



**SPECIAL AUDIT REPORT
ON THE ACCOUNTS OF
“TEN BILLION TREE TSUNAMI PROGRAMME
(PHASE-1)
UP-SCALING OF GREEN PAKISTAN
PROGRAMME (REVISED)”
&
“REVIVAL OF WILDLIFE RESOURCES IN
PUNJAB, GREEN PAKISTAN PROGRAMME
(1st REVISED)
(AUDIT YEAR 2022-2023)
FOREST, WILDLIFE & FISHERIES
DEPARTMENT
GOVERNMENT OF THE PUNJAB**

AUDITOR-GENERAL OF PAKISTAN

PREFACE

Articles 169 and 170 of Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 and 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section 108 of the Punjab Local Government Act, 2013 require the Auditor-General of Pakistan to audit the accounts of Federation or a Province or Local Government and the accounts of any authority or body established by or under the control of the Federation or a province.

The report is based on Special Audit on the accounts of "Ten Billion Tree Tsunami Programme (Phase-1)-Up-scaling of Green Pakistan Programme (Revised)" and "Revival of Wildlife Resources in Punjab, Green Pakistan Programme (1st Revised)" for the financial period 2019-22. The Directorate General of Audit, Punjab conducted special audit during the months from September to December of Audit Year 2022-23 with a view to reporting significant audit findings to the relevant stakeholders. Audit report includes systemic issues and significant audit findings.

The audit findings indicate the need for adherence to the regulatory framework besides instituting and strengthening internal controls to avoid recurrence of similar irregularities.

The observations included in this report have been finalized in the light of decisions made in DAC meetings and departmental replies on the basis of over ruled dissent of one member by the majority decision.

The Audit Report is submitted to Governor of the Punjab in pursuance of Article 171 of Constitution of the Islamic Republic of Pakistan 1973, for causing it to be laid before the Provincial Assembly of Punjab.



(Muhammad Ajmal Gondal)
Auditor-General of Pakistan

Islamabad
Dated:

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
AGP	Auditor-General of Pakistan
AQI	Air Quality Index
AVID	Advancement Via Individual Determination
Av.M	Avenue Miles
CCF	Chief Conservator of Forest
CD	Coolie Day
CDM	Clean Development Mechanism
CF	Conservator of Forest
C&W	Communication & works
CDWP	Central Development Working Party
CO ₂	Carbon Di Oxide
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
DAC	Departmental Accounts Committee
DFO	Divisional Forest Officer
DG	Director General
DG W&P	Director General Wildlife & Parks
DNA	Deoxyribonucleic Acid
DSL	Digital Subscriber Line
DSLR	Digital Single Lens Reflex

ECNEC	Executive Committee of National Economic Council
FAQ	Frequently Asked Questions
FBR	Federal Board of Revenue
GDP	Gross Domestic Product
GHG-1	Greenhouse Gas Inventory
GIS	Geographic Information System
GPP	Green Pakistan Programme
GST	General Sales Tax
ICUN	International Union for Conservation of Nature
INTOSAI	International Organization of Supreme Audit Institutions
IR	Infrared
KVA	Kilo-Volts-Amperes
LD Charges	Late Delivery Charges/Liquidated Damages
M & E	Monitoring and Evaluation
MLA	Master Licensing Authority
MRV	Measuring, Reporting and Verification
NFI	National Forest Inventory
NFMS	National Forest Monitoring System
NTN	National Tax Number
P&D	Planning & Development
PAO	Principal Accounting Officer
PC-I	Planning Commission-1

PDWP	Punjab Development Working Party
PFR	Punjab Financial Rules
PITB	Punjab Information Technology Board
PMIU	Project Management Implementation Unit
PMU	Project Management Unit
POL	Petrol, Oil & Lubricants
PPR	Punjab Procurement Rules
PPRA	Punjab Procurement Regularity Authority
PPSC	Provincial Project Steering Committee
PSDP	Public Sector Development Programme
PST	Punjab Sales Tax
REDD	Reducing Emissions from Deforestation and Forest Degradation
RFO	Range Forest Officer
RS	Radiated Susceptibility
SAN	Storage Area Network
SDFO	Sub Divisional Forest Officer
SDGs	Sustainable Development Goals
SFM	Sustainable Forest Management
SLMS	Satellite Land Monitoring System
SMS	Short Message Service
SOP	Standard Operating Procedure
TBTTP	Ten Billion Tree Tsunami Programme

TORs

Terms of Reference

UNDP

United Nations Development Programme

EXECUTIVE SUMMARY

The Directorate General of Audit, Punjab conducted a Special Audit of “Ten Billion Tree Tsunami Programme (Phase-1)-Upscaling of Green Pakistan Programme (Revised)” and “Revival of Wildlife Resources in Punjab, Green Pakistan Programme (1st Revised)” during the Audit Year 2022-2023. The main objective of the audit was to analyze whether the Programme activities were carried out in the most economical, efficient, and effective manner with due regard to the intended deliverables of the PC-Is.

Audit scrutiny encompassed a detailed review of compliance with the relevant rules and regulations on the part of the management. The gestation period of the Programme “Ten Billion Tree Tsunami Programme (Phase-1)-Upscaling of Green Pakistan Programme (Revised)” was four years. However, a Special Audit was conducted for the first three years after its initiation to gauge the milestones. The Programme completed its first three years without achieving the desired targets and benchmarks set. During the Special Audit, it was revealed that the project was launched with the prime objective of increasing tree cover through an up-scaling Programme by planting forests. The intended increased forest cover was likely to contribute substantially to the mitigation of the adverse effects of climate change and emissions of CO₂. It also concurrently aimed at decreasing soil degradation, improving watershed management etc.

Keeping in view the significance of the ancillary and concomitant factors such as Wildlife in ecological systems, the Prime Minister of Pakistan earlier directed the Ministry of Climate Change on 11th January 2016 to steer the Revival of Wildlife Resources in Punjab, covering institutional revival and technical reorganization of Wildlife department at the provincial level through time bound plans including capacity building and incentive-driven performance regime.

The Programme “Revival of Wildlife Resources in Punjab, Green Pakistan Programme (1st Revised)” was approved by the Punjab Development Working Party (PDWP) and Central Development Working Party (CDWP) in meetings held on 07.01.2019 and 04.07.2019 respectively. The Programme was approved by the Executive Committee of National Economic Council (ECNEC) at a total cost of “Rs. 5,890.599 million” with a gestation period of 84 months (2016-17 to 2022-23). The Programme was executed by the Punjab Wildlife Department through the Director General (DG) Wildlife and Project Director with the assistance of field officers of the Wildlife Department. The audit assessed the performance of the Programme on the basis of physical completion of the project deliverables and objectives. It thus transpired that there existed no policy toolkit that can be used as guidance for proper forest management and Wildlife sanctuary preservations at the government and community levels.

Hence, the focus of the audit remained on the evaluation of deliverables within the confines of economy, efficiency, effectiveness. The efficacy of interventions, environmental sustainability, and the conformity of the interventions to the Sustainable Development Goals (SDGs) roadmap and indicators pegged, particularly to the recent three years of the project execution. Nevertheless, the interventions rolled out were to be interwoven with Programmes such as Green Pakistan, Sustainable Forest Management and Reducing Emissions from Deforestation and Forest Degradation (REDD) for tapping international funding through carbon stocks trade. As a matter of fact, the coveted nexus between parallel interventions hardly materialized. Sustainable Forest Management Project specifically included two forest types from Punjab; scrub in District Chakwal and riverine forest comprised scattered patches in three districts of Southern Punjab including Muzaffargarh, Dera Ghazi Khan and Rajanpur.

The total area of riverine patches is 13,997 hectares as per project document which consists of 26 forests spreading over an area of 4,255 square kilometers in three districts. The other site is a scrub forest with a total area of 7,859 hectares consisting of Ara, Diljabba and Parerah Forests in District Chakwal. The Punjab Forest Department after setting up its Project Management Implementation Unit (PMIU) realized that the riverine forest sites included in the Sustainable Forest Management (SFM) Project document were not suitable to meet the project objectives.

South Punjab Forest Company now exposed to winding up process was earlier a subsidiary of the Forestry, Wildlife & Fisheries Department, Government of Punjab, established under Section 42 of the Companies Act, 2017, with the Registrar Joint Stock Companies, Lahore. The Company aims to seek private investment alongside public money, for raising tree plantations, to reduce deforestation in Punjab and to combine forest conservation with sustainable economic development. However, the Company has not been made bound to focus on indigenous plant species but is replacing indigenous plant species with fast growing exotic plant species for economic benefits. A total of 8 forests out of 26 forests of the SFM Project sites were assigned by the government of Punjab to the South Punjab Forest Company with a total area of 5,085 hectares. An area of about 2,300 hectares proposed in the SFM project document is under the river bed. On the other hand, a significant portion of soil is eroded along the river every year making these areas unsuitable for project interventions. An area of about 6,232 hectares is without forest and is used as rangelands by local people for grazing their livestock which is heavily degraded. Some of these rangelands are encroached upon by local influentials and are not under the control of Punjab Forest Department. These areas are deprived of riverine plant species like *Acacia nilotica*, *Populus euphratica* and *Zizyphus nummularia* and only have grasses and stunted bushes of *Tamarix dioica*. Only an area of 1,057 hectares supports forests which is in patches scattered across the landscape. These areas do

not fulfil the criteria for High Conservation Value Forests because Wildlife species like hog deer, and partridges, are exterminated due to continuous persecution and habitat degradation.

Three main areas of focus to manage forest resources were a converging shift of focus on a synergistic blend of strategic-level management, local-level management, and communication-level management. The forest policy should have foundation of carefully organized policy research conducted by the academia ensuring the involvement of grass root level people and civil society organizations. There is a need to put people at the center of development such as poverty reduction, economic reform and sustainable development.

On detection of the audit, an amount of Rs.45.85 million was recovered and the same was verified by audit during Departmental Accounts Committee (DAC) meetings.

Forest Component-Key Audit Findings:

Some of the major audit findings highlighted by the audit are:

- i) Wastage of public resources due to unsatisfactory success ratio for survival of plants-Rs 369.77 million¹
- ii) Loss due to damage of 1,219 Acre area by floods-Rs 109.54 million²
- iii) Misconceived planning parameters without due diligence, at the feasibility stage and delay in Project Revision -Rs 1,045 million³
- iv) Loss to Govt. due to non/less deduction of taxes-Rs 23.44 million⁴

1 [4.1.1]

2 [4.1.2]

3 [4.1.4]

4 [4.2.2]

- v) Bogus charging of muster rolls through double draws of labor charges-Rs 102.97 million⁵
- vi) Loss due to excess charging of plantation areas for different interventions and shortage of seedlings in nurseries -Rs 103.56 million⁶
- vii) Loss due to payments of areas for wood lot intervention over and above areas assessed in feasibility reports -Rs 19.08 million⁷
- viii) Unlawful expenditure on forestry operations-Rs 2,818. 31 million⁸
- ix) Loss due to failure of planting area-Rs 178.62 million⁹
- x) Dormant role of Project Management to fulfill condition of earning carbon credits¹⁰
- xi) Wastage of public resources due to raising and maintenance of non-friendly environmental species (Eucalyptus)-Rs 1,081 million¹¹
- xii) Loss of original biodiversity and fauna due to replacement of native flora with non-native species-Rs. 112.01 million¹²
- xiii) Unrealistic arrangements for conversion of development umbrella involving vacuum preventing maintenance of plantation to non-development dispensation¹³

5 [4.2.3]

6 [4.2.6]

7 [4.2.9]

8 [4.3.1]

9 [4.4.2]

10 [4.6.2]

11 [4.6.3]

12 [4.6.4]

13 [4.7.1]

Recommendations

Keeping in view the above-highlighted irregularities audit recommends to:

- Enforce strong monitoring Geographic Information System (GIS) tools for satisfactory success ratio for the plantations
- Recover or write off the loss involved due to damage of area by flood
- Fix responsibility for non-observance of PC-I provisions besides revision of PC-I from ECNEC
- Recover loss involved because of less deduction of taxes
- Recover loss from those held responsible for being involved in bogus charging of muster rolls through double drawls besides initiating disciplinary proceedings against those responsible and stoppage of the cash payment mechanism to labourers
- Recover excess charging of planting areas and strengthen the monitoring mechanism through the GIS monitoring tool
- Recover loss from private farmers for payments of wood lot intervention areas over and above areas assessed in feasibility reports
- Regularize expenditure on forestry operations from the Finance Department
- Fix responsibility for the failure of plantation. Up-to-date failure be worked out and loss involved be recovered and deposited into public kitty
- Strengthen the role of the Project Management to earn carbon credits

- Ban plantation of non-friendly environmental species (Eucalyptus) and it may only be allowed in with elaborate definition of the dimensions of problematic areas
- Enforce plantation of native species for the sites
- Enforce immediate measures to shift 2019-20 planting crop from development mode to non-development mode for maintenance purpose

Wildlife Component-Key Audit Findings:

Some of the major audit findings highlighted by the audit are:

- Misconceived planning parameters without due diligence and delay in Project Revision by ECNEC-Rs. 5,258.92 million¹⁴
- Non-distribution/installation of equipment-Rs. 13.41 million¹⁵
- Non-establishing/developing Wildlife survey/census facilities at district level despite expenditure for Rs. 64.24 million¹⁶
- Non-utilization of Arc GIS desktop software valuing Rs. 5.54 million for three years after procurement due to non-hiring of staff¹⁷
- Loss to government due to purchase of birds for Rs.4.17 million at higher rates & non-recovery of Rs. 2.28 million for unsupplied birds¹⁸

14 [9.1.1]

15 [9.1.2]

16 [9.1.3]

17 [9.1.4]

18 [9.3.1]

- Non-transparent expenditure for procurement of drone cameras etc.-Rs.21.87 million¹⁹
- Weak Financial Management for issuance and utilization of Technical Supplementary Grants-Rs. 651.386 million that remained unspent²⁰

Recommendations

Keeping in view the above highlighted irregularities, audit recommends to:

- Fix responsibility for non-observance of PC-I provisions, besides seeking revision of PC-I from ECNEC
- Inquire the matter for non-distribution/installation of equipment
- Fix responsibility for non-establishing Wildlife survey/census facilities at district levels besides early establishment of census facilities at targeted areas
- Initiate inquiry for wastage of public resources besides ensuring early hiring of staff to achieve Programme deliverables
- Inquire into the matter for purchasing birds at higher rates besides ensuring early recovery of loss involved
- Fix responsibility for procuring items without observing Punjab Procurement Rules, 2014
- Initiate inquiry for non-utilizing the funds impacting on project deliverables

19 [9.4.5]

20 [9.6.1]

FOREST COMPONENT

1. INTRODUCTION

Forests play an important role in supporting and maintaining ecological systems and cycles. The share of the Forestry sector in National Gross Domestic Product (GDP) is estimated at 0.33 %, mainly due to non-valuation of environmental and ecological services of forests. The Punjab Forest Department is responsible for developing, maintaining, conserving and maximizing forestry sector resources in the province of Punjab for sustainable development, biodiversity, environmental conservation, and improving the quality of life but the Province of Punjab has only 3.1 % of its area under forests which is the lowest in the country.

Keeping in view the significance of forest in ecological systems, the Prime Minister of Pakistan directed the Ministry of Climate Change on 11th January, 2016 to develop an umbrella PC-I with the aim of launching a country-wide drive to improve and enhance forest cover of the country. The Ten Billion Tree Tsunami Programme (Phase-1)-Up-scaling of Green Pakistan Programme (Revised) was cleared by the PDWP and CDWP in meetings held on 07.01.2019 and 04.07.2019 respectively. The Programme was approved by the ECNEC in its meeting held on 29.08.2019 at a total cost of Rs 26,357.382 million, with a gestation period of 84 months (2016-17 to 2022-23).

The Programme is in line with relevant components on Environment and Climate Change in Vision 2025 and 11th Five Year Development Plan (2013-18) approved by the Planning Commission. The framework of Millennium Development Goals (2000-2015) expired on 31st January, 2016. The International 2030 UN Development Agenda

known as SDGs cover the way for environmentally sound solutions. Under SDG target 15.2, the Government is committed to protecting, enhancing and sustainably managing its forest areas by 2030.

The aim of the Programme was to:

- Increase tree cover through up-scaling Programme by planting
- Mitigate the climate change and adverse effect of the Carbon Emissions

Forest cover spreading over 160,209 Acres and 40,599 Avenue Miles (Av.M) area through 27 interventions was targeted in PC-I for raising of 419,233,629 plants. The main interventions selected to increase tree cover by plants were Potted/Bed nurseries, Canal Side, Dry Afforestation Scrub Forest, Coniferous-Forest (Closures) and Roadside plantations, etc. The major species planted were Eucalyptus, Shisham, Kikar, Tun and Arjan etc. The Programme was executed by Punjab Forest Department through respective Chief Conservators of Forests and Project Director with the assistance of Divisional Forest Officers.

Funds were to be released by the Government of the Pakistan through the Ministry of Climate Change and Government of Punjab through the Punjab Forest Department at an equal share of 50 % each under development Grant 36 and to be placed in the budgetary cost centers of respective executing components.

The year wise budget and expenditure of the Programme is detailed below:

(Rupees in million)

Year	PC-I Allocation			Released Amount			Utilization			Unutilized Funds
	ADP	PSDP	Total	ADP	PSDP	Total	ADP	PSDP	Total	
2019-20	2,414.748	2,480.640	4,895.388	1,468.233	1,581.670	3,049.903	1,354.705	1,561.095	2,915.800	134.103
2020-21	3,419.138	3,419.138	6,838.276	1,443.264	982.520	2,425.784	1,404.666	982.520	2,387.186	38.598
2021-22	4,003.402	4,003.401	8,006.803	2,567.153	2,402.715	4,969.868	2,432.927	2,158.557	4,591.484	378.384
Total			19,740.467			10,445.555			9,894.47	551.085

Source: Project Director, Ten Billion Tree Tsunami Programme/Green Pakistan Programme.

The year wise funding shortfall is as under:

(Rupees in million)

Year	PC-I Allocation			Released Amount			Funding Shortfall		
	ADP	PSDP	Total	ADP	PSDP	Total	ADP	PSDP	Total
2019-20	2,414.748	2,480.640	4,895.388	1,468.233	1,581.670	3,049.903	946.515	898.970	1,845.485
2020-21	3,419.138	3,419.138	6,838.276	1,443.264	982.520	2,425.784	1,975.874	2,436.618	4,412.492
2021-22	4,003.402	4,003.401	8,006.803	2,567.153	2,402.715	4,969.868	1,436.249	1,600.686	3,036.935
Total	9,837.288	9,903.179	19,740.467	5,478.65	4,966.905	10,445.555	4,358.638	4,936.274	9,294.912

Source: Project Director, Ten Billion Tree Tsunami Programme / Green Pakistan Programme.

