

# Khyber Pakhtunkhwa Urban Policy 2030

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Planning & Development Department  
Khyber Pakhtunkhwa



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## Abbreviations

AQI	Air Quality Index
AI	Artificial Intelligence
ADP	Annual Development Plan
ADB	Asian Development Bank
ARV	Annual Rental Value
BOS	Bureau of Statistics
BRT	Bus Rapid Transit
CBD	Central Business District
CE	Circular Economy
DC	Deputy Commissioner
DFI	Development Financial Institution
DLUP	District Land Use Plan
EPA	Environmental Protection Agency
EIA	Environmental Impact Assessment
FAR	Floor Area Ratio
FCDO	Foreign, Commonwealth, and Development Office
FATA	Federally Administered Tribal Areas
FGD	Focused Group Discussions
GIS	Geographic Information System
GDP	Gross Domestic Product
GoKP	Government of Khyber Pakhtunkhwa
ITZ	Integrated Tourism Zone
IDP	Internally Displaced Person
IGC	International Growth Center
KP	Khyber Pakhtunkhwa
KPCIP	Khyber Pakhtunkhwa Cities Improvement Project
LGE&RDD	Local Government, Elections, and Rural Development Department
LG	Local Government
LGA	Local Government Act
LGO	Local Government Ordinance
LUBCA	Land Use and Building Control Authority
MIS	Management Information System
MC	Municipal Committee/Corporation
ML	Machine Learning
NAPHDA	Naya Pakistan Housing & Development Authority
NGO	Non-Governmental Organization
NOC	No Objection Certificate
NC	Neighborhood Council
NIUIP	National Institute of Urban Infrastructure Planning
NUA	New Urban Agenda
NUPP	National Urban Policy Program
OECD	Organization for Economic Cooperation & Development
PBS	Pakistan Bureau of Statistics
PCI	Pavement Condition Index
PPH	Person Per Hectare

PPP	Public Private Partnership
PPD	Public Private Dialogue
PHED	Public Health Engineering Department
P&DD	Planning and Development Department
PSS	Punjab Spatial Strategy
SBP	State Bank of Pakistan
SCMP	Strategic City Management Plan
SNG	Sub National Governance
SWM	Solid Waste Management
SDGs	Sustainable Development Goals
TOD	Transit Oriented Development
TMA	Town Municipal Administration
UPPU	Urban Policy and Planning Unit
UIPT	Urban Immovable Property Tax
VETS	Vehicular Emission Testing Station
WSSC	Water & Sanitation Service Company

## A. Scope

1. The Khyber Pakhtunkhwa (KP) Urban Policy applies to cities<sup>1</sup> in KP with a certain criterion and may be expanded to other cities. Three options for the list of qualifying cities are showcased by zone in Annexure 1.
  - a. Option 1: For the first case, 34 cities have been selected with a population greater than 40,000. A city in this case is an 'urban locality' as specified by the Pakistan Bureau of Statistics.
  - b. Option 2: The second scenario lists 44 cities and tehsils, to include districts that were not covered in the first option. Cities showcased here include urban localities with population greater than 40,000 and the largest urban localities for districts that were not included in the former list. Furthermore, tehsils with the highest population per district are included in this list for districts that were not included in Option 1.
  - c. Option 3: This option comprises a list of 79 tehsils that consist of urban neighborhood councils (NCs).
2. This Policy has been contextualized according to the ground realities, and therefore, three zones have been carved, the North, Central and South zones. The North zone includes Hazara and Malakand divisions. The Central zone consists of Peshawar and Mardan divisions and the South zone has Kohat, Bannu and Dera Ismail Khan divisions.<sup>2</sup>
3. All the clauses below apply to all three zones unless distinctly specified.
4. This Urban Policy shall also be applicable within the jurisdictions of Urban Area Development Authorities and the Development Authorities under the KP Tourism Act 2019.
5. The implementation framework for this Policy is presented in Annexure 2. The year to achieve all the targets set forth in this Policy is 2030.
6. This Policy will be reviewed and updated every 2 years by the Government of KP until 2030. From 2030 onwards, the urban policy will be developed every 5 years on a rolling basis.

## B. Vision

7. The vision of the KP Urban Policy 2022-2030 is to provide strategic-level direction and a roadmap to the governments in KP, for creating inclusive opportunities for individuals,

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<sup>1</sup> The population of each city has been assessed according to the block-wise summary of the 2017 Census by the Pakistan Bureau of Statistics (PBS). In this case, the definition of a city is an urban locality or an urban settlement within a district and could be an MC or a TC as per the Pakistan Bureau of Statistics.

