analysis may be provided with backup calculations.
21. Financial Phasing of the project may be provided.
22. The scope of sewerage and water supply may not be duplicated with Lahore Development Package.
23. Supply and Demand Analysis including existing situation analysis and gaps.
24. Back up quantities
25. Quotation of materials and equipment to be procured from market and not included in MRS but included or not included in the rate analysis.
26. Result Based Monitoring Indicators
27. M&E Plan
28. Risk Mitigation Plan
29. Procurement Plan
30. Initial impact assessment of the project on the environment (during construction and O&M) and mitigation plan including cost may be provided.

31. All Stakeholders must be onboard especially involved in removal of encroachment and land acquisition if required.
32. Shifting of electricity network under ground plan may be attached in PC-I.
33. Mechanism for maintaining the circular garden, cutting of trees and electricity bill payment may be incorporated in PC-I.
34. Punch list of existing trees in the project area be maintained and incorporated in the PC-I.

The unofficial reply has been received and observations rectified.

24. Recommendations:

The scheme is placed before PDWP for consideration at a total cost of **Rs. 1,005.392/- million** with gestation period of 24 months (upto June 2027).