2. AUDIT OBJECTIVES

The audit aimed to assess whether the deliverables of the Programme were being achieved. The audit was conducted with the objectives to:

- Evaluate environment impact assessment report as to probity and propriety with respect to the kind of plants and selection of planting sites
- Check the conformity of the policy objectives of the government
- See whether the proper procurement procedures were adopted
- Evaluate the proper contracts that were signed and enforced
- Check that the project objectives did not overlap with the already running afforestation schemes
- Check whether the milestones laid down in PC-I were being achieved without any deviation from the laid down provisions
- Check that the project targets were achieved
- Check the internal control mechanism
- Check financial irregularities, unauthorized payments, and calculation errors
- Check that economy efficiency and effectiveness aspects were being adhered to in achieving the project objectives
- Check that the statutory regulations of tax deductions were enforced
- Check that the necessary post plantation care was taken for the saplings to survive

- Check that the necessary monitoring and evaluation was carried out as per requirements and regular M & E report was generated
- Check sample/test physical verification of the area of plantation
- Check the number and type of plants, suitability of plants and areas

3. AUDIT SCOPE AND METHODOLOGY

3.1 Audit Scope

The Auditor-General of Pakistan is the Supreme Audit Institution that supports parliamentary oversight by promoting accountability, transparency, and good governance in the management and use of public resources through its independent and objective reporting. During the review committee meeting of the Ten Billion Tree Tsunami Programme held on 16th and 17th December, 2020, it was decided that special audit of the project for the period 2019-2022 may be carried out both for the Federal and Provincial Components to check any deviation from approved PC-I.

The federal component includes 100% financing to Islamabad, AJK, and GB, whereas 50% financing (PSDP share) was to be made on the approved PC-Is to the Provinces. Hence, the audit activity was to cover the PSDP and Annual Development Plan (ADP) share of all provinces. The audit scope included a review of expenditure and achievement of objectives in accordance with PC-I for the period 2019-2022.

3.2 Methodology

The following audit approach was adopted during execution of the Special Audit:

- Evidence was primarily gathered by applying procedures like inquiries from the management, review of policy documents and monitoring reports, examination of payment vouchers, collection, interpretation and analysis of primary, secondary and own sources data
- Analysis of planting data in the light of PC-I provisions

- Physical inspection of selected sites was carried out to verify outputs and targets achieved
- Scrutiny of record in the light of approved Terms of Reference (TORs)

4. AUDIT FINDINGS AND RECOMMENDATIONS

Audit findings and recommendations are divided into nine segments i.e., Achievement of Project Objectives, Organization & Management, Financial Management, Procurement & Contract Management, Asset Management, Monitoring and Evaluation, Compliance with Grants, Environment and Sustainability which have briefly been drafted in the shape of audit observations hereunder.

4.1 Achievement of Programme Objectives

Audit assessed the performance of the Programme on the basis of physical completion of the objectives and found that planned targets were only partially achieved. Certain works were executed beyond the approved scope of PC-I interventions. The Programme was marred with the following deficiencies:

4.1.1 Wastage of public resources due to unsatisfactory success ratio for survival of plants-Rs 369.77 million

According to agenda item No.02 of the 1st meeting of the Provincial Project Steering Committee (PPSC) for implementation of Development Project “Ten Billion Tree Tsunami Programme (Phase-1)/Up-Scaling of Green Programme (Revised)” held on 12th May 2020, 70 % is the acceptable ultimate survival for the plantation.

During the Special Audit of the Programme for the period 2019-2022, a review of the departmental monitoring reports [(2019-2020-2nd Half) and (2020-21-1st Half)] revealed that despite site visits by the Divisional Forest Officers, the percentage plantation success ratio was far less than the benchmark of 70 % acceptable limit as decided in above PPSC meeting. No adequate corrective measures were taken to minimize the damages.

The brief detail is as under:

Sr. No	Success % age range as per monitoring reports	Number of Sites	Amount (Rs)
1	00-25	49	46,640,368
2	25-50	164	104,143,503
3	50-65	157	218,989,125
Total		367	369,772,996

It is further added that monitoring is primarily a domestic tool to allow Pakistan to assess a broad range of forest information, including REDD+ activities. Measuring, Reporting and Verification (MRV) function has three main components, or ‘pillars’:

- (a) Satellite land monitoring system (SLMS) for assessment of forest area change
- (b) National forest inventory (NFI) for estimation of forest carbon stock
- (c) National greenhouse gas inventory (GHG-I)

The key objectives of the National Forest Monitoring System (NFMS) are as follows:

- National forestry data integration, synchronization, and harmonization
- Adopt advanced tools and techniques of forest monitoring and change assessment
- Scientifically reliable and transparently measure forest carbon stocks and emissions
- Regularly assess forest health and ecosystem benefits
- Assess the contribution of mega forestry initiatives such as Ten Billion Tree Tsunami Programme for climate change mitigation and green agenda

- Support Provincial forestry departments with modern tools for digital forest mapping and inventorying
- NFMS has been designed based on advanced tools and techniques of forest measurements and monitoring customized in a national context and keeping in view that it uses “Free and Open Source” datasets and software for measurement and monitoring of forests on a sustained basis

The assessment of the interventions and their survival rates was not undertaken in the manner prescribed within the ambit of REDD+.

Lapse occurred due to poor planning, weak selection of planting sites without preparing environmental impact assessment studies for the areas and planting non-friendly species for the sites.

This resulted in wastage of public resources valuing Rs 369,772,996 (Detail is at Annexure-1) due to poor and unsatisfactory success ratio.

The matter was pointed out in February, 2023. Management replied that the 70% success rate is bench mark after establishment of crop. The monitoring reports are expressing the success rate during the execution due to which the %age mentioned had under weightage. As and when the crops will establish, then the success rate would be confirmed. The plantation areas are under the control of concerned Divisional Forest Officers who are executing the field works. The concerned officers have taken appropriate/ disciplinary action where the sites have failed and recovery was imposed against the concerned official to make good the Government loss. Further, final result of success would appear after the completion of project and evaluation by the DG Monitoring and Evaluation (M&E) of Planning & Development (P&D) Board. The reply was evasive because as per monitoring reports, the %age success ratio was

too low i.e., for 49 sites, plantation success ratio was 0 % to 25 %, for 164 sites it was 25 % to 50 % and for 157 sites the success slab was 50 % to 65 % i.e., far below the bench mark of 70 % set by the Provincial Project Steering Committee. Further, neither responsibility for the low success ratio was fixed nor loss involved had been recovered and deposited into Government treasury.

The matter was also reported to the Principal Accounting Officer (PAO). In DAC meeting held on 22nd June, 2023 the committee in case of Sr. Nos. 01 and 02 kept the paras pending for probe at administrative level and in case of Sr. No. 03 kept the para pending for recovery of Rs 30,950,019 (Detail is at Annexure-1 a).

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter be inquired at the administrative department's level for fixing responsibility for the wastage of resources. Up-to- date loss involved be worked out, recovered and deposited into public kitty besides strengthening controls to avoid recurrence of such lapses in future.

4.1.2 Loss due to damage of 1,219 Acre area by flood-Rs 109.54 million

As per paragraph 2.4 (i) of Forest Manual Vol-II, "the Divisional Forest Officer is the custodian of forests/forest produce and will be responsible for proper management of the forest business and the finance of his division".

Rule 2.33 of Punjab Financial Rules (PFR) Vol-I requires that "every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part".

During the Special Audit of the Programme for the period 2019-2022, it was noticed that 1,219 Acre area was completely damaged by the flood as detailed below:

Sr. No	Name of Formation	Period of Audit	PDP No	Area damaged by flood	Amount (Rs.)
1	Divisional Forest Officer, DG Khan	2019-2022	2023-0000000065_F00320 & 2023-0000000065_F00321	975 Acre	95,758,872
2	Divisional Forest Officer, Muzaffargarh	2019-2022	2023-0000000065_F00222	128 Acre	11,574,015
3	Divisional Forest Officer, Mianwali	2019-2022	2023-0000000065_F00310	71 Acre	1,558,177
4	Divisional Forest Officer, (Ext) Sargodha	2019-2022	2023-0000000065_F00371	45 Acre	652,250
Total				1,219 Acre	109,543,314

It was further observed that Sustainable Forest Management Project included riverine forest comprised scattered patches in three districts of Southern Punjab including Muzaffargarh, Dera Ghazi Khan and Rajanpur. The total area of riverine patches is 13,997 hectares as per project document which consists of 26 forests spreading over an area of 4,255 square kilometers in three districts.

The Punjab Forest Department after setting up its PMIU realized that the riverine forest sites included in the SFM Project document were not suitable to meet the project objectives due to various reasons which are summarized below;

- A total of 8 forests out of 26 forests of the SFM Project sites were assigned by the government of Punjab to the South Punjab Forest Company with a total area of 5,085 hectares.
- An area of about 6,232 hectares is without forest and is used as range lands by local people for grazing their livestock which is heavily degraded. Some of these

rangelands are encroached on by local influentials. Only an area of 1,057 hectares supports forests which is in patches scattered across the landscape.

These areas do not fulfil the criteria for High Conservation Value Forests because Wildlife species are facing extermination due to continuous persecution and habitat degradation.

Audit is of the view that the lapse occurred due to weak planning and supervisory controls.

This resulted in approximate loss of Rs 109,543.314 to public exchequer due to wrong selection of planting sites for Ten Billion Tree Tsunami Programme (TBTTP).

The matter was pointed out in February, 2023. Management at Sr. No. 03 replied that the wooded land at Namal Lake was established during the year 2021-22. Planting was done in the month of March and April, 2022. The site was suitable for plantation and its maintenance, but unfortunately due to monsoon rains in 2022, where the whole of the country was affected, the plantation along Namal Lake was also destroyed by the flood water coming from nearby broken dams/ bunds embanked near village Lawa. It was totally damaged due to nature's harshness. The case for writing off the loss sustained to Government is being processed and would be submitted to competent authority. The reply was not satisfactory as public exchequer sustained heavy loss due to wrong selection of planting sites.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, paras were kept pending for recovery or writing off the loss from the competent authority.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that loss involved either be recovered or written off from the Finance Department besides strengthening financial and administrative controls to avoid recurrence of such lapses.

4.1.3 Non-execution of Third-Party Monitoring and Evaluation

According to Pages 23 to 25 of PC-I of “Ten Billion Tree Tsunami Programme(Phase-1), Up-scaling of Green Pakistan Programme (Revised)” , a data base repository would be developed on the basis of satellite imagery to support planning and monitoring of major forest resources in the province. External Evaluation shall be carried out through an independent organization selected through a competitive bidding process and approval by the competent forum. The external evaluation party will submit verification/validation of the areas and independent report submission to Project Management Unit (PMU) on plantation carried out under the Project, planting Programme in designated forests, waste and farmlands. It will also be carrying out validation of record like plantation journal, nursery journal, case studies photos and maps”.

During the Special Audit of the Programme for the period 2019-2022, it was observed from the GIS monitored report for the period 2019-20 prepared by the Ministry of Climate Change that 509.67 Acre and 337.72 Av.M area was excessively charged by the Management. But for the period 2021-22, no external evaluation was carried out through an independent organization in violation of PC-I provision.

Audit is of the view that lapse occurred due to poor execution and monitoring mechanism at managerial level.

Due to non-execution of third-party monitoring and evaluation, the validation of record for key aspects like actual areas planted under different interventions with number of on ground plants, plantation journal and nursery journal etc. could not be ensured.

The matter was pointed out in February, 2023. Management replied that an independent monitoring mechanism has been devised by the Federal Government (Ministry of Climate Change) i.e., Third Party Validation Consortium. The Consortium consists of WWF, IUCN and FAO. The letter of understanding and 1st monitoring report of the consortium were provided to the audit team. The reply was not satisfactory because no external third-party monitoring and evaluation for the period 2021-2022 was provided which also entailed a violation of PC-I provision.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023 the para was kept pending for third party external evaluation for the period 2021-22 from competent forum.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at administrative department's level for fixing the responsibility for violating PC-I provision and strengthening controls to avoid recurrence of such lapses in future.

(PDP No. 2023-0000000065_F00024)

4.1.4 Misconceived planning parameters without due diligence and delay in Project Revision by ECNEC-Rs 1,045 million

As per Para 2.46 of the Manual for Development Projects of the Planning Commission “once approved, the executing agency is required to implement the project in accordance with the PC-I provisions. It has no authority to change or modify any approved parameter of the project. If the project executing agency determines (based on detailed justification) that the project cannot be implemented under the approved parameters and it requires revision of scope, physical components or financial allocation, a revised PC-I must be submitted to the competent forum for approval”.

During the Special Audit of the Programme for the period 2019-2022, it was observed that the Project was executed with misconceived planning and without due diligence, due to violations of Planning Commission-1(PC-1) provisions as briefed below, the deliverables of the Project were achieved sub optimally.

- i) 160,209 Acres and 40,599 Av.M area through 27 interventions was targeted in PC-I for raising of 419,233,629 plants. The management could only achieve target of 105,943 Acre and 22,745 Av.M area in raising 281,461,494 Plants. Thus 54,266 Acres and 17,854 Av.M area for raising of 137,772,135 plants were less achieved. The planting shortfall for the three years was sizeable.
- ii) 7,891 Acres and 250 Av.M area plantations were executed for raising of plants beyond the scope of PC-I interventions. The % ages of enhanced scope for four interventions were 7 %, 17 %, 100 % and 250 %.
- iii) The mode of plantation on canal side intervention was “planting through stumps for species like Shishum, Kikkar, Tun, Argan etc. whereas plantation was made through procurement of plants at rates higher than estimations of rate analysis.
- iv) Costs of weeding operations, carriage of plants, punching and filling etc. were charged beyond the approved scope of the interventions.

Moreover, it was also observed that the interventions rolled out were not to be interwoven with other Programme for tapping international funding through carbon stocks trade. But the coveted linkage between parallel interventions hardly materialized

The audit is of the view that the lapse occurred due to weak planning, execution, and monitoring mechanisms at the managerial level.

This resulted in irregular expenditure of Rs 1,454,398,063 (Detail is at Annexure-2) due to excessive deviation from planning parameters contrary to what was set forth in provisions of PC-I.

The matter was pointed out in February, 2023. Management replied that the overall targets of the project could not be achieved during the project period due to provision of short funding. The scope was increased to enhance number of plants and to decrease the per plant cost. The mode of plantation and weeding operations etc. were carried out as per approved work plans. Replies were not satisfactory as forestry operations were not carried out as per planned PC-I provisions.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023 the contention of the department was not accepted and paras were kept pending for fixing responsibilities for deviations and departure from PC-I provisions and also to seek earliest revision of PC-I from ECNEC.

Further progress was not reported by the department till the finalization of this report.

Audit recommends initiation of an inquiry, fixing the responsibility for non-adherence to PC-I provisions besides seeking revision of PC-I from ECNEC.

4.1.5 Defective maintenance of compartment history files

According to Page 23 of PC-I “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised)”, the Divisional Forest Officer (DFO) concerned will ensure that compartment history file is maintained having maps of plantation,

quality and quantity of work done, GPS coordinate record of the area and updating of history files.

According to Para 91 (Chapter VIII) of the West Pakistan Forest Manual Vol-III, “The compartment history is a record of the past and present history of the forest. The compartment histories will consist of separate files for each compartment. In Form-3, a complete detail, year wise record of soil preparation, fencing, planting and sowing, tending and irrigation shall be maintained in Form-3”.

As per minutes of the meeting of Provincial Project Steering Committee dated 12.05.2020 (agenda item No. 2), all the Conservators of Forest had certified in the PC-I that the areas proposed under the project were blank and not planted in the last ten years. Hence, “there would be no duplication of works at site”.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, a review of the compartment history files revealed that instead of updating Form-3, having previous record of soil preparation, fencing, planting and sowing etc. under TBTTP, new Form-3 in compartment history files were prepared.

It was further observed that the detachment of Form-3 from asset inventories had an intractable bearing on camouflaged cases of theft and pilferage. The magnitude of these reported instances is manifest in condensed summary of recoverable dues apportioned to forest employees and contractors against whom demand of recovery stood established to the tune of Rs 4,490.82 million (Detail is at Annexure- 3a)

Audit is of the view that the lapse occurred due to weak administrative and supervisory controls.

Authenticity of actual work done under TBTP by different Divisional Officer (Detail is at Annexure-3b) could not be ensured due to deliberate exclusion of past planting record by the management.

The matter was pointed out in February, 2023. Management at Sr. No. 4 replied that the areas tackled under Programme were blank and never tackled under any project. There was no history of these areas. All the detail of works carried out at sites tackled under Programme are recorded in history files. The reply was not satisfactory because history files containing old/previous plantation record in updated Form-3 were neither maintained as per provision of the law nor evidence of such updated history of past plantation was furnished in support of contention. Management at Sr. No 6 replied that the compartment history files of the areas have been prepared separately as per directions of high ups while old history files are available. There is no duplication in the areas. Reply was not satisfactory as history files containing old/previous plantation record in updated Form-3 were neither maintained as per provision of the law nor evidence of such updated history of past plantation was furnished in support of contention.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the management did not produce documentary evidence showing the execution of work at new sites i.e., survey reports before plantation to audit. Paras were kept pending for compliance.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter be inquired into at administrative department's level. Responsibility for defective maintenance of history files be fixed besides strengthening financial controls to avoid recurrence of such lapses in future.

4.2 Financial Management

The Special Audit of the Programme revealed that management did not develop comprehensive cash and work plans which resulted in weak financial management. Purchases were made in violation of financial rules etc. Bogus/excess charging valuing Rs 102.97 million and non-deduction of taxes Rs. 23.44 million at source caused loss to the public exchequer. Audit pointed out irregularities on this account which are elaborated below:

4.2.1 Non-framing of Rules for processing and handling of Endowment Fund-Rs 145.08 million

According to Clause C (Page-20) of PC-I “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised)”, the Endowment Fund shall be created through Seed Money of Rs 5.000 million under the object code AO3970-066 (Sowing Planting) as provided in Appendix-II (Up-Scaling) for the year 2019-20. Further funding will be generated through the sale price of the planting stock on support price. The processing and handling of the Endowment Fund will be made according to the Rules which will be prepared and got approved from the competent forum.

During the Special Audit of Divisional Forest Officer, Sheikhpura /Nankana Sahib (Ten Billion Tree Tsunami Programme / Green Pakistan Programme Component) for the period 2019-2022, it was observed that a seed money of Rs 5,000,000 was drawn vide Cheque No. 861013 dated 18.06.2020 for establishment of Endowment Fund (Account No. 6580205309800013 maintained at Bank of Punjab Civil Secretariat Branch Lahore).

The main purpose for creation of fund was distribution of plants on support price basis. Not a single penny was drawn from fund for the

purpose. An accumulated balance of Rs 145,087,328 was lying unspent as on 30.06.2022 due to non-framing of Rules for the processing and handling of the Fund.

Audit is of the view that the lapse occurred due to weak supervisory and financial controls.

The distribution of plants on support price could not be initiated due to non-framing of Rules which killed the very purpose of Government initiative.

The matter was pointed out in February, 2023. Management replied that account was opened with the approval of the Finance Department. The term and condition of endowment fund were notified by the competent authority. The reply was not satisfactory because mandatory Rules for processing and handling of Endowment Fund were not prepared and got approved from the competent forum in violation of PC-I provision.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023. The Committee kept the para pending for framing Rules for the processing and handling of the Endowment Fund.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at administrative department's level for fixing responsibility for non-adherence to PC-I provisions besides framing rules for processing and handling of fund at the earliest for maximum utilization of funds for serving the purpose of its creation.