<sup>2</sup> The characteristics of the cities within the 3 zones vary. In the Northern Zone, city size is often smaller, with terrain that is different from cities in Central and South Zones. The economies of Northern zone cities are mostly agrarian with majority of revenue derived from tourism and related activities. Cities in the Central Zone are more developed with refined trade, commercial, and industrial activities. The health and education sectors are also superior. On the contrary, the Southern Zone is mostly rural and still in the initial phases of development. These distinguishing characteristics of the 3 zones have been acknowledged while developing policy guidelines.

businesses, and communities in urban centers, leading towards social and economic mobility while ensuring environmental sustainability.

## C. Principles

### Principle 1: Flexibility and Adaptability

8. Khyber Pakhtunkhwa is a diverse province. Thus, a uniform set of urban policies would not be applicable in all parts of the province. The first principle, flexibility with adaptability, acknowledges diversity as well as accommodates new knowledge and experiences which emerge during the implementation stage. This urban policy provides guidelines through objectives that are applicable in the entire province as it allows for local customization.

### Principle 2: Inclusive Urban Planning

9. Traditional urban policy approach led by engineering is now transforming into more humane and social objectives<sup>3</sup>. Inclusive urban planning is the way forward for sustainable development placing public participation in the center of the design process. However, there is a risk of cosmetic forms of participation created by holding superficial public consultations only with a few influential people at the very end of the planning process. Another challenge of public participation has to do with the local community's capacity to self-determine urban challenges and solutions. The urban policy of KP gives a direction to adopt more inclusive and people-friendly consultative processes. Moreover, the active involvement of citizens in public spaces and the creation of tactical urbanism by community organizations directly involve the citizens in shaping their cities, creating awareness. Thus, increasing their sense of ownership over their surroundings<sup>4</sup>.

### Principle 3: Collaborative Governance

10. Urban policies are understood as a multi-level policy mix, across various sectors achieved through multi-stakeholder engagement. An urban policy will not succeed in accomplishing its objectives without an institutional framework that promotes these interactions. Collaborative governance brings public and private stakeholders together in collective forums with public agencies to engage in consensus-oriented decision-making. The process includes face-to-face dialogue, trust building, and development of a shared understanding.

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<sup>3</sup> Glaeser, E. (2012). The challenge of urban policy. *Journal of Policy Analysis and Management*, 111-122.

<sup>4</sup> Ferilli, G. S. (2016). Beyond the rhetoric of participation: new challenges and prospects for inclusive urban regeneration. *City, Culture and Society*, 95-100.

## D. Goals<sup>5</sup> and Indicators

### Goal 1: Sustainable Cities

11. Economic sustainability aims to maximize resource efficiency and prospects of achieving long-term benefits. Environmental sustainability is concerned with preserving the natural environment while social sustainability promotes the development of a better local landscape of networks (Ahmed et al. 2011). Sustainability indicators assist in developing a mechanism to evaluate the level of development with respect to economic, environmental, and social goals. These markers represent information about the consequences of land use, transport, and infrastructure in cities.

Key Indicators for Goal 1<sup>6</sup>:

- a. Number of trees per thousand population and per square kilometer
- b. Number of days in a year where the Air Quality Index is in the good range
- c. Share of land that is mixed use
- d. Share of land that is devoted to economic use
- e. Number of public and private vehicles inspected for road worthiness per thousand vehicles
- f. Share of investment in non-motorized transport (including footpaths and bicycle infrastructure) out of total investment in transportation (including roads)

### Goal 2: Social Mobility & Livability

12. One of the core objectives of the urban policy is to encourage upward social mobility. The capacity for children to have a better life than their parents is referred to as absolute upward social mobility. This can be caused by both a rise in income within a single area and a decrease in inequality<sup>7</sup>. It can also be a shift of social status in relation to one's present social position within a society<sup>8</sup>. Improvement in the quality of life of people, especially women, children and differently abled, is also related and an important aim. Adequate service delivery including access to green spaces helps in improving the quality of life, attracting investments, and developing the workforce. Households benefit from good access to services by developing better human capital, improving their health, education, and productivity.

Key Indicators for Goal 2:

- g. Proportion of population with access to clean drinking water
- h. Proportion of population with access to proper sanitation

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<sup>5</sup> The KP Urban Policy is positioned to achieve the following goals. Key indicators under every goal are given to monitor achievement and facilitate oversight and assessment. Annexure 3 displays the linkages and interrelationship between the goals, indicators, sectors/themes and crosscutting themes and policy clauses.

<sup>6</sup> Each indicator shall be measured for each applicable city during implementation phase. The respective targets for each indicator will be provided in the implementation framework.