(PDP No. 2023-000000065_F00029)

4.2.2 Loss to Govt. due to non/less deduction of taxes-Rs. 23.44 million

According to Section 153 (1) (a & b) of Income Tax Ordinance 2001, read with Finance Act 2020, rate of withholding tax on sale of goods is 4.5 % for filer and 6.5 % for non-filer whereas rate of withholding tax on services is 10 % for filer and 15 % for non-filer. Further, as per Section 149, the rate of income tax on salaries is 5 % of the amount above 600,000 to 1,200,000. Section 7 (1) of the Punjab Sales Tax on Services Act, 2012 states that the value of a taxable service is the consideration (by whatever name called such as charges or price) in money including all the Federal and the Provincial duties, taxes or charges, if any, which the person providing a service receives from the recipient of the service but does not include the amount of the tax. As per Serial No.22 of Sixth Schedule of Sales Tax Act, 1990, the single cylinder agriculture diesel engines (compression-ignition internal combustion piston engines) of 3 to 36 HP are exempted from Sales Tax. Further, as per Section 22(A)(b) of Schedule-I of Stamp Act 1899 read with Finance Act 1995 (Act-VI of 1995), the Government of the Punjab levied the stamp duty on the contracts entered into for procurement of stores and materials by a contractor with Government, Agencies or Organizations set up or controlled by the provincial government at the rate of 25 paise for every Rs. 100 or part thereof of the amount of contract.

During the Special Audit of the Programme for the period 2019-2022, it was observed that Income Tax, Punjab Sales Tax (PST), General Sales Tax (GST) and Stamp Duty were either not or less deducted from the claims while making payments to suppliers/service providers.

Audit is of the view that the irregularities occurred due to weak supervisory and financial controls.

The non/less deduction of taxes resulted into loss of Rs 32,639,400 (Detail is at Annexure-4) to public exchequer due to non/less deduction of taxes.

The matter was pointed out in February, 2023. Management at Sr. No. 03 replied that Rs 1,347,562 has been recovered during February, 2023 whereas balance amount of Rs 1,474,575 would be recovered during 2022-23. No evidence for recovery of Rs 1,347,562 was furnished with the reply. Management at Sr. Nos. 8, 13, 14, 15, 32 & 44 contended that contractor/suppliers had deposited Rs 2,915,370 in Government Treasury but evidences of deposits duly verified by the quarters concerned were not furnished with the replies.

The matter was also reported to the PAO. The DAC meetings was held on 22nd June, 2023 wherein recovery of Rs 5,607,799 and record of Rs 3,585,584 was verified. Para was reduced to Rs 23,446,015 (Detail is at Annexure-4a) for early recovery of balanced amount.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter for fixing responsibility and making good the loss involved and depositing the same into public kitty besides strengthening controls on taxation.

4.2.3 Bogus drawls of laborer's charges through muster rolls through double drawls, managing CNICs of tax payers, serving employees and retired officials-Rs. 102.97 million

According to Para 15.69 of the West Pakistan Forest Manual Volume-II, "For works executed by labourers, whether paid by the day or otherwise, must be kept showing the names of labourers, the number of days they have worked, rate of pay and the amount due to each. This nominal muster roll is the initial record of the labourers employed each day on each work and must be written up daily by the subordinate deputed

for the purpose”. Para 15.70 of the Manual *ibid* elaborates that “Muster rolls of coolies on daily labourers must invariably be kept on the usual printed forms (Form No. 23) and must remain in the possession of the officer in charge of the works until submitted to his superior”. Paras 15.71 (i & iv) further elaborates that “Muster rolls are to be prepared daily on the work. Guards or other officers in charge of works will always have these bills with them on the work and will produce them for check whenever required to do so”.

Rule 2.31 (a) of P.F.R Vol-1 states that “A drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations”.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, a review of the soft data of muster roll payments revealed that public exchequer sustained a loss of Rs 151,415,468 due to following reasons:

- In 9,677 cases, muster rolls of coolies on daily labourers were charged twice with same names and CNIC numbers in two different muster rolls for different works of the same month
- In 2935 cases, Rs 34,785,631 was shown paid to coolies (holders of ID card numbers) which as per active tax payer list of Federal Board of Revenue (FBR) were businessmen etc.
- In 2879 cases, muster roll payments valuing Rs 34,528,936 were made to holders of CNIC numbers which were serving Government employees or pensioners.

Audit is of the view that lapse occurred due to weak financial and supervisory controls.

Bogus draws through muster rolls caused an approximate loss of Rs 151,415,468 (Detail is at Annexure-5) to the public exchequer.

The matter was pointed out in February, 2023. Management replied that there are no tools or mechanisms by which the Forest Guard can identify that the person approaching for working as daily wage labourers is an employ of any organization or he is active tax payer. However, disciplinary proceedings have been initiated against the Forest Guards and Block Officers who charged double draws and showed names of Govt. Employees in their Muster Rolls.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The department contended that soft muster roll data provided to audit was defective due to typing errors. Actual recoverable amount comes to Rs 136,791,199 instead of Rs 151,415,468. Rs 33,814,981 had been recovered and deposited into head G-10402-Forest Remittances leaving a recoverable balance of Rs 102,976,218. Audit stressed that recovered amount should be deposited into head C-03328-Recoveries of overpayments. The Committee kept the paras pending with reduced balanced recoveries of Rs 102,976,218 (Detail is at Annexure-5a).

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at administrative department's level for fixing responsibility, recovering loss and depositing the same into treasury besides strengthening financial controls to avoid recurrence of such lapses in future.

4.2.4 Loss due to un-authorized payments to farmers on account of procurement of peter engines for wood lots interventions without provision in PC-I-Rs 5.07 million

According to Appendix-III (Wood Lots Up-scaling) of “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), the total per Acre cost for wood lots is Rs 56,174. The Government and Farmer’s Share @ 70 % and 30 % is Rs 39,322 and 16,852 respectively. In cost break up of Appendix-III (Wood Lots Up-scaling), there is no provision for procurement of peter engines for farmers.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that Rs 5,070,000 was drawn and paid to 117 farmers as 70 % share for procurement of peter engines for execution of wood lots interventions during 2019-20 without any provision in cost break up of PC-I. The detail is as under:

Sr. No	Name of Formation	Period of Audit	PDP No.	No of Farmers	Amount (Rs)
1	Divisional Forest Officer, Bhakkar	2019-2022	2023-0000000065_F00104	63	2,205,000
2	Divisional Forest Officer, Mianwali	2019-2022	2023-0000000065_F00304	37	2,200,000
3	Divisional Forest Officer, Khushab	2019-2022	2023-0000000065_F00116	17	665,000
Total					5,070,000

Audit is of the view that the lapse occurred due to weak administrative and financial controls.

This resulted in loss of Rs 5,070,000 to the Government due to unauthorized payment of 70 % share of peter engines to farmers without any provision in cost analysis of intervention Appendix-III (Wood Lots Up-scaling).

The matter was pointed out in February, 2023. Management at Sr.No.01 replied that payments were made to farmers for procurements of peter engines as per cost break up. Budget was also released during 2019-20 for the purpose. Later on, such facility to the farmers was not provided during 2021-22. The reply was not satisfactory because payments to selected farmers for procurement of peter engines were made without any provision in cost break up of Appendix-III for the intervention.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, paras were kept pending for recovery.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at the administrative department 's level for fixing responsibility for the lapse and making recovery of loss involved, besides strengthening controls to avoid recurrence of such lapses in future.

4.2.5 Irregular expenditure due to doubtful billings-Rs. 1.88 million

Rule 2.31 (a) of P.F.R Vol-1 states that “A drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations”.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that funds were drawn from public kitty through doubtful billing by generating coloured copies of the bills of supplier from colour printers, drawing fake TA bills and charging of maintenance charges for the sites.

Audit is of the view that the lapse occurred due to weak financial and supervisory controls.

Inefficient and ineffective payment mechanism resulted into loss of Rs 1,886,095 (Detail is at Annexure-6) to the public exchequer due to doubtful billings.

The matter was pointed out in February, 2023. Management at Sr. No. 02 replied that the officers/officials who claimed travelling were present in their touring stations, whereas they travelled after office timings. Normally, the office staff marks their attendance early in the office timing. Their attendance/presence is considered even during the visit on the basis of their compliance. During field visit officers/officials cannot be considered as absent from Office. Therefore, the attendance marked was correct and the touring time and date is mentioned on travelling allowance. The reply was not satisfactory being evasive.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023 paras were kept pending for enquiry at administrative 's level to dig out the actual facts.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at administrative department's level for fixing responsibility for doubtful draws. Loss involved may be recovered and deposited into Government Treasury besides strengthening financial controls to avoid recurrence of such lapses in future.

4.2.6 Loss due to excess charging of plantation areas for different interventions and shortage of seedlings in nurseries-Rs. 103.56 million

According to PC-I Page 24 of "Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme

(Revised)”, the Chief Conservator of Forests of the region has to ensure policy coherence regarding project concept and guide the field staff on course correction. Overall, he is responsible for correctness of entire development works carried out in his jurisdiction under the project. He has to monitor and inspect the work done.

During the Special Audit of the Programme for the period 2019-2022, a review of monitoring report for the period 2019-20 prepared by Ministry of Climate Change revealed that there was a significant error in total area planted by the management and measured by the GIS Analysts as detailed below:

- i) In 81 selected planting sites 2,858.05 Acres and 1,427.37 Av. M area was claimed planted by the Management whereas 2,348.38 Acres and 1,089.65 Av. M was measured by GIS Analysts by physical on-site recording of GPS coordinates along the boundary of each plantation site. Thus 509.67 Acre and 337.72 Av. M area was excessively charged.
- ii) Similarly, in 07 selected bed nursery sites, against the total claim of 777,700 seedlings, 230,092 seedlings were monitored leaving a shortage of 547,608 seedlings at selected sites.

Audit is of the view that the lapse occurred due to weak supervisory and internal controls.

This resulted in approximate loss of Rs 103,564,145 (Detail is at Annexure-7 & Annexure-8) to public exchequer due to excess charging of planting area and short fall of 1,144,086 number of plants claimed raised by the management and short fall of 547,608 seedlings at sites.

The matter was pointed out in February, 2023. Management replied that the monitoring report of the Third-Party Validation Consortium was sent to the field formations for their comments and objections if any. The field formations have raised technical objections and provided fact-based comments those have been submitted to the Third-Party Validation Consortium for analysis and rectifications if any. Till finalization of the monitoring reports, loss of Government is not established. The reply was not satisfactory because areas were measured by GIS Analysts through physical on-site recording of GPS coordinates along the boundary of each plantation site. Further, no details of action taken so far by the department on the matter were furnished with the reply.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the contention of the management was not accepted and para was kept pending for investigation and recovery of loss involved.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at administrative department's level for fixing responsibility, recovering the loss and depositing the same into treasury, besides ensuring strengthening of financial and supervisory controls to avoid recurrence of such lapses.

(PDP No. 2023-0000000065_F00023 & F00026)

4.2.7 Doubtful drawl of repair/re-digging operation works-Rs. 12.73 million

According to Appendix-III (Dry Afforestation Scrub Forest on Govt. Land) of PC-I "Ten Billion Tree Tsunami Programme (Phase-1), the particulars of yearly works for intervention are:

- Earth work for digging of trenches, making of troughs, pits and ridges and kacha bands etc.

- Cost of collection/purchase of seed.
- Sowing/dibbling of seed.
- Repair/re-digging (25 % of 1st year earth work)

Rule 2.31 (a) of P.F.R Vol-1 states that a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, review of the forestry operations executed under intervention “Dry Afforestation Scrub Forest on Govt. Land” revealed that in 44 compartments repair/re-digging operation works in same compartments were charged within the efflux of same month or just after one or two months of charging of original earth and sowing works as detailed below:

Sr. No	Name of Formation	Period of Audit	PDP No	No of compartments involved	Amount (Rs.)
1	Divisional Forest Officer, (RM) Chakwal	2019-2022	2023-0000000065_F00068	34	10,627,625
2	Divisional Forest Officer, Extension Division Sargodha	2019-2022	2023-0000000065_F00397	10	2,111,682
Total					12,739,307

Audit is of the view that the lapse occurred due to weak supervisory and financial controls.

Unrealistic execution of repair/re-digging operations leads to the conclusion that either original earth works were poorly executed or repair/re-digging operations were fictitiously charged as gaps between operations were only for one to two months. This resulted in doubtful expenditure of Rs 12,739,307 due to excessive charging of repair/re-digging works.

The matter was pointed out in February, 2023. Management at Sr. No. 01 replied that the repair/re-digging (25% of original work) i.e., 500

Cft per acre of Dry Afforested areas is supplementary operation and it was carried out in accordance with the provision of appendix-III (Scrub Forest) at serial No. 4 of PC-I. The Repair/re-digging operation work was carried out in all afforested areas as and when required to achieve the maximum result. The reply was not satisfactory because repair/re-digging operation works in same compartments were charged within same month or just after one or two months of charging of original earth and sowing works.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023 for Sr. No. 01, para was kept pending for provision of detailed damage reports and in 2nd case para kept pending for probe and effecting recovery from responsible(s).

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at administrative department's level for fixing responsibility, recovering the loss and depositing the same into treasury, besides ensuring strengthening of financial and administrative controls to avoid recurrence of such lapses.

4.2.8 Doubtful expenditure due to non-accountal of potted plants - Rs 23.65 million

According to Additional Chief Conservator of Forests, Punjab Forest Department's Circular No. 38/1973-74/ST; dated 02.09.1973, entries of all kind of forest produce collected/converted departmentally including seeds and stumps should appear in Timber Form-7 and not in Material Form-7. The purpose of Material Form-7 is to account for all consumable articles (other than forest produce) since purchased locally for carrying out forest operations and works.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that Bhal and Plants were procured but

procured quantities were not found accounted for in Material & Timber Forms-7.

Audit is of the view that the lapse occurred due to weak supervisory and financial controls.

This resulted in doubtful expenditure of Rs 23,653,159 (Detail is at Annexure-9) to public exchequer due to non-accountal of plants.

The matter was pointed out in February, 2023. Management at Sr. No. 02 replied that the entries for the procurement of bhall and plants have been made in Timber Form 07.

Reply was not satisfactory because stock entries were missing at the time of audit.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023 paras were kept pending for probe at administrative department's level and provision of complete record.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at administrative department's level for fixing responsibility, recovering the loss and depositing the same into treasury, besides ensuring strengthening of financial and administrative controls to avoid recurrence of such lapses.

4.2.9 Loss due to payments of areas for wood lot intervention over and above areas assessed in feasibility reports for lands viable for afforestation-Rs 19.08 million

According to Page 21 of the PC-I "Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), for the wood lands interventions, the final selection of farmers in each district will be based upon feasibility report and field survey conducted by the field staff of concerned Divisional Forest Officers.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that 183 Acre area pertaining to wood lot intervention was paid to 37 private farmers over and above areas assessed in feasibility and field survey report for land feasible for afforestation. Further, in most of the cases, the ownership documents of lands were pledged with banks.

Audit is of the view that the lapse occurred due to weak supervisory and financial controls.

This resulted in approximate loss of Rs 19,083,600 (Detail is at Annexure-10) to the Government due to payments of areas for wood lot intervention over and above areas assessed in feasibility reports for lands viable for afforestation also involving the disputed ownership of lands.

The matter was pointed out in February, 2023. Management at Sr. No. 01 replied that no excess payment was made to the farmers as there is no difference of physical work and missal/fard. Further, no agreement was executed with any farmer whose land was pledged with any bank. The reply was not tenable because private farmers were paid over and above areas assessed in feasibility and field survey reports for land feasible for afforestation. Further, in most of the cases, the ownership documents of lands were pledged with banks.

The matter was also reported to the PAO. DAC meeting was held on 22nd June, 2023. In the case of Sr.No.02, para was kept pending for probe at Administrative Department's level and in remaining cases, it was kept pending for detailed verification.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter should be inquired into. Responsibility for non-adherence to PC-I provision be fixed. Up-to date

loss involved be recovered from those responsible (s) and deposited into Government account besides strengthening financial and supervisory controls to avoid recurrence of such lapses in future.

4.2.10 Doubtful expenditure due to non-maintenance of vouched account-Rs. 7.24 million

According to Para 15.128 of the West Pakistan Forest Manual Vol-II, “copies of the classified abstracts of Revenue and Expenditure Form 14, should be submitted by the Divisional Officer to the Conservator at the same time as the monthly accounts are sent to the Audit Office”.

Rule 2.20 of PFR vol-I provides that “as a general rule every payment, including repayment of money previously lodged with government for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. The particular form of the voucher applicable to the case should be used, as far as possible”. Further, according to Rule 2.31(a) of PFR Vol-I, “a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations”.

During the Special Audit of the Divisional Forest Officer, Rahim Yar Khan for the period 2019-2022, it was observed that heavy amounts were drawn for procurements of Bhal, P-bags, Potted Plants and Seed but supplier’s bills were neither available in Form-14 nor shown to audit.

Audit is of the view that lapse occurred due to weak administrative and financial controls.

This resulted in doubtful/bogus expenditure of Rs 7,249,123 due to non-maintenance of vouched account for expenditure.

The matter was pointed out in February, 2023. Management replied that bills are available which may be seen. The reply was not

satisfactory as during the course of Special Audit original bills were not available in Form-14.

The matter was also reported to the PAO. In the DAC meeting held on 22nd June, 2023, the Committee kept the para pending for inquiry at administrative department's level to dig out the actual facts.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at the administrative department's level for fixing responsibility for the lapse. Either vouched account be shown or loss involved be recovered and deposited into treasury besides strengthening financial and administrative controls to avoid recurrence of such lapses.

(PDP No. 2023-0000000065_F00257)

4.2.11 Doubtful payments to labourers through muster rolls due to missing CNIC numbers-Rs. 94.11 million

According to the instructions issued by the Secretary, FW&F Department, Lahore vide letter No.SO-Ledgri-e-4/MB/05 dated 10.10.2005, no disbursement should be made without production of ID card. The NIC number must be incorporated along with the full name and address of every labourer on the bill by every disbursing officer.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that payments to labourers were made without recording CNIC numbers on the respective muster rolls in violation of standing instructions.

Audit is of the view that the lapse occurred due to weak administrative and financial controls.

This resulted in doubtful payments of Rs 94,113,914 (Detail is at Annexure-11) to labourers due to non-transparent payments

The matter was pointed out in February, 2023. Management at Sr. No. 01 replied that the missing CNIC numbers on muster-rolls as pointed out by the audit have been amended by the concerned Range Forest Officer / Sub Divisional Forest Officer (RFO/SDFO). Reply was not satisfactory because payments to labourers were made without recording CNIC numbers on the respective muster rolls in violation of above standing instructions.

In DAC meeting held on 22nd June, 2023 paras were kept pending for recovery.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at the administrative department's level for fixing responsibility for the lapse and making recovery of loss involved besides strengthening financial and supervisory controls to avoid recurrence of such lapses in future.

4.2.12 Wastage of public resources due to inefficiency in distribution and procurement of plants-Rs. 1.07 million

According to PC-I, "Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), approximately, 2100 nursery sites would be established at proper places and about 250.0 million potted plants will be raised for consumption of forest department, distribution to local farmers and to the Government Departments for plantation purpose. The nursery raised under Green Pakistan Programme will be used during tree planting campaign to increase the tree cover in Punjab.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that procurement and distribution process of plants was inefficient due to the following reasons:

- Plants were distributed from nurseries at an average nominal price of Rs 1.23 per plant and procured from market at the same time at an average cost of Rs 8 /-plant.
- 65,900 plants were procured at a unit cost of Rs 8/- from different suppliers on quotation basis despite the fact that 2,009,075 number of plants were lying in balances of nursery stocks.

Audit is of the view that the lapse on account of inefficiency in non-distribution of plants from inventory balance in hands occurred due to weak supervisory and financial controls.

This resulted in wastage of public resources valuing Rs 1,079,923 (Detail is at Annexure-12) due to inefficient procurement and distribution of plants.

The matter was pointed out in February, 2023. Management at Sr. No 01 replied that the plants were procured through tender and utilized for afforestation in Government Forests. No plant was sold from this procurement. However as per Government policy communicated through minutes of meeting, plants raised in forest nurseries were sold/disposed on subsidized price. The reply was not tenable being evasive as retained saplings in stocks were not consumed for sowing against planned interventions.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023 paras were kept pending for probe at administrative department's level.

Further progress was not reported by the department till the finalization of this report.

Audit recommends holding an inquiry into inquiring the matter at the administrative department's level for fixing responsibility against the delinquents for the wastage of resources.

4.2.13 Un-authorized payments of Forest Advances-Rs.245.94 million

As per Para 3(a) of Section III of the West Pakistan Forest Manual Vol-II, “funds to meet current expenditure must be obtained by a cheque from the nearest treasury. Applications for the cheques should be made in time to reach the Divisional Office on the date to be fixed by the Divisional Forest Officer. The applicant should state briefly the particulars of expenditure likely to be incurred in order to satisfy the Divisional Forest Officer, that the money is wanted for the legitimate government expenses. The memo for funds should be prepared by the sub-heads and projects as given in the Range Budget Control Form. Range Officers should have as little cash balance in hand at the time of closing monthly accounts as possible. A cheque received for Forest Advance must be entered in the Range Cash Book at once and a voucher signed and submitted to the Divisional Forest Officer immediately, it should not be delayed until the cheque is actually cashed. If a cheque is lost or not honored for any reason and has to be cancelled subsequently, the necessary entry of cancelled or lost cheque can be made on the credit side of the range cash book. A range officer is not permitted to make advances to another Range Officer or other disbursers without the written permission of the Divisional Forest Officer”.

During the Special Audit of Divisional Forest Officers for the period 2019-2022, it was observed that forest advances were unlawfully issued in favour of SDFOs/RFOs and further distributed at their own without concurrence of the authority. In certain cases, vouched account, measurement/log books and stock registers etc. were also not maintained.

Audit is of the view that the lapse occurred due to weak administrative and financial controls.

This resulted in doubtful expenditure and unauthorized payments of forest advances to SDFOs/RFO Rs 245,946,161 (Detail is at Annexure-13) due to glaring financial management.

The matter was pointed out in February, 2023. Management at Sr. No. 01 replied that the relevant rules have been observed while making transaction towards forest advances. Amount paid as forest advances according to immediate requirement of each disburser. The disburser made advances to each other with the concurrence of the DDO and the DDO accepted the accounts and incorporated in the monthly cash accounts. The reply was not considered satisfactory being evasive as Range Officer was not permitted to make advances to another Range Officer / Disburser without written permission of Divisional Forest Officer. Moreover, vouched account against the advances were also not maintained by the responsible.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, paras were kept pending for production of complete record in next audit.

Further progress was not reported by the department till finalization of this report.

Audit recommends that complete record be produced at the time of next audit.

4.2.14 Loss due to un-authorized payments on account of water charges and non-execution of planting work-Rs. 0.93 million

According to Appendix-III (Bed /Potted nurseries Upscaling) of “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), there is no provision for procurement of water from private owners for raising of plants in nurseries.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that in 13 number of cases, Rs 601,131 were drawn and paid to private owners on account of water charges for raising of plants in nurseries without any provision in cost break up of PC-I. Similarly, Rs 337,000 were charged for jungle clearance for 40 Acres area but planting work was not done despite lapse of more than 03 year's period as detailed below:

Sr. No	Name of Formation	Period of Audit	PDP No.	Description of irregularity	Amount (Rs.)
1	Divisional Forest Officer, Jhang	2019-2022	2023-0000000065_F00167	Payment of water charges to private owners (08 cases)	349,131
2	Divisional Forest Officer, Layyah	2019-2022	2023-0000000065_F00291	Payment of water charges to private owners (05 cases)	252,000
3	Divisional Forest Officer,	2019-2022	2023-0000000065_F00223	Non-execution of planting work	337,000
Total					938,131

Audit is of the view that the lapse occurred due to weak administrative and financial controls.

This resulted in a loss of Rs 938,131 to the Government due to unauthorized payments to private land owners without any provision in cost analysis of intervention Appendix-III (Bed /Potted nurseries Up-scaling).

The matter was pointed out in February, 2023. Management at Sr. No. 01 replied that the sub soil water at site was brackish, so canal water from adjacent land owners was purchased to irrigate the area.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023 paras at Sr. Nos. 1 & 2 were kept pending for probe. Para at Sr. No. 3 was kept pending for recovery.

Further progress was not reported by the department till the finalization of this report.

Audit recommends early finalization of probe at administrative department's level, besides affecting recovery of the loss involved.

4.2.15 Non-disbursement of public money drawn from treasury by forest officers/officials-Rs 3.19 million

According to Para (i) of Chapter-1 of Forest Manual Vol-I, "the Divisional Forest Officer is responsible for the proper management of the forest business and for the finances of his division".

During the Special Audit of the of Divisional Forest Officer, DG Khan for the period 2019-2022, it was observed that planting work was executed during 11/2019 in Rakh Triman of Taunsa Range. Amount on account of wages of daily labourers was drawn from Government account and shown disbursed by making fake entries, producing fake certificates and recording fake identifications of the labourer's thumb impressions on Muster Rolls. The matter was inquired at Administrative Department's level and charge stood proved as per Order No. SO(E-IV) INQ-14/2020; dated 24.03.2022.

Audit is of the view that the lapse occurred due to weak supervisory and financial controls.

This resulted in a loss of Rs 3,199,998 to the Government due to fake disbursement of public money.

The matter was pointed out in February, 2023. Management replied that recovery had been imposed. The reply was not satisfactory because no progress towards recovery was reported with the reply.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the para was kept pending for recovery.

Further progress was not reported by the department till the finalization of this report.

Audit recommends early recovery of loss involved besides ensuring strengthening of internal controls to avoid recurrence of such lapses.

(PDP No. 2023-0000000065_F00319)

4.3 Procurement and Contract Management

In this area, audit assessed the project performance with reference to economy in procuring goods and services. It was found that Management did not strictly confirm to the provisions of Punjab Procurement Rules, 2014 and PC-I provisions which resulted in non-transparent expenditure as detailed below:

4.3.1 Unlawful expenditure on forestry operations-Rs. 2,818.31 million

Rule 12 (1 & 2) of the Punjab Procurement Rules, 2014 states that “a procuring agency shall advertise procurement of more than two hundred thousand rupees and up to the limit of three million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper. Any procurement exceeding three million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu”.

Further, as per Punjab Procurement Regularity Authority (PPRA) advice to Director Budget & Accounts Forest department regarding forestry operations vide letter No. L&M(PPRA)1-13(G)/2011 dated 28th November, 2018, the case stood examined in the light of Punjab Procurement Rules 2014 (PPR-14), and the PPRA was of the view that after 18th amendment, the procurement being devolved subject has to be accomplished in accordance with the legal framework formulated by the

provinces. When parallel legislations are available in respect of any specific matter, then provisions of special law prevail. In the instant case, Punjab Procurement Regulatory Authority Act, 2009 and Punjab Procurement Rules, 2014 shall prevail being procurement specific.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that forestry operations like jungle clearance, sowing, planting, ploughing leveling and earth works etc. were executed by hiring labourers through muster rolls instead of advertisement of activities in the newspapers and website of authority in violation of Rule and clarification made thereunder.

Special enactment (Punjab Procurement Rules) has precedence over any other provisions of the manual/legislation relating to procurements/hiring of services. The provision of law despite unambiguous clarification of Rule was not adhered to during execution of works.

Audit is of the view that the lapse occurred due to weak administrative and financial controls.

This act of management not only deprived the govt. from availing competitive rates as well as realizable revenue proceeds on account of taxes but also resulted into irregular expenditure of Rs 2,818,317,154 (Detail is at Annexure-14).

The matter was pointed out in February, 2023. Management at Sr. Nos. 5 & 15 replied that the forestry works were carried out according to the prevailing procedure of the Punjab Forest Department. The reply was not satisfactory because forestry operations were executed in violation of Punjab Procurement Rules and clarification made thereunder by the Authority.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the Committee kept the paras pending for regularization of violation of legal provisions of specific law from Finance Department.

Further progress was not reported by the department till the finalization of this report.

Audit recommends seek regularization of the matter from the Finance Department besides ensuring strengthening of controls to avoid recurrence of such lapses.

4.3.2 Irregular expenditure on execution of wood lot and dry afforestation interventions-Rs 202.73 million

According to Page 21 of the PC-I “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), the main standing operating procedure for the wood lot interventions is as under:

- The farmers will be selected as per eligibility criteria on first come first serve basis through press advertisement.
- The centralized press advertisement will be floated by the Project Director.
- The final selection of farmers in each district will be based upon feasibility report and field survey conducted by the field staff of concerned Divisional Forest Officers.
- Out of total cost, 70 % will be borne by the Government and 30 % of the cost would be shared by the farmers in terms of cash or provision of labourers, seed, watering, planting and maintenance and after care.
- The farmers will be responsible for procurement of peter engines as per approved specification, installation, protection and maintenance.

- The farmers will be bound for retention, protection and maintenance of dry afforestation area for a period of at least five years. Agreement to this effect will be made by the concerned Divisional Forest Officers.

As per Annexure-1 of Standard Operating Procedure (SOPs) issued by Chief Conservator of Forests Rawalpindi dated 28.11.2019, for raising of wood lots on private land, the agreement between the farmer and the department will be drawn on stamp paper, which will be registered and legalized. The farmers will have to provide the two guarantors and an under taking for proper maintenance of plantation raised under the project.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that expenditure on wood lots and dry afforestation interventions was incurred without observing above stated provisions of PC-I and SOPs designed for execution of interventions.

Audit is of the view that the lapse occurred due to weak supervisory, administrative and financial controls.

This resulted in irregular expenditure of Rs 202,731,349 (Detail is at Annexure-15) due to execution of intervention in violation of PC-I provision and standing SOP for the intervention.

The matter was pointed out in February, 2023. Management at Sr.No.01 replied that Advertisement for execution was made by the Controlling Officer [Conservator of Forest (CF) Sargodha] as per directions. Initially target of 1300 Acre was allocated but later on 200 Acre was further assigned. Agreement was made in the light of provision of the scheme. The bills for purchase of peter engines duly submitted by the farmers are available. Monitoring/Self Evaluation reports are available. The reply was not satisfactory as activity was executed without advertisement on the web site of authority and entailed deviations and

departure from the PC-I provision. The selection process for the farmers to execute intervention was also non-transparent because 200 Acre area was executed over and above advertised area. Agreements were also not got registered in violation of SOPs. Evidences for the procurements of peter engines by the farmers and periodic monitoring reports were not furnished with the reply.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023. Paras at Sr. Nos. 01, 02, 03 were kept pending for regularization of irregularity from the Finance Department whereas in remaining cases, i.e., Sr. Nos. 05 & 06, paras were kept pending for detailed verification.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter for fixing responsibility for non-adherence to PC-I provision and getting the agreements registered as per SOPs. Furthermore, the irregularity be got regularized from Finance Department besides strengthening financial and supervisory controls to avoid recurrence of such lapses in future.

4.3.3 Wastage of public resources due to procurement of peter engines with accessories without immediate requirement- Rs. 3.22 million

As per Rule 2.10(b)(5) of PFR Vol-I, “no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance and it is not permissible to draw advances from the treasury for the execution of works, the completion of which is likely to take a considerable time”.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that 19 Peter Engines and 01 Turbine with accessories were procured but were not utilized and remained unused in stock during the period. The detail is as under:

Sr. No.	Name of Formation	Period of Audit	PDP No	Brief Description	Amount (Rs.)
1	Divisional Forest Officer, Rahim Yar Khan	2019-2022	2023-0000000065_F00261	16 Peter Engines (16-HP) with accessories were not utilized and remained unused in stock	2,093,839
2	Divisional Forest Officer, Multan	2019-2022	2023-0000000065_F00214	03 Peter Engines (8-HP) with accessories and 01 Turbine	1,127,144
Total					3,220,983

Audit is of the view that the lapse occurred due to weak supervisory and administrative controls.

This resulted in wastage of public resources valuing Rs 3,220,983 due to procurement of peter engines with accessories without immediate requirement.

The matter was pointed out in February, 2023. Management at Sr. No. 02 replied that machinery was procured and utilized as per PC-I requirement. The reply was not satisfactory because peter engines were procured but not used for the purpose as specified in PC-I.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the paras were kept pending for a detailed probe.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at the administrative department's level for fixing responsibility besides strengthening financial and administrative controls to avoid recurrence of such lapses.

4.4. Monitoring and Evaluation

Regular monitoring of Programme under execution is a strong tool available to the management to ensure quality work and timely delivery of the desired benefits to the end users. Subsequent evaluation of the executed project provides an impetus to the management to improve its efficiency and performance on the basis of the lessons learnt. The project management could not develop adequate system for achieving the Programme deliverables which showed weak monitoring system. Following lapses were noticed:

4.4.1 Weak monitoring mechanism for Programme

According to Pages 23 and 24 of the PC-I “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), monitoring is vital component for successful launching and meeting of the project objectives. The Conservator of Forests of the concerned forest circles will physically monitor and verify the work in his area of jurisdiction. All the Conservator of Forests, Development & Working Plan Circle would be provided two posts of SDFO/RFO for GIS monitoring technically and prepare the quarterly reports to submit to Chief Conservator of Forest (CCF) PM & E. The Chief Conservator of Forests of the region has to ensure policy coherence regarding project concept and guide the field staff on course correction. Overall, he is responsible for correctness of entire development works carried out in his jurisdiction under the project. He has to monitor and inspect the work done.

During the Special Audit of the Programme for the period 2019-2022, it was observed that:

- Programme was executed without regular GIS monitoring by the Conservator of Forests as quarterly reports for the sites were not maintained and shown.

- Partial monitoring reports for the sites pertaining to the period 2019-20 (2nd Half) and 2021-22 (1st half) were produced by the CCF PM & E. No monitoring reports for the sites pertaining to period 2021-22 (2nd Half) were prepared.
- Sites were monitored only once. There was no mechanism for regular monitoring of sites. The monitoring template in vogue was also not got approved from PPSC. Regular monitoring results for actual existence of on ground plants were not reported to the Committee for necessary decision making to achieve project objectives.
- 165,489,587 number plants [(137,682,087 P-bag plants + 27,807,500 nursery plants)] were raised and issued to farmers and other. The on-ground existence for such a heavy wood lot was doubtful as no monitoring mechanism was in place to measure the success and survival ratio of the interventions.

Audit is of the view that the lapse occurred due to weak supervisory controls and non-adherence to the provisions of PC-I.

The matter was pointed out in February, 2023. Management replied that there are three mechanisms working for Monitoring & Evaluation of Ten Billion Tree Tsunami Programme. Internal Monitoring System which is run by the Chief Conservator of Forests, PM&E. The Chief Conservator of Forests, PM&E has been monitoring the project through his independent teams. An independent monitoring mechanism has been devised by the Federal Government (Ministry of Climate Change) i.e., Third Party Validation Consortium. At provincial level Director General Monitoring & Evaluation Punjab is responsible for Monitoring and Evaluation of all the Provincial, Federal and Foreign

funded projects in Punjab. DG M&E has monitored different sites of the project. As far as, GIS monitoring is concerned, the Chief Conservator of Forests, PM&E has also been monitoring through GIS system. The reply was not satisfactory because no regular GIS monitoring for the sites at departmental level was made as no report was shown during audit. The monitoring mechanism was weak as partial monitoring reports were produced to audit. Further, sites once monitored were not re-monitored at regular intervals to check existence of plants. Plants through nurseries were issued free of cost but there was no mechanism to monitor on ground existence of these plants (at particular planting site) to measure Programme deliverables.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023 the para was kept pending for GIS monitoring of sites.

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at the administrative department's level for fixing responsibility for non-adherence to the provisions of PC-I. The Planning, Monitoring and Evaluation Wing of the Department be strengthened to execute monitoring of the Programme as per PC-I provision besides ensuring strengthening of controls to avoid recurrence of such lapses.

(PDP No. 2023-0000000065_F00027)

4.4.2 Loss due to failure of planting area-Rs 178.62 million

As per PC-I, the main objectives of the “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised) are to:

- Increase tree cover through up-scaling Programme by planting.
- Mitigate the climate changes and adverse effect of the CO₂.

According to PC-I “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), the Conservator of Forests of the concerned forest circles will physically monitor and verify the work in his area of jurisdiction. Further he has to ensure that duties of DFO regarding developmental works are fulfilled, gaps identification and course correction accordingly.

Moreover, as per Rule 2.33 of PFR Vol-I, “every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part”.

During the Special Audit of the Programme for the period 2019-2022, it was observed that out of 7,722.92 Acres and 540.80 Av. M area pertaining to sixty-two sites of seven interventions 6,246.60 Acre and 400.80 Av.M area were found to have failed.

Audit is of the view that the lapse occurred due to weak supervisory controls and non-adherence to provisions of PC-I.

The main causes of planting failure were wrong selection of planting sites as well as negligence of staff. The loss Rs 179,231,160 (Detail is at Annexure-16) to public exchequer was still recoverable from responsible.

The matter was pointed out in February, 2023. Management replied that the plantation areas are under the control of Divisional Forest Officers who are executing the field works. The concerned officers have taken appropriate/ disciplinary action where the sites have failed. The

matter would be decided as per rules and regulations. Lapse was admitted by the management.

The matter was also reported to the PAO. The DAC meetings was held on 22nd June, 2023 wherein recovery of Rs 602,834 was verified. Para reduced to Rs.178,628,326 for detailed inquiries and recoveries (Detail is at Annexure-16 a).

Further progress was not reported by the department till the finalization of this report.

Audit recommends inquiring into the matter at the administrative department's level for fixing responsibility. Recovery of loss involved be made besides ensuring strengthening of financial and supervisory controls to avoid recurrence of such lapses in future.

4.4.3 Site Visits

According to PC-I of “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised)”, monitoring is vital component for successful launching and meeting of the project objectives.

During the Special Audit of the Programme for the period 2019-2022, three sites of Divisional Forest Officer Sialkot and Rahim Yar Khan were visited. It was observed that:

Divisional Forest Officer Sialkot

- Few eucalyptus trees were available on sites.
- Most of the area was found failed.
- Afforestation process was initiated without getting soils tested from soil and water testing labs.