<sup>7</sup> World Economic Forum (WEF). (2020). The Global Social Mobility Report 2020. WEF.

<sup>8</sup> Heckman JJ, Mosso S (August 2014). "The Economics of Human Development and Social Mobility" (PDF). Annual Review of Economics. 6: 689–733.

- i. Proportion of municipal solid waste collected and safely disposed or recycled out of total municipal waste generated
- j. Share of land that is open space for public use
- k. The number of new public spaces developed in partnership with the local communities or private sector
- l. The value of investment in the maintenance of heritage sites
- m. Proportion of trips taken by public transportation (segregated by male and female)

### Goal 3: Youth-focused Economic Development

13. A large group of young people is about to enter the workforce: 44 percent of KP's population is under the age of 15<sup>9</sup>. To avoid widespread poverty and its attendant societal difficulties, the number of job opportunities in KP's cities must increase in order to reduce the comparatively high unemployment rate. The increasing youth unemployment rate is an alarming indicator coupled with the rising number of young people posing economic and social risks. It must be noticed that the labor force participation for females is 13.2% and 75.7% for males<sup>10</sup>. KP needs to spur economic development in cities to create more jobs and income opportunities for young men and women.

Key Indicators: for Goal 3:

- n. Number of sports facilities created and maintained
- o. Number of shared working spaces (and number of youth benefitting from these spaces) created by public or private sectors or through PPP
- p. Number of women trained in digital skills and entrepreneurship
- q. Number of housing units (studio apartments or small flats) for young adults and students

## E. Cross Cutting Themes

### Gender

14. The theme of gender is addressed directly and indirectly across the policy guidelines given in this document. Many of the policy stipulations, while serving their direct intended purposes, also aim to reduce gender inequality and make cities safer, equitable, and inclusive for women, children, and marginalized communities. There is an inherent inequality between men and women in the cities of Pakistan, including KP cities. Women are routinely disadvantaged in numerous spheres, leading to decreased opportunities for the female gender. It has been attempted to address this by laying down guidelines for land-use and housing to make cities more accessible and navigable for women. Similarly, specific guidelines have been provided to address women's mobility issues and support them with ease of access to public spaces. Significance has also been provided to women's economic development to enable them to become valuable

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<sup>9</sup> Pakistan Bureau of Statistics. (2017). Provincial Census Report Khyber Pakhtunkhwa. Islamabad: Ministry of Planning, Development and Special Initiatives. See also: Khan et al. 2016.

<sup>10</sup> Pakistan Bureau of Statistics. (2019). Labour Force Survey 2018-2019. Islamabad: Government of Pakistan Ministry of Statistics.



members of the labor force. Therefore, gender is an important and cross-cutting theme in the KP Urban Policy, which is visible in all clauses of the document.

## **Technology**

15. The KP Urban Policy encourages the introduction and use of technologies for urban development to make KP cities more livable and inclusive. Technological interventions are being used throughout the world to make cities more efficient, productive, and safe spaces. Likewise, this Policy has initiated the adoption of technology as a means of achieving many of the goals laid out in the KP Urban Policy. The Policy prescribes the use of various technologies for tackling issues related to climate change, mobility, traffic, and institutional capacities among others.

## **Sustainability (Economic, Environmental, Social)**

16. Many of the interventions suggested in the KP Urban Policy have sustainability as a principal theme, explicitly or implicitly. This is because the overarching aim of the policy is to make KP cities resilient and vibrant, for current as well as future generations. In the following clauses, policy prescriptions are given with regards to climate change, waste management, urban forestation and vegetation, sustainable land-use, mobility, tourism etc. among others. The theme of sustainability has been kept in mind, ensuring that the guidelines safeguard continued well-being of cities and urban citizens. Therefore, majority of policy guidelines are given with the objective of ensuring economic, environmental, and social sustainability.

## **F. Strategic City Management Planning**

17. In addition to the exercise of creating master plans, Strategic City Management Plans (SCMP) shall be created at city level for 3 years on a rolling basis.
18. The Deputy Commissioner (DC) of the district, Mayor/Chairperson of the city, and the Director General (DG), of the relevant development authority where applicable, shall jointly develop the SCMP, and get approval from District Land Use and Management Committee. The Chief Executive Officer (CEO) of the Cantonment Board(s) shall also be consulted where possible.
19. The SCMP shall be developed through a binding participatory process of public engagement as laid out in clause 168.
20. The SCMP language shall be user friendly and easy to understand by the general public.
21. The SCMP shall prioritize key local interventions and actions based on key challenges and sustainable solutions in the following sectors:
  - a. Urban Governance and Organizational Effectiveness
  - b. Land Use Planning and Sustainable Mobility
  - c. Safe and Inclusive Urban Design
  - d. Local Economic Development
  - e. Environmental Sustainability and Climate Change Mitigation
  - f. Financial Stability and Revenue Generation
  - g. Communication and Outreach
22. A disaster risk management response and coordination mechanism shall also be instituted within the SCMP.