- The site selection was not satisfactory as the environmental threats in the shape of termite attack and presence of signs of hedgehog were seen.
- One site is also used by TMA for dumping of garbage specially on Eid-ul-Azha days (M.R Link Daska).
- Presence of Kana and weeds at quite large scale was seen at sites.

Divisional Forest Officer Rahim Yar Khan

- Afforestation process was initiated without getting soils tested from soil and water testing labs.
- The right side of the plantation was almost empty about 50-55 % area was blank. The selection of site was not satisfactory as heavy plantation at private land (Bagh-e-Behist on 125 Acre approx.) already existed adjacent to site. Area was not blank as big trees already existed on site. [Abid Minor 0-7]
- Water scarcity was the major environmental threat as water availability was only for six months during the year. Soil was also saline. The extreme environmental conditions i.e. high temperature, water scarcity and soil conditions are not apparently feasible for plantations to survive for long period. [Walhar Plantation (Comp Nos. 8 & 10)].
- Presence of Kana and weeds at quite large scales was seen at sites.

Audit is of the view that the lapse occurred due to weak administrative and supervisory controls.

Improper selection of some planting sites (Detail is at Annexure-17) adversely affected project deliverables.

The matter was pointed out in February, 2023. Divisional Forest Officer Sialkot replied that disciplinary proceedings have been initiated.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, a recovery of Rs 257,280 was verified. The Committee kept the para pending at Sr. No. 01 for balance recovery of Rs 11,822,864 and in case of Sr. No. 02, para was kept pending for detailed probe (Detail is at Annexure-17 a).

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter be inquired for fixing responsibility for the lapse. Afforestation process be initiated after getting soil and water tested from soil and water testing labs besides strengthening financial and administrative controls to avoid recurrence of such lapses.

4.5 Compliance with Grants

Audit reviewed funding and utilization mechanism designed for the Programme and found that funding mechanism on one side was inadequate to achieve Programme deliverables and on other hand the grants released were inefficiently utilized as described below:

4.5.1 Impediments in project implementation -Rs. 9,294.91 million

According to Page 5 of the PC-I “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), the Federal Government would make an allocation of Rs 2.00 billion on cost sharing basis for the five years of Phase-1 to reclaim and develop forest areas of Pakistan as per directives of the Prime Minister. The Government of the Punjab will contribute an equal share (50 %) for the Project. The up scaled cost of the project has been calculated as Rs 26,357.382 million.

During the Special Audit of the Programme for the period 2019-2022, it was observed that against the PC-I allocation of Rs 19,740.467 million, funds to the extent of Rs 10,445.555 million were released resulting in short fall of funds valuing Rs 9,294.912 million [Rs 4,358.638 million (ADP) + Rs 4936.274 million (PSPD)] in violation of PC-I provision. The shortfall in funding particularly hindered the scheduled project activity and hampered work plan execution interfering with gestation period which implies conceding of cost and time over-run with project deliverables debilitated.

Due to shortfall of funds valuing Rs 9,294.91 million (47 % of PC-I allocation), the objective to increase tree cover through 27 interventions was partially achieved. The funding delay may also increase project cost for execution of planned activities.

The matter was pointed out in February, 2023. Management noted the observation for compliance.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the Committee kept the para pending for compliance.

Further progress was not reported by the department till the finalization of this report.

Audit recommends remedial action to conform to PC-I provision to avoid cost and time over-run.

(PDP No. 2023-0000000065_F00025)

4.5.2 Weak Financial Management for issuance and utilization of Technical Supplementary Grants-Rs. 551.08 million

Rule 15.6 of Chapter 14 of the Punjab Budget Manual, 2008 states that proposals for the supplementary grant are objectionable in principle and free resort to them indicates, on the one hand, bad estimating or improvident administration and, on the other hand, impairs the proper

management of the provincial finances. The justification for applying for supplementary grant should rest only upon circumstances, which are exceptional. In addition to that Rule 15.7 further elaborates that if any inconvenience, loss or damage is apprehended to a reasonable degree, the additional expenditure should be met by re-appropriation of savings found by legitimate postponement of expenditure provided for in the schedule of authorized expenditure. If re-appropriation is not possible, in supplementary proposals, it should be shown why the need could not be foreseen. In absence of additional provision, serious inconvenience or serious loss or damage will be caused to public service.

During the Special Audit of the Programme for the period 2019-2022, it was observed that against the released amount of Rs 10,445.555 million, management could use funds to the extent of Rs 9,894.470 million resulting in non-utilization of funds valuing Rs. 551.085 million released through Technical Supplementary grants. (Detail is at Annexure-18).

Loopholes in utilization of funds released through Technical Supplementary Grants resulted in shortfall in achievement of project deliverables.

The matter was pointed out in February, 2023. Management replied that funds could not be utilized due to working limitations during COVID-19 and late release of funds. The reply was not satisfactory because Technical Supplementary Grants lapsed due to weak financial management relating to releasing and utilization of funds.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the para was kept pending for seeking regularization of the omission from Finance Department.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter should be inquired into. Reasons for non-utilization of funds may be intimated. Irregularity be got regularized from Finance Department besides ensuring strengthening of controls to avoid recurrence of such lapses in future.

(PDP No. 2023-0000000065_F00022)

4.6 Environment

In this area, audit reviewed significant environmental impact of the Programme and found that Programme was executed with following deficiencies:

4.6.1 Inadequate raising and improper selection of planting sites to mitigate rising environmental threats for Lahore City

The main objectives of the “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised) were to:

- Increase tree cover through up-scaling Programme by planting.
- Mitigate the climate changes and adverse effect of the CO₂.
- Increase the soil conservation and improve the recharge of the aquifer of the area.

During the Special Audit of Divisional Forest Officer, Lahore for the period 2019-2022, it was observed that 50 Acre and 519 Av.M area was planted for raising of 625,776 plants on 13 planting sites. The main species planted were Eucalyptus, Siris, etc.

The area set for afforestation with selection of planting sites was inadequate and selection of planting sites was improper to mitigate rising environmental threats for Lahore as the total gross area under forest

control is 2,506 Acres. 1,355 Acres area is planted and 1,151 Acre area is blank. Out of this blank area, 127 Acre area is plantable including 30 Acre and 01 Canal area which is encroached. The air quality index for Lahore as per Environment Protection Department is becoming unhealthy and hazardous group (Detail is at Annexure-19).

The lack of planning mechanism to protect Lahore City mainly from adverse environmental effects through project deliverables despite availability of forest land had put Lahore City at 2nd Rank amongst 25 most Polluted Cities in the World. (2023 Rankings).

The matter was pointed out in February, 2023. Management replied that only 2,506 Acres fall under the jurisdiction of Punjab Forest Department and there is no sufficient plantable area for afforestation. The pollution has increased in Lahore due to various factors i.e., consumption of oil fuel in transport and polythene bag destroyed with fire etc. Reply was not satisfactory because significant portion of plantable land available with Forest Department was not used for afforestation to minimize rising environmental threats for Lahore. The enforcement for illegal tree cutting was also lacking in efficacy.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023. The Committee kept the para pending for compliance.

Further progress was not reported by the department till the finalization of this report.

Audit recommends early initiation of remedial steps to safeguard city from environmental threats through project deliverables.

(PDP No. 2023-0000000065_F000389)

4.6.2 Dormant role of Project Management to fulfill condition of earning carbon credits

The main objective of the PC-1 “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised)” is to mitigate the climate changes and adverse effect of the CO₂. According to Annexure-1 of the PC-I, Carbon Stock Assessment will be made over an area of 0.709 million Acre for earning Carbon Credit in International Trading Market.

According to Sr. No. 04 of Chapter-1, National Vision for Climate Action of the Government of the Pakistan Updated Nationally Determined Contributions 2021, the TBTTP will sequester 148.76 Mt CO₂ emissions over the next 10 years.

During the Special Audit of the Programme for the period 2019-2022, it was observed that afforestation work for raising of 281,461,494 plants was made on 105,943 Acre and 22,745 Av.M area during 2019-2022 but neither any assessment for future carbon stock for the country through actual raising of plants under TBTTP was made nor registration under Clean Development Mechanism (CDM) for carbon trading took place through the exchange of “Certified Emission Reduction (CER).

Non-observance of PC-I provision may lead to economic loss to country due to non-assessment of carbon stock and registration with CDM for earning Carbon Credit in International Trading Market.

The matter was pointed out in February, 2023. Management replied that main objective of the TBTTP is to mitigate climate change against adverse effect of CO₂. The project is achieving its objectives. It has not been made mandatory in PC-I to register the project with CDM for carbon trading. However, new carbon trading markets are emerging and

being developed rapidly. One of these markets popularly known as Article-6 based markets will dominate in future and TBTP and other afforestation/re-afforestation projects could be registered with article-6 markets for which methodology requirements are under development and would come in to force in near future. The reply was not satisfactory because as per Annexure-1 of the PC-I, there is a targeted provision for 0.709 million Acre for Carbon Stock Assessment and earning Carbon Credit in International Trading Market. Abnormal delay would further contribute towards economic loss to country.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023. The Committee kept the para pending for compliance of PC-I provision.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter should be inquired into. Immediate measures be initiated for assessment of carbon stock and their registration with CDM to earn carbon credit in future to save country from economic loss, besides ensuring strengthening of controls to avoid recurrence of such lapses in future.

(PDP No. 2023-000000065_F00398)

4.6.3 Wastage of public resources due to raising and maintenance of non-friendly environmental species (Eucalyptus)-Rs. 1.81 billion

According to PC-I, “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised)” 41 species like Shisham, Kikar, Tun, Arjan etc. are proposed for planting in the areas to be tackled. The Eucalyptus species are not recommended for plantation in Central Zone. At problematic areas Eucalyptus species can be planted.

As per Research article “Assessing the impact of Eucalyptus plantation on groundwater availability in Pakistan” published in International Journal of Economic and Environmental Geology Vol. 11 (1) 59-64, 2020, Eucalyptus species are not native to Pakistan's environment and are one of the factors for various hydro-ecological imbalances of an ecosystem. The species consume three times more water in arid and semi-arid environments, because of vapor pressure deficit and creating causes of groundwater level depletion.

During the Special Audit of the Divisional Forest Officers for the period 2019-2022, it was observed that total 35,163,805 plants were planted and maintained at different sites of 15 divisions. A review of the planting data at different sites revealed that for 35,163,805 plants, management incurred expenditure of Rs 1,818,676,784 in raising and maintenance of 14,992,511 (43 %) Eucalyptus species on plantation sites which were not recommended in PC-I for Zones or only admissible for plantation at problematic areas.

Heavy Eucalyptus plantation without keeping in view site conditions may create threats to environment as Eucalyptus species are not native to Pakistan's environment and one of the factors for various hydro-ecological imbalances of an ecosystem. The species consumes three times more water in arid and semi-arid environments because of vapor pressure deficit and created causes of groundwater level depletion. Planting species not friendly to environment resulted into wastage of public money valuing Rs 1,818,676,784 approximately (Detail is at Annexure-20).

The matter was pointed out in February, 2023. Management at Sr. No. 2 replied that afforestation/planting work under development scheme was carried out in Gujrat Forest Division in Irrigated Plantation, Canal Side areas and Riverian/Bela Forest areas along right bank of River Chenab. The Riverian Forests are situated along right bank of river

Chenab which are saline/ brackish nature areas. Survival rate of most species is zero in these areas. However, where soil is good, the other species like Shisham, Kikar, Tun, Arjan, Poplar, Willow, Jaman etc. are also planted. There are many benefits / uses of eucalyptus trees. Its wood is straight and easy handling which produces maximum wood compared to other tree species. Eucalyptus is the main fiber resource for pulp, paper industries and for manufacturing fiberboard. Eucalyptus is durable, strong and sustainable. It is classified as a hardwood and can be used as structural support beams for buildings and outdoor structures. Management at Sr. No. 12 replied that the Eucalyptus species were planted under the provision of the scheme. The replies were not satisfactory because Eucalyptus species were planted in violation of PC-I provision. Further, the species were non- native to Pakistan's environment. The Joint Chief Economist (JCE) in PDWP meeting dated 26.11.2021 had also expressed opinion that Eucalyptus plants would be hazardous for environment.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the paras were kept pending for provision of soil test report for each site.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter should be inquired into. Responsibility for non-adherence to PC-I provision be fixed. Either soil test reports for each site be shown or irregularity be got regularized from the Finance Department.

4.6.4 Loss of original biodiversity and fauna due to replacement of native flora with non-native species-Rs. 112.01 million

According to page-17&19 of the PC-I, "Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised)" the range land area Bhakkar is mainly used for fodder

production for grazing of livestock, the range lands are fertile except limiting factor of water. Where there is ground water available, suitable for irrigation, these lands can be used for tree production especially fodder plants by developing water sources. In this intervention, the water pumps would be installed by boring and extraction of ground water. The petrol engine suitable to site condition would be installed for extraction of ground water for the purpose of irrigation. The native fodder tree species would be planted and trenches shall be prepared for the conveyance of water. The area of 5,000 acres would be planted on the range land of the Department under the revised scheme. It would help to improve the tree cover and provision of increased supply of fodder for the livestock.

During the Special Audit of Divisional Forest Officer, Range Management (RM) Bhakkar for the period 2019-2022, it was observed that the planting of Kiker, Siris, Beri, Phulai and Frash, Albida plants was carried out during 2019-20 and maintenance was made for the period 2020-21 to 2021-22. The range land area was mainly used for fodder production for grazing of livestock, during the period from 2015-16 to 2018-19. The native flora was replaced with non-native species like Kiker & Siris, resultantly, original biodiversity was disturbed. The Secretary, Forestry, Wildlife & Fisheries Department visited the RM Division Bhakkar on 3.4.2022, mentioned in his note that the kiker plants were found severely affected by frost and now sprouting from the base (at the end of third year of plantation). Similarly, the entire Siris plants and small size phulai were found re-stocked at blank pits but Siris plants found also started sprouting from the bottom. The expenditure of Rs.112,010,729 incurred on plantation culminated in loss of plantation due to plantation of non-native species. Moreover, during leveling and ploughing, the area was deprived of all indigenous tree species & grasses, which is a great loss of biodiversity. A policy decision was circulated to all CCFs, in Rakh areas, that “only native species currently grown in the Rakhs are allowed to be added without disturbing the landscape. Ban was imposed on the

conversion of Thal & Cholistan areas into forested areas like plantation with the direction to collect seeds of Jand, phulai and karir and raise 30% plants to native species.

The plantation of non- native species not only resulted in wastage of public resources valuing Rs 112,010,729 but also damaged original biodiversity & fauna of the area and its natural camouflage.

The matter was pointed out in February, 2023. Management replied that area was planted as per approved PC-I Scheme. The kiker phulai and siris albida species are rangeland species and fodder species are also used for fodder purposes in rangeland. The reply was not satisfactory because as per Secretary, Forestry, Wildlife & Fisheries site visit note dated 03.04.2022, the native flora was replaced with non-native species like Kiker & Siris, resultantly, original biodiversity stood disturbed and fauna of the area also lost its natural camouflage. Further, a policy decision was circulated to all CCFs, in Rakh areas, that “only native species currently grown in the Rakhs are allowed to be added without disturbing the land scape. Ban was imposed on the conversion of Thal & Cholistan areas into forested areas like plantation.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the Committee kept the para pending for probe at administrative department’s level to arrive at factual position, fixing responsibility and give effect to remedial measures.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter should be inquired into. Responsibility for raising/planting non-native species in contravention of

provision of PC-I be fixed, besides strengthening controls to avoid recurrence of such lapses in future.

(PDP No. 2023-0000000065_F00360)

4.7 Sustainability

Project management did not evolve alternative strategy for shifting of plants for maintenance purpose from development mode to non-development.

4.7.1 Unrealistic arrangements for conversion of development umbrella involving vacuum preventing maintenance of plantation to non-development dispensation

The main objectives of the PC-1, “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised) are to:

- Increase tree cover through up-scaling Programme by planting.
- Mitigate the climate changes and adverse effect of the CO₂.

As per Sr. No. 14 of PC-I “Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised), the special evaluation of the crop reaching its terminal years will be carried out by the P & DD through the DG (M & E) during the respective terminal year of the crop during the currency of the project, so that the maintenance of such crops may be shifted from development side towards the non-development side through the Evaluation Committee Meeting each year from 2021-22 to 2023-24. The department will initiate the request for such Annual Evaluation as and when required.

During the Special Audit of the Programme for the period 2019-2022, it was observed that 59,467,043 plants were raised during

2019-20. The said crop reached its terminal year during the period ending June, 2022. The management remained oblivious to the mandatory condition of terminal clause governing forest plantation and opted to allow the controversy to remain unsettled. The Conservator monitoring and evaluation abandoned vigilance by failing to report the strength and health of the plantation sown and the non-development establishment delayed taking over of sites and submission of PC-IV despite efflux of expiry period as such growth and health of plantations was devoid of value for money benefits. The expenditure incurred could turn wasteful due to inattention and inaction of the Project Director and successor regular establishments of Chief Conservator of Forest in the field. The report from GIS data and Conservatory (M & E) for sites of respective compartments cannot be pending indefinitely with decision held in abeyance as to extension and handing over of the developed sites under the charge of regular establishment for maintenance.

Unrealistic projection for conversion of development mode into inclusion of maintenance under non-development mode has paralyzed the maintenance and upkeep of the plantation not being handed over to successor formations.

The matter was pointed out in February, 2023. Management replied that Efforts were made to get the funds approved from the non-development side but P&D Board did not accept proposal due to the reason that the overall project was ongoing. The P&D Board have decided to conduct a Third-Party Validation/ Monitoring on completion of the Project. The reply was not satisfactory because due to abnormal delay in shifting of plantation sites from development mode to non-development for maintenance purpose, the on-ground survival of crops is at stake.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the Committee kept the para pending for compliance.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter be inquired into at administrative department's level. Special evaluation be carried out at once and crop be shifted from development to non-development side. Arrangements for maintenance charges be made for survival of the sapling besides strengthening controls to avoid recurrence of such lapses in future.

(PDP No. 2023-0000000065_F00014)

4.7.2 Loss due to poor germination rate & failure of dry afforestation on private lands by using un-certified and ungraded seeds-Rs. 12.93 million

According to page 22 of the PC-I, "Ten Billion Tree Tsunami Programme (Phase-1), Up-scaling of Green Pakistan Programme (Revised)", the provision of quality seed is a pre-requisite for raising of quality planting stock as well as plantations. The seed of forest trees is normally not available in market. There are some individuals who supply seed to the Department for raising of nurseries and for dry afforestation etc. In this case, the quality of seed is not known. Normally, the seed collectors, collect the seed depending upon their convenience and cost effectiveness. Resultantly, the nursery stock grow from this inferior seed source results in poor progeny. In order to improve the planting stock for future plantation, the supply of reliable quality seed is imperative. Therefore, the detail mechanism has been devised for collection of seed.

As per 1st meeting of PPSC for implementation of Development Project "Ten Billion Tree Tsunami Programme (Phase-I)/Up-scaling of Green Pakistan Programme (Revised)" Sr. No.2, "on responding to the query of the chair regarding survival rate, the Secretary, Forestry Wildlife & Fisheries Department explained that in order to beat the failure after first planting, there exists the provision of restocking in the subsequent

years. However, the ultimate survival of 70% plantations would be considered acceptable. As per Rule 2.33 of PFR Vol. I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss, arising from fraud or negligence.

During the Special Audit of the Divisional Forest Officer Extension Rawalpindi, for the period 2019-2022, it was observed that an area of 964.18 Acres was tackled under the dry afforestation on private land which could not attain the ultimate survival rate of 70% which was considered acceptable as decided in the 1st meeting of PPSC for implementation of Development Project “Ten Billion Tree Tsunami Programme (Phase-I)/Up-scaling of Green Pakistan Programme (Revised)” Sr. No.2. Further, consulting the monitoring report of Dry afforestation on private land carried out by the DFO-I, Development & Working Plan, Circle Rawalpindi, as monitoring Report 2nd half TBTTP 2020-21, issued vide No.110-DFO-(DWP), dated 2.3.21, it was pointed out that the seeds used for afforestation work were found without any quality certificate. It is the primary duty of the DFO concerned to get a good quality seed certificate from PARC, PFRI, NARC (NIGAB) while making purchase of seed to safe guard plantation from poor germination. It was added that where the good quality seed was used, the average height of the plants were 1 to 6 feet but where the poor quality of seed was used the height of the crop was found 6 inches to 1 or 1.5 feet with a success percentage of 40-45% and 50-55% which is considered as failed crop in the light of minutes of PPSC.

This resulted in loss due to poor germination rate & failure of dry afforestation on private lands by using un-certified and ungraded seeds valuing Rs. 12,939,125.

The matter was pointed out in February, 2023. Management replied that the version of the department regarding acceptable success percentage up to 70% is after subsequent beating up of failure. The areas tackled for dry afforestation during 2020-21 have been maintained during 2021-22 up to 25% while these areas could not be maintained during 2022-23 due to the fact that funds were not released timely. According to prescription of the sanctioned PC-I, the required percentage would be achieved. The reply was not satisfactory being evasive.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the Committee kept the para pending for regularization and initiating action against those responsible(s).

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter being serious should be inquired into. Responsibility for lapse be fixed. Loss involved be recovered and deposited into Government kitty besides strengthening financial and administrative controls to avoid recurrence of such lapses.

(PDP No. 2023-0000000065_F00381)

5. OVERALL ASSESSMENT

- 5.1 Relevance:** Forest Department has a vision to conserve, develop and manage forest resources on sustainable basis to contribute in the socio-economic development of present and future generations. The increase in forest cover through planting will mitigate the climate changes in the province. The Programme was within SDG target 15.2, funded through 50 % equal share from ADP and PSDP and in line with the government's sectoral policies.
- 5.2 Economy:** Tendering process was partially followed. The purchases of vehicles, p-bags and bhal /silt etc. were not made according to the average per unit costs worked out in PC-I. Recoveries on account of taxes, stamp duties and muster roll payments were also not imposed. Thus, the economy was rated low.
- 5.3 Efficiency:** The Programme was launched in 2019-20 with completion time by June 2023. The pace of work could not be geared up as phased in PC-I. The delay in completion of the Programme will not only delay the achievement of the desired objectives but also would result in cost over-run. Keeping in view these factors, the efficiency of the Programme was rated medium.
- 5.4 Effectiveness:** Since, the project was in progress, partial achievement of targets was not conclusive due to bogus drawls of muster rolls and payments in most of the sites. The effectiveness of the Programme was rated low.
- 5.5 Efficacy:** The performance evaluation of the Programme revealed that execution process was weak. Programme could not fully achieve its targets as the target of raising of 281,461,494 number plants was achieved against planned provision of raising of 419,233,629 number plants during 2019-2022. The shortfall was sizeable. Therefore, the efficacy of the Programme was rated low.
- 5.6 Performance rating of Programme:** Moderately satisfactory.
- 5.7 Risk rating of Programme:** High.

WILDLIFE COMPONENT

6. INTRODUCTION

Wildlife plays a key role in enhancing the health and fertility of soil by improving its nutrients. It balances natural elements, and preservation of food chains. Biodiversity refers to the variety of life which can be seen in diverse habitat or ecosystem, species and genetic diversity. Sustainability of ecosystems depends to a large extent on the buffering capacity provided by having a rich and healthy diversity of genes, species and habitat.

The Punjab Province covers an area of 20.6 million acres that constitutes 23.45% of land mass of Pakistan. The protected areas such as Wildlife sanctuaries, game reserves, national parks/breeding centers and zoos notified are spreading over about 16% of total land mass of Punjab. The population of Wildlife is decreasing day by day, due to various factors such as social, economic, demographic and deforestation factors, conversion of habitat into agriculture and industrial use and excess use of pesticide and human intervention in natural habitat.

The Punjab Wildlife Department is responsible for protection, preservation, conservation & management of Wildlife in Punjab province, controlling illegal hunting and poaching of Wildlife, introduction of legislation, dissemination of information, education, awareness and involvement of local communities for Wildlife conservation.

Keeping in view the significance of Wildlife in ecological systems, the Prime Minister of Pakistan directed Ministry of Climate Change on 11th January 2016 and desired the Revival of Wildlife Resources in Punjab covering institutional revival and technical reorganization of Wildlife department at provincial level through time bound plans including capacity building and incentive driven performance regime with

technical assistance provided by the Ministry of Climate Change, government of Pakistan. The current project “Revival of Wildlife Resources in Punjab” was cleared by the PDWP and CDWP in meetings held on 07.01.2019 and 04.07.2019 respectively. The Programme was approved by the ECNEC at a total cost of Rs 5890.599 million with gestation period of 84 months (2016-17 to 2022-23).

The Programme is in line with relevant component on Environment and Climate Change of Vision 2025 and 11th Five Year Development Plan (2013-18) approved by the Planning Commission. The old framework of Millennium Development Goals (2000-2015) expired on 31st January, 2016 succeeded by a new International 2030 UN Development Agenda known as SDGs will pave the way for environmentally sound solutions. Under SDGs target 15, Government is committed to take urgent and significant action to reduce the degradation of habitats, halt the loss of biodiversity and by 2030, protect and prevent the extinction of threatened species.

The aim of the Programme was to:

- Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal Wildlife products.
- Introduce measures to prevent and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species.

The Programme was executed by Punjab Wildlife Department through DG Wildlife and Project Director with the assistance of field officers of Wildlife department.

Funds were released by the Government of the Pakistan through Ministry of Climate Change and Government of Punjab at an equal share

of 50% under development Grant 36 and placed in the budgetary cost centers of respective executing components.

The year wise budget and expenditure of the Programme is detailed below:

**Allocation/releases & utilization
(including payment to C&W for construction work)**

Year	Allocation/Releases			Funds released			Surrender	Utilization		
	ADP	PSDP	Total	ADP	PSDP	Total	ADP-PSDP Total	ADP	PSDP	Total
2016-17	-	-	-	-	-	-	-	-	-	-
2017-18	19.304		19.304	19.304		19.304	4.114	15.19		15.19
2018-19	21.289	26.648	47.937	21.289	26.648	47.937		21.29	26.65	47.94
2019-20	173.13	234.442	407.572	173.13	234.442	407.572	379.09	16.77	11.71	28.48
2020-21	260.554	265.19	525.744	260.554	265.19	525.744	430.744	75.00	20.00	95.00
2021-22	429.428	99.24	528.668	429.428	99.24	528.668	232.891	244.97	50.81	295.78
Total	903.705	625.52	1,529.225	903.705	625.52	1,529.225	1,042.725	373.22	109.17	482.39

Source: Project Director, Wildlife, Revival of Wildlife Resources in Punjab”

Up scaled 2019-2022

Year	Allocation/Releases			Surrender			Utilization			%age
	ADP	PSDP	Total	ADP	PSDP	Total	ADP	PSDP	Total	
2019-20			58.244	-	-	29.763			28.481	49%
2020-21			14.572	-	-				14.742	100%
2021-22	109.673	75.24	184.913	6.678	34.73	41.408	102.994	40.509	143.503	77%
Total			257.729						186.726	72%

Source: Expenditure statements”

7. AUDIT OBJECTIVES

The audit aimed at assessing whether prerequisites of compliance with authority to abide by rules, regulations and instructions were being duly observed in the case of expenditure made and Programme deliverables achieved. Audit was conducted with the objectives to:

- i. Check policy objectives of government
- ii. See the proper procurement procedures were adopted
- iii. See the proper contracts were signed and stamp duty was obtained
- iv. Check the objectives laid down in PC-I were being achieved without any deviation from the laid down provisions in PC-I
- v. Check that the project targets were achieved
- vi. Check the internal control mechanism
- vii. Check financial irregularities, unauthorized payments and calculation errors
- viii. Check that economy efficiency and effectiveness aspects were being adhered to in achieving the project objectives
- ix. Check that the statutory regulations of tax deductions were carried out

8. AUDIT SCOPE AND METHODOLOGY

The Auditor-General of Pakistan (AGP) is the primary national institution that supports parliamentary oversight by promoting accountability, transparency and good governance in the management and use of public resources through its independent and objective reporting.

According to the International Organization of Supreme Audit Institutions (INTOSAI) Auditing Standards, the scope of government auditing includes regularity and performance audit encompassing the following:-

- Audit of financial systems and transactions including an evaluation of compliance with applicable statutes and regulations
- Audit of internal controls
- Audit of the probity and propriety of administrative decisions taken within the audit entity
- Pinpointing any issue emanating from special audit
- Audit of administrative activities in accordance with sound administrative prudence, practices and policies

In the above context, audit scope included review of expenditure and achievement of objective in accordance with PC-I for the period from the financial years 2019-2022. The following audit approach was adopted during execution of the Special Audit:

- Analysis of planned objectives in the light of PC-I provisions.
- Scrutiny of record in the light of approved TORs.

9. AUDIT FINDINGS AND RECOMMENDATIONS

9.1 Achievement of Programme Objectives.

Audit assessed the performance of Programme on the basis of physical completion of the objectives and found following deficiencies:

9.1.1 Misconceived planning parameters without due diligence and delay in Project Revision by ECNEC-Rs. 5,258.92 million

As per Para 2.46 of the Manual for Development Projects of the Planning Commission “once approved, the executing agency is required to implement the project in accordance with the PC-I provisions. It has no authority to change or modify any approved parameter of the project. If the project executing agency determines (based on detailed justification) that the project cannot be implemented under the approved parameters and it requires revision of scope, physical components or financial allocation, a revised PC-I must be submitted to the competent forum for approval”.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that Project was executed with misconceived planning and without due diligence, due to violation of PC-I provisions as briefed below, the deliverables of the project were achieved sub optimally.

- i. The development work of Ara Basharat National Parks, Model Wildlife park, construction of pre-release pens for pheasants, improvement and restoration of Namal lake and conservation and re-introduction of black buck in Cholistan were targeted in PC-I. The management could not initiate the work in different interventions except partial achievement in Kheri Morat Park & Wildlife check posts.

- ii. Geographic Information System (GIS) Node was diverted from Gujranwala to Sargodha against the provision of PC-I.
- iii. Procurement of IR professional cameras, document feeder scanner and 100 KVA transformer was also made without any provision in PC-1.

Audit is of the view that lapse occurred due to weak planning, execution and monitoring mechanism at managerial level.

Out of total allocation of Rs 5,623.769 million, an amount of Rs 375.561 million was spent leading to shortfall in achievement of planned targets (Detail is at Annexure-21).

The matter was pointed out in February, 2023. The management replied that the planned targets had been achieved in some cases, however in most cases the work was either not initiated or in progress, due to non-availability of funds for civil works awaited from PSDP funds. The reply was not acceptable as no documentary evidence was produced in support of reply of the department.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the contention of the department was not accepted and paras were kept pending for fixing responsibilities for deviations and departure from PC-1 provisions with the directive to seek earliest revision of PC-1 from ECNEC.

Further progress was not reported by the department till the finalization of this report.

Audit recommends initiation of an inquiry, fixing the responsibility for non-adherence to PC-1 provisions besides revision of PC-1 from ECNEC.

9.1.2 Non-distribution /installation of equipment-Rs. 13.41 million

As per PFR Vol.1 Rule 8.15, “balances of stores must not be held in excess of the requirements of a reasonable period or in excess of any prescribed maximum limit”.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that the equipment valuing Rs.13,409,910 was purchased during 2019-20, for various interventions i.e. Main GIS Lab, GIS nodes, IT equipment & Ecology awareness Programme for students but the same was kept in the store unutilized.

Due to non-issuance of equipment to the corresponding interventions, the set objectives could not be achieved. The warranty period of the equipment. i.e., High performance 360 view cameras, GPS receivers, DSLR cameras, Multi-Spectral Imaging cameras, was one year whereas, more than two years have lapsed since delivery of supplies was received.

Audit is of the view that lapse occurred due to weak planning & weak managerial controls.

This resulted in non-achievement of targets despite incurring of expenditure for Rs. 13,409,910 (Detail is at Annexure-22).

The matter was pointed out in February, 2023. The management replied that the equipment purchased during 2019-20, was in running condition and distributed to the project sites as per allocation in PC-I. The reply was not acceptable as no documentary evidence was produced in support of reply of the department.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The committee did not accept the plea taken by

the management as survey report produced for verification was prepared at central GIS Lab Lahore instead of regional concerned Nodes. The Committee kept the para pending for regularization.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to fix responsibility for non-issuance of the equipment to the concerned interventions causing non-achievement of targets and blockage of government money, besides ensuring strengthening of financial and internal controls.

(Para No. 2023-0000000066_F00001)

9.1.3 Non-establishing/developing Wildlife survey/census facilities at district level, despite expenditure for-Rs. 64.24 million

As per PC-I of the scheme “Revival of Wildlife Resources in Punjab” under Ten Billion Tree Tsunami Programme, there was no system of Wildlife Survey/Census at District level, resultantly, no database is collected and maintained for future planning to meet the emerging challenges of rapidly depleting Wildlife resources. Foregoing in view, it is proposed that a small facility of Wildlife census/survey be established at District level to conduct regular survey/census of prevailing Wildlife resources in the district. The data so collected would be compiled at district level and thereafter would be consolidated at provincial headquarters.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that expenditure of Rs.64,241,151 (Detail is at Annexure-23) was incurred on purchase of machinery & equipment and other articles like Desktop computers, Binoculars, tents, kit bags, emergency & search lights & spotting scope etc. The articles were not issued and made functional to establish the

facility of Wildlife census/survey of prevailing Wildlife resources for collection and maintenance of database in districts.

The lapse was due to weak administrative controls towards accomplishment of targets of PC-I.

This resulted in non-establishing the planned facility of Wildlife census/survey for collection and maintenance of database.

The matter was pointed out in February, 2023. The management replied that equipment procured during 2019-20, was in running condition and distributed to the project sites. The reply was not acceptable as no evidence of collection and maintenance of data base in the districts and its consolidation at provincial headquarters was started/produced.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The plea taken by the management regarding establishment of census/survey report was not accepted as the same was generated by the GIS analyst at central GIS Lab Lahore instead of collection of data from field. The Committee kept the para pending for regularization.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to fix responsibility for non-establishing the intervention responsible to collect field data and maintenance of data base in districts.

(Para No.2023-0000000066_F00002)

9.1.4 Non-utilization of Arc GIS desktop software valuing-Rs. 5.54 million for three years after procurement due to non-hiring of staff

As per PC-I of the scheme “Revival of Wildlife Resources in Punjab” under Ten Billion Tree Tsunami Programme, a central GIS lab to be established at Lahore and 08 GIS nodes. The objective is the

connectivity/capacity building through I.T. regime for collection of real time data about biodiversity, population dynamics in the wild, threats to Wildlife species / habitat, dependence of adjoining community on natural resources and its rapid depletion. This real time data would help in decision making and future planning of natural resources management.

During special audit of the scheme Green Pakistan “Revival of Wildlife Resources in Punjab” under Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that expenditure to the extent of Rs.5,542,173 (Detail is at Annexure-24) was incurred on purchase of Arc. GIS software version 10.7.x. for the central GIS (Geographic Information System) Lab, at Lahore. The software was purchased in November 2019, however, the appointments of human resource i.e. GIS analyst, RS analyst and Network Administrator/GIS Web Developer and Data Entry Operators were made in 6/2022, resultantly the software could not be utilized during three years after its purchase. Moreover regional nodes were not established and the baseline studies of Birds, Mammals, Reptiles, Amphibians, insects Zonation and Management planning of the National Park could not be carried out.

As per contract agreement, the software was to be released on signing the Master Licensing Agreement, “Master Licensing Authority (MLA)” by the end user with the principal firm “EZRI”. The copy of the MLA was not produced for verification.

No quantifiable objectives were achieved till 09/2022.

- GST was irregularly paid against software purchase for Rs.805,273
- PST was required to be withheld for Rs.757,904

Sr. No.	Description	Amount including GST	Recovery of GST wrongly added @17% (over the GST included amount)	Total amount paid	Recovery of PST.
1	Arc GIS Desk Top version 10*7 software	4,736,900	805,273	5,542,173	757,904
Total		4,736,900	805,273	5,542,173	757,904

The management did not consult Punjab Information Technology Board (PITB) department or any IT expert before procurement of the software causing loss to the government due to mis-management.

The lapse occurred due to non-adherence of PPR, taxation rules and without keeping in view the hiring of human resource, creation of GIS nodes and its networking and connectivity with GIS lab.

The matter was pointed out in February, 2023. The management replied that the advertisement was published again in October 2021 and candidates were now selected and posted to the central Lab and respective Regional nodes. The reply was not convincing as the purchase of software prior to recruitment of human resource caused wasteful expenditure.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. No record was produced till finalization of minutes. Hence para kept pending for compliance.

Audit recommends that the matter needs to be investigated at administrative department's level. Responsibility be fixed and action taken against those held responsible and recovery of taxes be affected, besides strengthening financial and internal controls.

(Para.No.2023-000000066_F00017)

9.1.5 Wasteful expenditure on purchase of furniture for Huts etc. not yet constructed at Ara-Basharat National Park-Rs. 3.14 million

As per Rule 15.18 of PFR Vol-I, "the balances of stores must not be held in excess of the requirements of a reasonable period or in excess of any prescribed maximum limit". As per progress report of ADP 2021-22,

the finishing of the office and related buildings were in progress at Ara Basharat National Park. Moreover, the funds were not yet released for the construction of huts etc.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that wasteful expenditure of Rs.3,144,000 was incurred on purchase of furniture etc. whereas, the development work was not yet started even the funds were not released to Communication & Works (C&W) department.

The furniture purchased without requirement was kept in store of PMU at Lahore, unutilized. Moreover, the firm was selected against a defective criterion for technical evaluation as according to eligibility criteria in column C, proof of back up support/breeding, housing facility inland /abroad and in column “E” proof/collaboration certificate of liaison with international breeders/exporters and specifying the same was totally irrelevant with regard to purchase of furniture, however the departmental technical committee gave 15 maximum marks to the firm against these irrelevant columns. The contract was awarded to the firm without carrying out rate analysis and without obtaining market price of the goods.

The expenditure of Rs. 3,144,000 (Detail is at Annexure-25) was incurred without immediate requirement which resulted in wasteful expenditure due to mismanagement of the authority.

The lapse occurred due to weak internal and financial controls.