23. A template provided in Annexure 4 shall be conformed for the crafting of the SCMP and technical support shall be offered by the Urban Policy and Planning Unit (UPPU) in creating the SCMP.
24. The SCMP must enforce that every city should publicly announce the annual (budgeted and actual) investment in the following:
  - a. Roads
  - b. Public Transport
  - c. Walkability (including footpaths and other pedestrian infrastructure)
  - d. Bicycling
  - e. Tree plantation and care
  - f. Public spaces (including sports activities)
  - g. Heritage
25. The performance of all interventions must be measured, monitored, and evaluated semi-annually for the 3 years.
26. The SCMP shall be displayed on the websites of the UPPU, the District Administration, the Mayor/Chairperson local government office, and the development authority.
27. All the clauses below also apply to the planning and drafting of the SCMPs.

## **G. Land Use and Floor Area Planning**

28. The land use, building control, zoning rules, byelaws, standing orders and instructional circulars shall be revised, updated, and consolidated in conformity with the KP Urban Policy and codified into a single detailed Land Use, Building and Zoning Code. The following shall serve as guiding principles for land use plans and floor area planning in urban areas.
29. Indicative land use plans shall be prepared at city level while detailed and enforceable land use plans must be prepared at Neighborhood Council (NC) level.
30. Plans shall incorporate and design a proper grid-and-iron layout (where the terrain is conducive) for new cities or developments and for urban regeneration.
  - a. The new development plots or urban regeneration parcels shall be rectangular in shape.
  - b. Planning shall encompass existing green spaces and natural elements of the terrain and surroundings. Natural features like trees, lakes, rivers, streams etc. shall be protected, and planning and construction shall be done around them.
31. Plans shall incorporate polycentric development with more than one Central Business District (CBD) to alleviate pressure from one city center.
32. Housing societies and other residential development shall be established adjacent to the previous residential development in a contiguous manner to avoid leapfrog development.
  - a. Housing societies and other mega projects shall be developed in arid areas and banned in cultivated areas.
33. Land use plans developed at neighborhood and housing society level shall be based on density targets and flexible standards.

- a. Medium population density shall be maintained with the aim of an average density of 20,000 persons per square kilometer (200 Persons Per Hectare (PPH))<sup>11 12</sup> in the Central zones (especially for new development or urban regeneration).
- b. Proposed densities shall vary by density zone or by distance from transit line in the Central Zones:<sup>13 14 15</sup>

Density Zone	Distance from Transit	Average Population Density
Mixed Use with High Density Residential (CBD)	<400 meters	301 to 400 PPH
Mixed Use with Medium Density Residential	400 to 800 meters	201 to 300 PPH
Low Density Residential	>800 meters	100 to 200 PPH

34. The density targets for private housing schemes in the North and South zones shall be prescribed by LGE and RDD.
35. On ground land use conversion/reclassification shall be implemented after 1 year from the date of decision making i.e., a 1-year gestation period, during which the infrastructure capacity for municipal amenities must be constructed.
  - a. The first step for assessing the land use conversion/reclassification application shall be to perform a detailed Environment Impact Assessment (EIA), which must include traffic, water & sanitation impact assessments of the current and future potential status, by an independent qualified consulting firm<sup>16</sup> (in collaboration with EPA). The application shall be rejected if the net impact of the future potential status is negative.

<sup>11</sup> Guzman, L. A., & Gomez Cardona, S. (2021). Density-oriented public transport corridors: Decoding their influence on BRT ridership at station-level and time-slot in Bogotá. Cities, 110, 103071. <https://doi.org/10.1016/j.cities.2020.103071>. This source values the importance of high densities around transit stations and quotes a maximum viable density of 220 to 250 inhabitants per hectare within catchment area of transit station (400 to 800 meters).

<sup>12</sup> UN HABITAT. (n.d.). *A New Strategy of Sustainable Neighborhood Planning: Five Principles*. UN HABITAT. This source proposes an average population density of at least 15,000 persons per sq. km (150 PPH).

<sup>13</sup> Hasan, A. (2018, August 19). *The Crisis of Urban Housing*. Retrieved from dawn.com: <https://www.dawn.com/news/1427893/the-crisis-of-urban-housing>. Arif Hassan in his article recommends a density of 400 PPH for the megacity of Karachi. This has been adapted to the local context of KP cities and only proposed in the Central Zone around the transit stations as an upper limit.

<sup>14</sup> The upcoming Lahore Master Plan 2050 also proposes an average density of 300 to 400 PPH around mass transit lines, 250 PPH in current low density housing schemes, and 150 PPH in other allowed residential areas.

<sup>15</sup> World Bank Group. (2018). *Dar es Salaam Metropolitan Development Project: BRT Phase 1 Corridor Development Strategy (Vol. 3): Volume 3 - Benchmarking Transit Oriented Development*. World Bank Group. This source shares the best practice of first ever BRT in Curitiba, Brazil, that created a density of 300-400 PPH around the key terminal stations within the central business area and 150-200 PPH around the suburban residential neighborhood areas.

<sup>16</sup> Consulting firm is any legal entity which independently performs studies, prepares reports, makes designs, supervises work or similar advisory activities in any discipline and is registered or licensed by the respective Council.

36. The fees charged for building higher densities/FAR and for the conversion to commercial use, shall be applied in the redevelopment of the respective area and in the upgradation of existing public utilities, services, and allied facilities.
37. A robust Management Information System (MIS) & Geographic Information System (GIS) mechanism shall be developed to monitor, maintain, and regulate land use plans and conversions/reclassifications (in addition to other building control elements).
38. Mixed-use development shall necessitate vertical growth and a mix of residential, commercial, light industrial, office, and other land uses. These diverse functions must be compatible and shall be carefully designed and administered<sup>17</sup>.
  - a. For a sustainable and mixed-use neighborhood, recommended total floor space allocations (or total covered area proportions) are 40-60% for economic use, 30-50% for residential usage, and 10-20% for public utilities/amenities. The proposed criteria are in a range to provide for flexibility so that various cities can tailor them to their unique circumstances.<sup>18</sup>
  - b. There shall be an increase in economic (light industrial and commercial) activity and at least 40% of covered area shall be allocated for economic space in a neighborhood.
  - c. Commercial use shall be ensured on lower-level floors for vibrancy and safety on the street.
  - d. Low-cost housing should account for 20 to 30% of total residential floor area (specially for new development), with owner-occupancy accounting to no more than 50% of the total giving a chance to the rental market.<sup>19</sup>
39. Single function blocks of segregated land use (other than transport network, graveyards, and public open spaces) shall cover less than 10% of land.
40. The transport network shall occupy not more than 30-40% of land including roads and parking.<sup>20</sup>
  - a. Disabled parking shall cover 5% of the total land allocated to parking.<sup>21</sup>
41. The provision of graveyards in urban centers and housing societies as an essential requirement shall occupy at least 2% of land<sup>22 23</sup>.
  - a. An assessment shall be conducted to determine the current need of graveyards in and around existing urban built-up areas.

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<sup>17</sup> The standard percentages discussed are not a proportion of land, but a percentage of total covered area of all buildings as vertical growth is proposed.

<sup>18</sup> UN HABITAT. (n.d.). *A New Strategy of Sustainable Neighborhood Planning: Five Principles*. UN HABITAT. This source gives the recommended land use mix for ensuring sustainable cities

<sup>19</sup> UN HABITAT. (n.d.). *A New Strategy of Sustainable Neighborhood Planning: Five Principles*. UN HABITAT.

<sup>20</sup> UN HABITAT. (n.d.). *A New Strategy of Sustainable Neighborhood Planning: Five Principles*. UN HABITAT.

<sup>21</sup> Shahraki, A. A. (2020). *Urban Planning for Physically Disabled People's Needs with Case Studies*. Springer Link, 12. This study discusses the optimum standards for making cities accessible for the differently abled and cites several international examples, which can be applied in KP.

<sup>22</sup> Capital Development Authority (Regional Planning Directorate). (2020). *Revised Modalities & Procedures (2020) Framed Under ICT (Zoning) Regulation, 1992 (As Amended) For Development Of Private Housing/Farm Housing Schemes In Zones 2, 4 & 5 Of Islamabad Capital Territory Zoning Plan*. Islamabad: Capital Development Authority. In addition to the KP housing scheme rules, Islamabad housing scheme rules also suggest at least 2% of land to be dedicated for graveyards.

<sup>23</sup> American Planning Association. (n.d.). *Cemeteries in the City Plan*. Retrieved from [planning.org: https://www.planning.org/pas/reports/report16.htm](https://www.planning.org/pas/reports/report16.htm), The American Planning Association has done a study of land use proportions for cemeteries and indicate at least 2% of land for graveyards.