The matter was pointed out in February, 2023. The management replied that the criteria for the technical evaluation of the tender/bid mention in column C back up support/breeding, housing facility inland/abroad and in Column E liaison with international breeders/exporters mentioned was a clerical mistake. The reply was not tenable as the technical committee had signed the evaluation report.

The matter was also reported to the PAO. In DAC meeting held on 22nd June, 2023, the committee decided to keep the para pending with the directions to probe the matter for fixing responsibility and affecting recovery.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to probe the matter, fix responsibility and take action against those held responsible for undue blockage of government money, besides strengthening financial and internal controls.

(Para No.2023-0000000066_F00005)

9.2 Organization and Management

In this area, audit reviewed appointment mechanism and found irregularities as summarized below:

9.2.1 Irregular appointments of staff on Contract basis-Rs. 3.85 million

Under the Chapter titled “Fundamental Rights” of the Constitution of Pakistan, equality of citizens and safeguard against discrimination in services has been guaranteed. Article 25 of the Constitution provides that “all citizens are equal before law and are entitled to equal protection of law while Article 27 provides that no citizen otherwise qualified for appointment in the service of Pakistan shall be discriminated against”. As per Rule 2.33 of PFR Vol-I, “every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part”.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that the

appointments of the staff was made by the department on contract basis which was held irregular due to the reasons as under:

- Register regarding receipt of applications was not maintained hence the total numbers of candidate who applied for the post could not be verified
- Evidence of issuance of interview call letter to the shortlisted candidates was not on record, i.e. dispatched through courier or otherwise. The department verbally contended that SMS were sent to the candidates but no evidence was produced
- Most of the shortlisted candidates were shown absent at the time of interview and in most of the cases, the candidates appeared in interview were selected for the post
- The Human Resource was hired to be posted in various components/interventions but they were posted in Director General Wildlife and Parks (DG W&P) office, Regional Offices, District offices in violation of provision of PC-I.

The lapse was due to weak administrative controls.

This resulted in irregular expenditure of Rs 3,857,878 (Detail is at Annexure-26) due to non-transparent appointments of staff.

The matter was pointed out in February, 2023. The management replied that Advertisement was published on 17.11.2021. The Committee scrutinized the candidates, merit list was prepared and shortlisted candidates were informed via SMS/ Telephonic call/written intimations as mentioned in the advertisement. The reply was not tenable as no evidence is produced in support of reply of the department.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The justification rendered by the department was

not accepted by the committee and directed that the matter may be probed into for fixing responsibility and regularization of the irregularity.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to probe the matter to fix responsibility besides strengthening of supervisory controls.

(Para No. 2023-0000000066_F00008)

9.2.2 Irregular/Doubtful appointment of contingent paid staff for-Rs. 7.37 million

As per Government of the Punjab Finance Department letter No. RO (Tech) FD 2-2/2016 and Revised Schedule of Wage Rates-2016 dated 05.09.2016, the procedure for appointment of work charge/daily wages staff was laid down in the preface to Revised Schedule of Wage Rates 2016, appointment to a post included in this Schedule may be made by the competent authority under Delegation of Financial Power Rules 2006 subject to the condition that the post(s) shall be advertised properly in the leading newspapers.

During special audit of the scheme Green Pakistan Programme “Revival of Wildlife Resources in Punjab” under Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was noticed that the expenditure to the extent of Rs.7,369,024 was incurred on payment to contingent paid staff. (Detail is at Annexure-27) which was held irregular due to the reasons as under:

- The scope of work in the light of provisions in PC-I does not contain appointment of contingent paid employees
- Appointments were made for 89 days with one day gap period without advertisement in the leading newspapers contrary to the government instructions

- List of contingent paid staff along with place of posting for the period 2019-21 was not produced
- The irregular practice is continuing since last three years
- Salaries to contingent paid staff were paid through DDO in violation of the Govt. instruction as per following details:

Contingent Paid Staff		
Year	Amount	Mode of Payment
2019-20	291,031	Through DDO
2020-21	2,366,034	Through DDO
2021-22	4,711,959	Through Bank
Total	7,369,024	

The lapse was due to weak financial and supervisory controls

This resulted in irregular expenditure on appointment of contingent paid employees.

The matter was pointed out in February, 2023. The management replied that the expenditure was incurred as per provision in PC-I and same was transparent. However, the process regarding hiring of contingent paid staff has been noted for further compliance. The management admitted that proper procedure was not adopted in hiring of contingent paid staff.

The matter was also reported to the PAO. The DAC meetings was held on 22nd June, 2023. The explanation of the management was not accepted by audit and committee decided to keep the para pending with the directions to probe the matter for regularization.

Further progress was not reported by the department till the finalization of this report.

Audit recommends that the matter be probed besides strengthening financial and internal controls.

(Para No. 2023-0000000066_F00023)

9.3 Financial Management

The Special Audit of the Programme revealed that management did not develop comprehensive cash and work plans which resulted in weak financial management. Purchases were made over and above the provisions in PC-I besides entailing violation of the Punjab Procurement Rules 2014. Audit pointed out irregularities on this account which are elaborated below:

9.3.1 Loss to government due to purchase of birds at higher rates, & non-recovery of-Rs. 2.28 million for unsupplied birds

As per PC-I, Pheasants are regarded as the most distinctive bird family of the Himalaya, found in AJK, Kahuta, Murree, Kotli Satian and Margala hills. In Punjab, its population has been decreased to an alarming level due to habitat deterioration, poaching and other detrimental reasons. Therefore, in order to conserve pheasants in Murree Hills, hatchery and pre-release pens would be developed together with allied facilities and protection measures.

As per Clause-07 of the contract governing supply of pheasants/java green etc. bearing No.2555/PD-GPP/PMU-2(67)/2019 dated 29.05.2019 ,“the firm should provide import document like Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Airway bill of entry, as evidence at the time of delivery”. As per Clause 12 of the contract *ibid*, “sick or defective birds can be rejected at the time of delivery by the authorized person or committee”. As per Clause 13, “if any bird gets sick during quarantine period it may be rejected at once by the authorized person or committee.”

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, following irregularities were

observed during scrutiny of the procurement file for purchase of Birds (pheasants/Java green/Indian Blue/Common Peafowl) (Detail is at Annexure-28).

- The supply order for supply of birds” for Rs. 4,170,000 was issued vide No.2555/PD-GPP/PMU-2(67)/2019 dated 29.5.2019, to be supplied within 30 days.
- An advance payment was made to the firm for Rs. 4.170 million vide U. O. No.(L&DD/F&W)1-599/16-Ft. dated 21.06.2019.

The due date for supply of the birds as per contract/work order was 29.6.2019, whereas, as per inspection note of the committee of the Wildlife department, total 36 birds were supplied on 8.2.2020, i.e. after 05 months and 07 days of the date of supply order.

The department instead of dispatching the birds to Murree in the real habitat of the birds, kept these in Jallo park and later on sent to Lahore Zoo against the real purpose of propagation and conservation of pheasants.

As per stock register of Lahore Zoo, out of 36 birds 09, died during last 14 months. It was also ascertained that the birds of same species and origin were already available with the department and did serve the purpose to bring change in blood line. However, the growth rate was zero. The progeny of the birds was not available with the department.

The bank guarantee for Rs. 3,982,350 provided by the firm also expired on 18.7.2022.

The management responded that huge loss was sustained due to procurement of birds actually valuing Rs.600,000 (as per approved government rates) at a huge cost of Rs.50,000,000, with the connivance of Ex. Project Director. However, the birds were available in bulk stock with the department.

The lapse was due to weak financial and administrative controls.

This resulted in purchase at higher rate, non-propagation and conservation of pheasants due to zero growth rate & non-supply of 18 Java green and Indian Blue/Common Peafowl valuing Rs. 2,280,000 besides advance payment had been made in 6/2019 and recovery of Late Delivery Charges (LD) was due for Rs.189,000.

The matter was pointed out in February, 2023. The Management replied that the matter needs proper investigation and the matter was being referred to the Director General, Wildlife & Parks for appointing a probe committee to ascertain the gravity of the matter.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The committee decided to keep the para pending with the directions to probe the matter for fixing responsibility and recovery.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to probe the matter for fixing responsibility, besides affecting recovery and strengthening financial & internal controls.

(Para No. 2023-000000066_F00003)

9.3.2 Irregular expenditure on purchase of Yak and Ostrich for Rs.3.00 million, recovery of loss due to mortality within quarantine period -Rs. 1.44 million

As per Rule 4 of the Punjab Procurement Rules 2014, “a procuring agency while making any procurement shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical”, further, in frequently asked questions (FAQs) on PPRA’s Website that if only one tender/bid is received in response to a tender notice advertised in both or one of the media, Authority’s website. Punjab Procurement Rules, 2014, don’t put any limit on number of

tenders/bids received in response to tender notices provided that the procurement opportunity has been advertised in the prescribed manner. The single bid may be considered if it meets the evaluation criteria expressed in tender notice and is not in conflict with any other rules, regulations or policy of the Punjab Government.

As per TORs for supply of Zoo exhibits, conditions were prescribed as follows:

- Pure species as required accompanied with valid pedigree certificate Deoxyribonucleic Acid (DNA) certificate and DNA Certificate of species purity.
- Age of the species to be provided as mentioned in the tender document
- Captive Bred species (valid certificate to be provided for inspection by authorized person or committee)
- Free of all diseases especially from vertically transmitted diseases
- Animals must be properly dewormed and vaccinated (certificate to be provided.
- The animals must have excellent coat.

As per conditions of the contract in similar case of purchase:

- the sick or defective animals can be rejected at the time of delivery.
- If the animals get sick during quarantine period will be fed and taken care by the contractor
- during quarantine period the animals, be got screened for diseases and species purity can be confirmed by DNA test, cost of test will be paid by the contractor

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that expenditure to the extent of Rs.3,000,000 was incurred on purchase of animals i.e. yak (04 pairs) and Ostrich (01 pair).

The allocation of the component of “Construction of pre-release pens for pheasants in Murree Hills” was charged for incurring expenditure on purchase of yak and Ostrich which was held irregular

The purchase was made from single bidder/firm without obtaining market rates, hence the rates could not be considered as economical and competitive.

Sr. No.	Cheque No. & date	Head of Account	Charged to the intervention of PC-I	Description	Amount (Rs.)
1	4413039/27.6.22	A09801- purchase of livestock	Construction of pre-release pens for pheasants in Murree Hills	04 pairs yak=Rs.2,400,000 and 1 pair ostrich Rs.600,000	3,000,000
Total					3,000,000

As per stock register 07 yak (six male and one female) were delivered to Wildlife Park Bansra Galli, Murree on 12.7.22 whereas, 03 females were delivered on 28.7.2022 by the contractor. When the stock register and pictures of the Yaks were called for from Assistant Director Bansra Galli, it was informed that mortality of 06 animals took place during quarantine period but recovery was not effected from the contractor (Detail is at Annexure-29)

The animals from 06 months of age to 16 months were purchased by the department whereas, unified rate for all animals was mentioned in the supply order. The age of the animals required by the department was not mentioned in the bid document/ evaluation report and supply order contrary to bid specifications to be performed. In this way, an undue favor was given to the contractor who supplied the animals of different ages.

The goods (Zoo exhibits) were also not insured with insurance company at least for 30 days from the date of supply but the same was not carried out.

The lapse was due to ill planning and the weak administrative controls.

This led to non-observing of PPR 2014, conceding mis-procurements.

The matter was pointed out in February, 2023. The management replied that the Ostrich and Yak were purchased under the approved allocation for Purchase of Birds and Animals under Development of Ara Basharat National Park. In addition, Ostrich was temporarily shifted as guest bird to Bahawalpur Zoo prior to release in Ara Basharat National Park Area. Moreover, inquiry has already been initiated for recovery of loss due to mortality of the yak and inquiry report will be shared as and when completed.

The reply of the department was not tenable as stance of the managerial concedes that well before construction of ara basharat park, animals were purchased and shifted to inappropriate lodgings which resulted in mortality of animals.

The matter was also reported to the PAO. The DAC meetings was held on 22nd June, 2023. The department contended that the office of Director General Wildlife & Parks vide letter no.751-54/DG(W&P)Mgt-3(50)/2022 dated 18-08-2022 had been requested to notify a probe committee. Hence, committee decided to keep the para pending for probe and recovery.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to probe the matter, to fix responsibility, besides affecting recovery from the contractor.

(Para No. 2023-000000066_F00004)

9.3.3 Irregular expenditure on POL and repair of the vehicles of DG Wildlife & field formations other than the project vehicles for-Rs. 20.53 million

As per instruction contained vide Sr. No.1 (3) (i) of Delegation of Financial Power amended up to 26 March 2010, it was provided that “the strength of vehicles in the Department be got sanctioned by the Finance Department”. Further, in accordance with the S&GAD’s letter no. AT-II/(2-9)2006 dated 22.04.2008, Administrative Secretary will personally give certificate that no office/officer is holding vehicle in excess of afore stated policy.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that expenditure to the extent of Rs. 20,534,928 (Detail is at Annexure-30) was incurred on purchase of POL and repair of vehicles under the use of DG Wildlife, and on the vehicles of field formations of Wildlife department other than the vehicles of the Project resulting in misuse of government resources.

Sr. No.	Name of Formation	PDP No.	Description	Amount (Rs.)
1	Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan /Ten Billion Tree Tsunami Programme.	2023-000000066_F00014	POL and repair of vehicles under the use of DG Wildlife,	2,231,883
2	Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan /Ten Billion Tree Tsunami Programme.	2023-000000066_F00020	Expenditure on POL & repair of vehicles of various entities of Wildlife department other the project vehicles	18,303,045
Total				20,534,928

Audit is of the view that the lapse occurred due to weak financial and internal controls.

This resulted in unauthorized expenditure incurred out of the project fund.

The matter was pointed out in February, 2023. The management replied that the Ten Billion Tree Tsunami Programme/ Green Pakistan Programme (GPP) is the flagship Programme of the Punjab as well as the federal government and interventions are spread all over Punjab. The DG Wildlife being Provincial head of the department utilizes the Government vehicle in the best interest of achieving the project targets. Moreover, the vehicles approved in the PC-I of TBTP were not purchased until 2021-22, so the field vehicles of this department were shifted by the competent authority to carry out supervision and execution of project activities by the authorized officers and expenditure incurred were transparent and log books of all vehicles were maintained and on record.

The reply of the department was not tenable as there existed no specific provision in PC-I, nor any authorization could be conferred for utilization of POL and carrying out repair of vehicles which were not on the strength of the Project hence the expenditure cannot be treated as a valid expenditure.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The committee decided to probe the matter for fixing responsibility, effecting recovery and regularization.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to probe the matter for fixing responsibility, effecting recovery besides strengthening financial and internal controls.

9.4. Procurement and Contract Management

In this area, audit assessed the project performance with reference to economy in procuring goods and services. It was found that Management did not give due care to the provisions of Punjab

Procurement Rules, 2014 which resulted in non-transparent expenditure. Moreover, Punjab Sales Tax, and Income Tax at source were not deducted in certain cases which resulted in loss to the public exchequer.

9.4.1 Non-transparent expenditure on Purchase of Arc GIS Server software, for Rs.22.58 million.

As per Rule 4 of the Punjab Procurement Rules 2014, “a procuring agency while making any procurement shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical”. Moreover, in frequently asked questions (FAQs) on PPRA’s Website that if only one tender/bid is received in response to a tender notice advertised in both or one of the media, Authority’s website. Punjab Procurement Rules, 2014, don’t put any limit on number of tenders/bids received in response to tender notices provided that the procurement opportunity has been advertised in the prescribed manner. The single bid may be considered if it meets the evaluation criteria expressed in tender notice and is not in conflict with any other rules, regulations or policy of the Punjab Government.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan /Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that expenditure of Rs. 22,587,680 was incurred on Purchase of Arc GIS Server software Ver.10.8x with 08 connections, installation and development of Wildlife management information system and GIS applications and Area network with 40 TB Storage Area Network (SAN) for data storage of all branches (Detail is at Annexure-31).

The following irregularities were noticed:

- The invitation to bid was advertised in newspaper on 16.02.2022. Only on firm M/s. City graphic participated in

the bidding process. The department finalized the tendering process with single bidder. The firm was registered against the category “Construction Services”.

- The previous experience of the firm shows provision of street light fittings, painting work, fixing of security cameras and supply of desk top and LEDs etc. However, the firm has no previous experience of providing software and expertise in installation and development of management information system and GIS applications but the work order was issued to the firm irregularly.
- The evidence/registration of the firm showing that it deals with software as an authorized dealer was not available.
- The company profile of the firm was not obtained, detail of IT experts available for installation & development of Wildlife management information system and GIS applications was not produced and verified by the purchase committee prior to awarding the contract.
- The criteria for technical evaluation of the tender/bid was defective as according to the eligibility criteria column C, proof of back up support/breeding, housing facility inland /abroad and in column “E” proof/collaboration certificate etc. of liaison were totally irrelevant in this case, Nevertheless, the technical evaluation committee has given maximum marks against these irrelevant columns.
- The contract was awarded to the firm without carrying out rate analysis and by obtaining market price of the goods, hence the rates so approved could not be treated as competitive and economical.

- The software for Rs.16,087,680 was purchased out of the head of account A09606-machinery and equipment instead of A09202-software which resulted in misclassification of expenditure.
- GST was paid against Arc/GIS server software and installation and development of Wildlife management information system and Geographic information system (GIS) applications irregularly for Rs. 2,337,526 and Rs. 363,248 respectively.
- PST was not withheld against software and Installation and development of Wildlife management information system and GIS applications for Rs. 2,974,029
- Income tax was less deducted for Rs.1,022,322

Audit is of the view that the lapse occurred due to weak internal controls.

This resulted in irregular expenditure of Rs. 22,587,680 and overpayment of GST against services and less deduction of taxes.

The matter was pointed out in February, 2023. Management replied that the expenditure was incurred as per Rule 55-A of the Punjab Procurement Rules 2014. The rates were economical, competitive and based on available market rates.

The reply was not appropriate as the purchase was made on defective technical evaluation.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The committee decided to probe the matter for fixing responsibility, effecting recovery and seeking regularization.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to probe the matter for fixing responsibility, affecting recovery and strengthening of financial and internal controls.

(Para No. 2023-000000066_F00013)

9.4.2 Irregular expenditure on purchase of machinery & equipment and on conference and seminars for-Rs. 5.95 million

As per Rule 4 of the Punjab Procurement Rules 2014, “a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical”.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan/Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that expenditure to the tune of Rs. 5,086,845 was incurred on purchase of machinery and equipment, IT equipment, & on conference and seminars for Rs. 862,668 through quotations instead of through advertisement on website of the Authority in the manner and format as specified by the Punjab Procurement Rules 2014. The department could fetch better/competitive rates by ensuring adherence to PPR 2014.

Sr. No	Name of Formation	Period of Audit	PDP No	Description	Amount (Rs)
1	Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan /Ten Billion Tree Tsunami Programme Lahore	2019-20 to 2021-22	2023-000000066_F00030	Purchase of machinery & IT equipment	5,086,845
2	Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan /Ten Billion Tree Tsunami Programme Lahore	2019-20 to 2021-22	2023-000000066_F00029	Expenditure on conference & seminars	862,668
Total					5,949,513

Non observance of rule resulted in inefficient and uneconomical expenditure valuing Rs. 5,949,513 (Detail is at Annexure-32).