- b. As this is an urgent matter, a relevant plan shall be crafted within 6 months of the approval of this policy.
  - c. Housing societies shall be mandated to provide space for graveyards according to the aforementioned parameters.
- 42. There shall be an increase in social, public places, especially for families and women. Urban design guidelines for public places are provided in Annexure 5.
  - a. At least 15-20% of land use shall be allocated to public open spaces in new developments including towns under Development Authorities and private housing societies.<sup>24 25</sup>
  - b. Urban regeneration shall be carried out in existing built-up areas to create small public spaces for communities.
  - c. Public open spaces include sidewalks, parks, market squares, greenways, public libraries, sports & community centers, and other recreational spaces.
  - d. Public open spaces must be located within a maximum of 1000 meters or within a walking distance of 15-20 minutes from every household.<sup>26 27</sup>
  - e. Neighborhoods and housing societies shall be mandated to add a prayer area in each residential block or building.
  - f. Community centers for senior citizens and women shall be mandatory in neighborhoods and housing societies.
- 43. All urban development shall encourage and legally enforce urban forestation and vegetation.<sup>28</sup>
  - a. A minimum of 9 m<sup>2</sup> of accessible, urban green space per inhabitant shall be provided.
  - b. All rooftop space of 100 m<sup>2</sup> or more shall be converted to green roofs.
  - c. A community geotagging system shall be designed where citizens crowdsource data about the location and picture of trees.
  - d. Protected areas shall be designated within cities to secure natural habitats and urban heritage.

## H. Affordable Housing, Housing Societies, Condominiums and Building Codes

- 44. The Local Government, Elections, & Rural Development Department (LGE&RDD) shall revise the private housing scheme rules and regulations to incentivize mixed use development and low-cost housing by providing tax rebates.

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<sup>24</sup> UN HABITAT. (n.d.). A New Strategy of Sustainable Neighborhood Planning: Five Principles. UN HABITAT.

<sup>25</sup> The upcoming Lahore Master Plan 2020 also proposes to change open space limit from 7% to 20%.

<sup>26</sup> Pozoukidou, G., & Chatziyiannaki, Z. (2021). 15-Minute City: Decomposing the new urban planning eutopia. *Sustainability*, 13(2), 928.

<sup>27</sup> Moreno, C., Allam, Z., Chabaud, D., Gall, C., & Pratlong, F. (2021). Introducing the “15-Minute City”: Sustainability, resilience and place identity in future post-pandemic cities. *Smart Cities*, 4(1), 93-111.

<sup>28</sup> World Economic Forum (WEF). (2022). BiodiverCities by 2030: Transforming Cities' Relationship with Nature. World Economic Forum. These standards are recommended by the World Economic Forum for ensuring equitable and sustainable cities that must be adopted by city governments across the world.

- a. The rules shall incentivize the development of small one- and two-bedroom flats and studio apartments in line with condominium law/rules made thereunder.
  - b. It shall be mandatory for every house with a plot size of ten (10) Marla or more to make an underground rainwater harvesting tank.
  - c. The recommended mixed-use proportions shall be adapted for housing societies as well with flexible residential percentages. The cap of 1% or 5% or 10% commercial land use shall be removed.
45. Prior to the development of housing societies, the EIA shall also analyze the increase in vehicular emissions due to the distances travelled and traffic congestion caused among other potential environmental, social, and health effects of a proposed development.
46. Housing societies shall provide compulsory public transport from and to commercial hubs.
- a. One standard bus shall be allocated per 125 housing units at 3 times of the day.
47. Primary collection of solid waste shall be carried out by housing societies including apartment complexes. Housing societies should reduce, reuse, and recycle solid waste at 85% efficiency.<sup>29</sup>
- a. Waste generated at home shall be segregated at source, daily into three different bins: organic waste, dry & recyclable, and landfill waste. Housing societies shall also distribute 3 large, color-coded plastic bins in each housing unit.
  - b. Bio-composting pits are to be installed in each housing society, especially new ones. Organic waste is to be converted into manure using bio-culture in the compost pits. This manure can be used for common gardens in the society and the rest can be given to residents.
  - c. Dry and recyclable waste from housing societies is to be given to public and private waste management companies and manufacturing companies for recycling, on a priority basis
  - d. Only 15% of the society's waste shall go to the landfill site.
48. Each approved housing society shall develop and manage a wastewater or sewerage treatment plant. It shall carry out primary, secondary, and tertiary treatment of waste. The treated water shall be used for non-portable needs such as flushing, watering gardens, and washing cars. The capacity of such plants shall be in accordance with population/size of housing society.
49. A comprehensive program of slum upgradation shall be initiated to transform localities into vibrant and livable spaces that contribute towards economic development.<sup>30</sup>
- a. There shall be land tenure regularization in slums across KP to provide tenancy rights to slum dwellers and to encourage investment in their homes and communities.
  - b. There shall be mass campaigns to strengthen housing foundations in informal settlements.
  - c. Community-led programs shall be initiated for the building of sewerage systems and other core infrastructure in slums.
50. Restrictions shall be reduced on land use and construction techniques (encouraging incremental housing) to lower costs of housing construction.

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<sup>29</sup> The following ideas are adapted from case studies of housing societies in Mumbai which have begun successful management of their solid waste.

<sup>30</sup> International Growth Centre (IGC). (2019). *Policy Options for Informal Settlements*. IGC.



51. Condominium law shall be promulgated for joint ownership of flats or apartments in a building where the proportion of co-ownership shall be the ratio of covered area for which he/she have paid for in full or in part with the total covered area of the saleable area of the condominium.
  - a. Rules under the proposed condominium law shall be prescribed to address zone-specific issues.
  - b. Joint insurance of the building by the management committee (consisting of co-owners) from a class A or AA rating Insurance Company shall be mandatory through the law, to cover the risk of damage on account of fire, earthquake and other natural or man-made calamities.
  - c. The condominium law and rules shall provide clear and binding direction regarding maintenance, cleanliness and regular renovation of the building including services and elements in addition to security, safety and removal of encroachments from the common areas
52. The tenant and restriction of rented buildings laws shall be enforced in letter and spirit to ensure background check and submission of a character certificate from the police before signing lease agreements with tenants.
53. Dynamic and localized building codes shall be designed and formalized specifying the type of materials, colors, and architectural designs that can be utilized in the buildings elevation or facade safeguarding city image and character.
  - a. These building codes shall be incorporated in the prevailing Land Use, Building and Zoning ordinance/regulations for their effective implementation.
  - b. New development shall be prohibited if the architectural elevation of proposed design is not in accordance with these building codes.
  - c. The building codes shall prioritize the introduction of sustainable building methods and materials for housing and commercial buildings.
54. Demand (willingness and ability to pay) shall be created by bringing banks in the forefront to provide housing loans to different groups such as shop owners, project employees and women.

## **I. Economic & Real Estate Development**

55. Development on developed plots shall occur within 3 years of purchase
  - a. A developed plot shall be charged a higher fee and taxes if sold and transferred more than 3 times.
56. The Bureau of Statistics (BOS) shall analyze the trends of industries (manufacturing and services) and job markets (supply and demand) segregated by gender.
  - a. The land use of localities and skillset of students must be adjusted according to the trends in manufacturing and services industries
57. Special focus shall be given to marginalized groups (including women, children, youth, elderly, and differently abled) for social and economic opportunities.
58. The quality and availability of the internet shall be ensured, and digital connectivity shall be improved.
  - a. The government shall promote information technology and oversee the establishment of information technology parks in urban areas.
  - b. The government shall ensure the deployment of internet infrastructure by engaging the private sector.
  - c. In underdeveloped rural areas where investment chances are low, the government shall invest to provide internet access to the local population.

- d. The government shall also create transparent and affordable licensing procedures at all levels of infrastructure.
- 59. The Deputy Commissioner of the District, Mayor/Chairperson of the city and the Director General (DG) of the relevant development authority where applicable, shall jointly design initiatives to promote women entrepreneurs and technology firms through shared working spaces.
- 60. Startups shall be linked with the financial sector and facilitated access to financial schemes.
- 61. Underutilized government buildings or land shall be repurposed as tech spaces and bazars for youth and women.
  - a. Shop galleries, showcases and popups (with both permanent and temporary space options) shall be organized for women entrepreneurs and small and medium scale businesses.
- 62. A separate market shall be established for women only, which shall be managed solely by women too, where small-scale vendors can rent stalls at a minimal price.
- 63. Digital literacy trainings shall be provided to women to hone their skills for home-based entrepreneurship and to optimize their business processes.
- 64. Circular Economy (CE) shall be promoted and encouraged by providing tax rebates to businesses that recycle, reuse, refurbish and remanufacture waste (or byproducts) in large quantities.
  - a. Producers/manufacturers shall be encouraged to embrace CE principles through the establishment of design standards and norms. The process of setting these standards shall be done in collaboration with stakeholders.<sup>31</sup>
- 65. Food inspections, especially for small scale street vendors, shall be done regularly to maintain hygiene.
- 66. Industries located within KP cities, especially in Hayatabad in Peshawar, shall be mandated to conform to adaptation strategies to reduce their negative impact on the environment.
  - a. Employees shall be provided company transport to and from key locations and discounted access to public transport.
  - b. Industries shall be mandated to replace old infrastructure with greener, more efficient, and sustainable infrastructure and equipment.
  - c. Industries shall be mandated to choose suppliers that have employed sustainability targets across their value chains.
  - d. Industries shall set up proper mechanisms for treatment and disposal of waste products and effluents.
- 67. A simple and easy way to pay, provincial taxes, fees, charges, tolls and other government dues, online shall be introduced, simplified, consolidated and expanded.
- 68. The Deputy Commissioner (DC) of the district, Mayor/Chairperson of the city, the Director General (DG), of the relevant development authority where applicable and Chief Executive Officer (CEO) of the Cantonment Board(s), shall organize monthly meetings with the business sector representatives to resolve their concerns and demands relating