The matter was pointed out in February, 2023. Management replied that items were purchased during 2019-2022 as petty purchase and as per need based requirement. As regards expenditure on seminars & conferences, these were conducted on different dates / occasions therefore, it was not possible to advertise the tender. The management reply was not based on facts as expenditure was incurred by splitting up the indent to avoid tendering process in violation of rules.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The committee decided to keep the para pending with the directions to probe the matter. Further progress was not reported by the department till the finalization of this report.

Audit recommends to probe the matter besides affecting recovery and strengthening financial and internal controls.

9.4.3 Recovery of Liquidated damages on delayed supply of Sterile microchip and trackers for-Rs. 164,850

As per clause 13(a & b) of the conditions of contract for the, Liquidated Damage charges for delayed delivery @ 01% of the contract price of the delayed supplies per day or part thereof, if extension in work order be granted by the competent authority and not to exceed in the aggregate 10% of the contract price stated in the notice of contract award/letter of acceptance by the purchaser.

During special audit of the scheme “Revival of Wildlife Resources in Punjab” under Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that the expenditure of Rs.1,648,500 was incurred on purchase of 790-Sterile Microchips, 02, Advancement Via Individual Determination (AVID) Mini Tracker and 02, Avid Vand Reader tracker. The supply order was issued on 1.11.2019, with the due date of delivery up to 1.12.2019.

The contractor submitted a request on 3.1.2020, for extension in the delivery period. The request was accepted and extension was granted on 6.1.2020, irregularly as the request for extension was submitted by the contractor after expiry of the due date of delivery. The extension should be granted with LD charges.

As per terms and conditions of the contract LD charges @ 1% per delayed day up to 10% of the contract price was to be recovered from the contractor. The delayed period was more than 10 days hence the LD charges @10% for Rs.164,850 was to be recovered. (Detail is given at Annexure-33).

The lapse was caused due to weak financial and internal controls.

The matter was pointed out in February, 2023. Management replied that the contractor submitted a request for extension within due time. Therefore, as per condition of the contract agreement at serial no. 13, LD charges were not liable to be recovered.

The reply was not tenable as the articles were supplied late for more than 10 days. The recovery of late delivery (LD) charges may be affected and depositing the same into government treasury.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The Committee kept the para pending for verification of record.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to affect the recovery of late delivery (LD) charges besides strengthening financial and internal controls.

(Para No. 2023-000000066_F00022)

9.4.4 Irregular expenditure on purchase of desk top computers for-Rs. 2.31 million at higher rates, recovery of-Rs. 0.7 million

As per Rule 4 of PPR-2014, “a procuring agency while making any procurement shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical”.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan /Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that expenditure to the extent of Rs.2,310,000 was incurred on purchase of 07 desk top core i7 7th generation computers @ Rs.330,000 per unit. The expenditure was held irregular due to the reasons enumerated as under:

- The invitation to bid was advertised in newspaper on 16.02.2022, only one firm M/s Irfan & brothers participated in the bidding process. The department finalized the tendering process with single bidder.
- As per advertisement and bidding document the Core i7, 7th generation desktop/workstations were called for. In response, the firm offered core i7, 10th generation @Rs.330,000 per unit, the department issued supply order mentioning core.i7, 7th generation. However, rates finalized for core i7 10th generation were mentioned and paid to the firm, resulting in excess payment of Rs.700,000 to the firm against supply of 07 desk tops. In the same tender under lot–ii, core i7, 7th generation were purchased @Rs. 230,000.

Audit is of the view that the lapse occurred due to weak financial and supervisory controls.

This resulted in expenditure of Rs. 2,310,000 (Detail is at Annexure-34) incurred in excess of the estimated approved rates of PC-I.

The matter was pointed out in February, 2023. Management replied that the desktop computers were supplied to regional nodes. The job for installation of Desktop computers was also done by the contractor. Therefore, the rate Rs. 330,000/- per computer was charged by the contractor.

The reply was not tenable as per advertisement and bidding document, the Core i7 7th generation desktop/workstations were purchased under lot II of the same tender @ Rs.230,000. The job of installation of the desktops was not mentioned in the tender as well as in the supply order.

Moreover, the criteria for technical evaluation of the tender/bid is totally defective and treated as irregular expenditure against a defective technical evaluation.

The matter was also reported to the PAO. The DAC meetings was held on 22nd June, 2023. The contention of the department was reiterated the deficit of lot. The committee decided to probe the matter for fixing responsibility, effecting recovery and regularization.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to hold a probe into the matter for fixing responsibility against the delinquents, besides affecting recovery and strengthening of financial and internal controls.

(Para No. 2023-000000066_F00010)

9.4.5 Non-transparent expenditure for procurement of drone cameras etc.-Rs. 21.87 million

As per Para 12 (1) of the Punjab Procurement Rules, 2014, “a procuring agency shall advertise procurement of more than two hundred

thousand rupees and up to the limit of three million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper”. Further, the directions/guidelines issued by the PPRA in Frequently Asked Questions (FAQs) requires that in case of single tenderer the procuring agency should exercise/use due diligence as required under Rule 4 of the Punjab Procurement Rules 2014.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan /Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that expenditure of Rs. 21,870,996 (Detail is at Annexure-35) was incurred on purchase of Drone cameras with accessories, supply of networking accessories and internet connection DSL 4mbps, Server dell R730, networking accessories and sign boards. The following observations were noticed:

- The invitation to bid was advertised in newspaper and on website but only one firm participated.
- The criteria for technical evaluation of the tender/bid was defective. Awarded marking was against irrelevant controls in reference to the procurement of subject articles.
- The company profile of the firm was not obtained to verify its capacity to supply the articles.
- The contract was awarded to the firm without carrying out rate analysis and obtaining market price of the goods.
- The satisfactory completion report was not obtained from the end users.
- In case of Server dell R730 and networking accessories, labourer’s charges of laying of cables in GIS nodes GST was wrongly charged for Rs. 363,248.

- PST was not withheld for Rs.400,000
- Income tax was less received for Rs. 137,500.

The breakup of expenditure incurred is tabulated as under:

Sr. No.	Name of Formation	Period of Audit	PDP No.	Description	Amount (Rs.)
1	Project Director Green Pakistan, Lahore	2019-2022	2023-0000000066_F00015	Networking accessories & internet connections	14,358,000
2	Project Director Green Pakistan, Lahore	2019-2022	2023-0000000066_F00012	Server dell R730 and networking accessories for Rs.607,600 and labor charges of lying of cables in GIS nodes for Rs.2,500,000	3,107,600
3	Project Director Green Pakistan, Lahore	2019-2022	2023-0000000066_F00016	Drone cameras with accessories @Rs.649,350*04	2,597,400
4	Project Director Green Pakistan, Lahore	2019-2022	2023-0000000066_F00021	Sinolgy information/ direction Boards @Rs.386,324*04	1,807,996
Total					21,870,996

Audit was of the view that prudent decision was not made and the single firm participated in the tendering process to qualify for financial bid opening.

The matter was pointed out in February, 2023. The management replied that the tender was advertised as per rules or policy and keeping in view provisions of Rule 55-A of Punjab Procurement Rules 2014, if one complying bid is received, the procuring agency may award the contract to the bidder. The rates were economical and competitive based on available market rates. The reply was not tenable as the contract was awarded to the firm without carrying out rate analysis against single bid. The company profile was also not obtained by the department.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The committee decided to probe the matter for fixing responsibility, affecting recovery and seeking regularization of the lapse.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to probe the matter for fixing responsibility, effecting recovery besides strengthening financial and internal controls.

9.5 Asset Management

In this area, audit evaluated the controls in place to safeguard assets of the Programme. It was found that the existing controls were inadequate for proper management of assets as heavy expenditure had been incurred on purchase of various articles as pointed out in following paras:

9.5.1 Doubtful/Uneconomical Expenditure on Purchase of mobile Oil for-Rs. 1.20 million

As per Para 12 (1) of the Punjab Procurement Rules, 2014, “a procuring agency shall advertise procurement of more than two hundred thousand rupees and up to the limit of three million rupees on the website of the Authority in the manner and format specified by regulations”. Moreover, as per Rule 4, *ibid*, “a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical”.

During Special Audit of Project Green Pakistan Programme-Revival of Wildlife Resources in Punjab for the period 2019-2022, it was observed that expenditure to the extent of Rs. 1,200,000 was incurred on purchase of Mobil Oil on 27.06.2022, which was held irregular due to the reasons as under:

- The tender was not advertised in contravention of PPR-2014, the purchase was made without immediate requirement.
- The stock entry and consumption account were not maintained.
- Income tax for Rs. 78,000 and GST for Rs. 204,000 was not recovered/withheld from the firm.
- Computer generated print was not showing NTN, GST and PRA Registration Number of the supplier firm.

The matter was pointed out in February, 2023. The management replied that 20 number of vehicles were at the disposal of Project Director TBTTP. These were deputed for execution / supervision of project activities and for protection and conservation of Wildlife. Further stock entry and consumption details are also available and maintained. Moreover, the recovery letter has been issued to the contractor. The reply was not relevant as the tendering process was not adopted while making purchase of mobil oil. The evidence of stock entry and consumption account was not produced for verification. The copy of the letter sent to the contractor for recovery of GST & Income tax was also not produced.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The committee decided to keep the para pending with the directions to probe the matter for fixing responsibility, regularization and recovery.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to hold a probe into the matter for fixing responsibility, and ensuring recovery besides strengthening financial and internal controls.

(Para No. 2023-000000066_F00019)

9.6 Compliance with grants

9.6.1 Weak Financial Management for issuance and utilization of Technical Supplementary Grants-Rs. 651.39 million

Rule 15.6 of Chapter 14 of the Punjab Budget Manual, 2008, states that proposals for the supplementary grant are objectionable in principle and free resort to them indicates, on the one hand, bad estimating or improvident administration and, on the other hand, impairs the proper management of the provincial finances. The justification for applying for supplementary grant should rest only upon circumstances, which are exceptional. In addition to that Rule 15.7 further elaborates that if any inconvenience, loss or damage is apprehended to a reasonable degree, the additional expenditure should be met by re-appropriation of savings found by legitimate postponement of expenditure provided for in the schedule of authorized expenditure. If re-appropriation is not possible, in supplementary proposals it should be shown:

- Why the need could not be foreseen.
- In absence of additional provision, serious inconvenience or serious loss or damage will be caused to public service.

During special audit of the Project Director “Revival of Wildlife Resources in Punjab” Green Pakistan /Ten Billion Tree Tsunami Programme, for the period 2019-2022, it was observed that the released amount of Rs.651.386 million, could not be utilized by the management which resulted in non-utilization of funds valuing Rs.651.386 million released through Technical Supplementary grants as detailed below:

Sr. No.	Particulars	Funds balance Rs. in million
1	Balance Funds as per Finance Department	336.776
2	Funds surrendered by C&W Department during 2020-21	70.00
3	Surrender of funds by C&W department during -21-22	10.610
4	Non-release of funds and savings	234.00
Total		651.386

Audit was of the view that the lapse occurred due to poor planning, execution and monitoring mechanism at managerial level. Loopholes in utilization of funds released through Technical Supplementary Grants resulted in shortfall in achievements of project deliverables.

The matter was pointed out in February, 2023. The department replied that during 2019-20, funds couldn't be utilized due to COVID-19 as Finance Department had frozen the funds of the project. In addition, in 2020-22, funds amounting Rs. 80.610 million respectively were surrendered by the C&W department without giving any valid reasons whereas, this department had already provided the scope of work and other relevant documents. Moreover, funds amounting to Rs. 234.000 million along with remaining funds were revalidated and work plan has been approved by the competent authority. The same funds would be utilized during financial years 2022-23 to achieve the project objectives.

The reply was not tenable as the evidence of revalidation of funds was not produced by the department.

The matter was also reported to the PAO. The DAC meeting was held on 22nd June, 2023. The explanation of the management was not accepted by the committee and decided to keep the para pending for regularization from the Finance Department.

Further progress was not reported by the department till the finalization of this report.

Audit recommends to get the irregularity regularized from the Finance Department.

(Para No.2023-000000066_F00032)

10. OVERALL ASSESSMENT

- 10.1 Relevance:** The Punjab Wildlife Department has a vision to protect, preserve, conserve and the management of Wildlife resources and their habitat in the province through rehabilitation of natural habitat and Wildlife propagation through captive breeding and provision of recreational facility to general public, mass education about importance of Wildlife in Punjab province, controlling illegal hunting and poaching of Wildlife. The Programme was under target 15 of SDG to be funded through 50 % equal share from Annual Development Programme (ADP) and Public Sector Development Programme (PSDP) and in line with the government's sectoral policies.
- 10.2 Economy:** Tendering process was partially followed. The purchases of software, IT equipment etc. were made in excess of the estimated cost worked out in PC-I. Recoveries on account of taxes, GST was wrongly added twice in the rates of supplies, LD charges, advance payment not recovered besides non-supply of stores were also pointed out. Thus, the economy was rated low.
- 10.3 Efficiency:** The Programme (up-scaled) was launched in 2019-20 with completion time by June 2023. The pace of work could not be geared up as phased in PC-I. The delay in completion of the Programme will not only delay the achievement of the desired objectives but it would also result in cost over-run. Keeping in view of these factors, the efficiency of the Programme rated low.
- 10.4 Effectiveness:** 70% of the targets could not be achieved due to non-hiring of irrelevant staff for GIS lab, its nodes and the field till 6/2022. Hence the objective of connectivity, capacity building through IT regime, for collection of real time data about bio diversity, population dynamics in the Wildlife could not be

achieved. Mostly, the equipment purchased for various interventions were not commissioned. Many interventions were not even initiated.

10.5 Efficacy: The target and achievement report by the department as well as scrutiny of record revealed that execution process was weak. The Programme could not fully achieve its targets as work could not be initiated at Ara Basharat Park, breeding farms, hatcheries, pre-release pens for pheasants, conservation and re-introduction of black buck and other ungulates in Cholistan, Therefore, the efficacy of the Programme was rated low.

10.6 Performance rating of Programme: Moderately satisfactory.

10.7 Risk rating of Programme: High.

11. CONCLUSION

The overall objectives of “Ten Billion Tree Tsunami Programme (Phase-1)-Up-scaling of Green Pakistan Programme (Revised)” and “Revival of Wildlife Resources in Punjab, Green Pakistan Programme (1st Revised)” are to revive Forest and Wildlife resources in Pakistan, to improve the overall conservation of the existing Protected Areas; encourage eco-tourism, community engagement and job creation. It directly influences Sustainable Development Goals (SDG) 13 (Climate Action), Sustainable Development Goals (SDG) 14 (Life Below Water) and Sustainable Development Goals (SDG) 15 (Life on Land) stress the urgent need to mitigate environmental degradation, conserve biodiversity, and foster sustainable use of natural resources. However, during the special audit of the said Programme, many systemic failures in internal control structure were identified and issues pertaining to organization and management, financial management system, procurements, monitoring and evaluation systems, sustainability of the interventions and impact on environment were highlighted. The core issues highlighted warrant a prompt and pro-active approach on the part of the Management to overcome weaknesses in the internal control that are hindering the financial and administrative discipline. Adherence to the audit recommendations will improve the Management’s overall performance.

A- Forest Component:

Key issues for the future: Issues that could limit Programme’s performance and achievement of objectives are as under:

- The financial management was very poor as certain cases of bogus drawls of labourer’s charges involving millions of rupees were noticed that was due to inefficient and ineffective payment mechanism system in forest sector.

There is an immediate need to change the cash payment system to labourers through bank accounts instead of cash payment mode.

- A considerable planting area failed due to ineffective Asset Management System. Similarly, the success of plantation ratio at many sites was in between the range of 25 % to 65 %. This was primarily due to poor selection of planting sites. In future, planting work should only be commenced after taking soil test reports and other factors like easy water availability for maintenance etc.
- Eucalyptus species are not native to Pakistan's environment and one of the factors for various hydro-ecological imbalances of an ecosystem. The species consumes three times more water in arid and semi-arid environment, because of vapor pressure deficit and create causes of ground water level depletion. Despite known fact, management raised Eucalyptus species in bulk. The % age of planting Eucalyptus was about 43 % of the total plantation raised. The practice of raising Eucalyptus raising Eucalyptus species in non-problematic areas should be regulated due to high water intake.
- The 2019-2020 crop consisting of 59,467,043 plants reached on its terminal year during the period ending June, 2022. As per PC-I, the crop was required to be shifted from development mode to non-development mode for maintenance purpose after evaluation of crop by P & DD through the DG (M & E). No evaluation was made by DG (M & E) for shifting of crop from development side to non-development portion. The sustainability of plants is at stake due to non-provision of maintenance budget.

Immediate attention is required for provision of budget for maintenance purpose to save plantation from failure.

- The role of the Project Management to assess carbon stocks for earning carbon credit in International Trading Market was dormant as no carbon stock assessment was made in violation of PC-I provision. There is an immediate need to assess carbon stocks for earning carbon credit in International Trading Market to save country from economic loss.
- The monitoring and evaluation are strong tools to ensure quality output. The project management could not develop adequate system for achieving the Programme deliverables as sites once monitored were not re-monitored on regular intervals. Further, the most effective Geographic Information System (GIS) monitoring tool was not enforced despite having lab for the purpose. In the absence of Geographic Information System (GIS) monitoring, the on-ground existence of plants at sites is doubtful. There is an urgent need to develop GIS monitoring tool to keep an eye on ground existence of plants.

Lessons identified:

If there is weak monitoring process unsupported with latest technology like GPS, results/achievement of targets would be highly unreliable and could be maneuvered.

- The system for the muster roll payments through cash had opened the flood gate for the bogus claims. The check and balance system had completely failed. There is a strong need to shift payment mode from cash payments to bank accounts.

- Exit strategies should be developed in case of failure of plantations.

B- Wildlife Component:

Key issues for the future: Issues that would limit Programme's performance and achievement of objectives are as under:

- i. Certain cases of over drawl and excess payment to the contractors and non-recovery out of the amount paid in advance due to non- supply of birds were observed. The slackness on part of the management, if not improved, has the potential to further compromise prudent financial management.
- ii. The appointment of untrained staff would limit the achievement of objectives in collection of real time data about bio-diversity and population dynamics in the Wildlife could not be carried out. The tendency of the management to appoint staff not in accordance with the job description will affect the achievement of the objectives.
- iii. The asset management system was ineffective as non-distribution of equipment contributed towards non-achievement of targets. If a well-defined mechanism is not adopted and distribution plan was not made, the achievement of targets will remain a distant goal.
- iv. The monitoring and evaluation are strong tools to ensure quality output. The project management could not develop adequate system for safeguarding the Programme deliverables. Developing a GIS Monitoring tool to keep an eye on field activities is a pre-requisite for ensuring the achievement of Programme deliverables.

Lessons identified:

- Implementation of the project within the given time would save the department from cost and time overrun. Therefore, proper monitoring and evaluation mechanism needs to be devised for timely execution of construction work, procurement process, distribution and installation of assets and equipment.
- Project Director should be appointed in the light of procedure set for mega projects instead of posting on additional charge basis so as to achieve the objectives of the project.
- The procurements should be made in the light of PPR, 2014 and at the prices justifying the estimates in the PC-I.

12. ACKNOWLEDGEMENT

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