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<sup>31</sup> Hartley, K. (2020). *Policies for transitioning towards a circular economy: Expectations from the European Union (EU)*. Resources, Conservation and Recycling, Volume 155. Policies have been adapted from the best practices of the European Union to promote circular economy



to urban management. These officials will also forward their challenges/demands to the respective provincial and federal government organizations for their consideration.

## J. Municipal Services & Livability

69. Financial grant proposals shall be prepared and availed to tap into the funds for sustainable cities programs provided by the Grand Climate Fund and Global Environment Facility, especially for Peshawar in the Central Zone and Mingora in the North Zone. The program currently supports 23 cities in 9 countries, and focuses on integrated urban planning, low-carbon infrastructure, sustainable waste management and nature-based solutions for urban sustainability.
70. Environmental Protection Agency shall be responsible for monitoring air quality and publicly reporting the results.
  - a. Several low-cost air monitors (and at least 1 reference grade sensors) shall be installed at various locations of each city.
71. In addition to testing of industrial effluent, the Environmental Protection Agency or the KP Water Resources Regulatory Authority established under the Khyber Pakhtunkhwa Water Act 2020 shall conduct periodic testing and monitoring of drinking water quality provided by different service providers.
  - a. Water service providers shall be fined for supplying unfit drinking water.
  - b. Community water tanks shall be cleaned on monthly basis.
72. The Environmental Protection Agency shall also monitor and regulate solid waste disposal and recycling.
73. Water resources (ground and surface) shall be conserved and redistributed, and allocated for domestic, agricultural, ecological, industrial, and other purposes.
74. Ground water extraction shall be discouraged, especially for bulk water users such as car service stations or workshops and heavy water-based industries, by imposing fees or user charges.
75. The underground water table and aquifer shall be recharged by designing and building permeable surfaces and other mechanisms for the collection of stormwater runoff.
76. Rainwater harvesting apparatus shall be ensured in new building designs to collect and store the rainwater in underground water tanks.
77. More opportunities shall be created for private sector in service delivery through performance contracts.
78. The water and sewage infrastructure shall be upgraded to meet the demand of the prevailing activity in each area, specifically in the event of rapid land use conversion and commercialization.
79. Water and sanitation service providers (including the Water and Sanitation Service Companies (WSSCs)) shall establish municipal policing system for imposing fines.
80. Residents shall pay according to actual consumption of municipal services (such as water use) or the number of household members instead of property size.
  - a. Consumer and bulk water metering shall be ensured for each building.<sup>32</sup>

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<sup>32</sup> Iftikhar, M. N., Ali, S., & Sarzynski, A. (2018). Community–government partnership for metered clean drinking water: A case study of Bhalwal, Pakistan. In *Climate Change in Cities* (pp. 163-179). Springer, Cham.

81. The Water and Sanitation Services Companies, the Public Health Engineering Department and the local governments shall revoke overlapping functions.
82. The municipal service delivery providers shall outsource bill printing and distribution to modern delivery companies to increase bill delivery efficiency to 90% and increase revenue collection.
83. Dead debt of municipal services shall be waived with the condition that the last cycle's bill and all future bills shall be paid.
84. Housing societies, commercial plazas, clinics, and medical centers should only be given a No Objection Certificate (NOC) for construction if they submit a proper waste management plan for their facility.
85. A solid waste management policy and act shall be drafted for the province for:
  - a. Commitment and planning to reduce, reuse and recycle solid waste.
  - b. Prohibiting solid waste disposal in water bodies through imposition of heavy fines..
  - c. Promoting waste segregation at source.
  - d. Utilizing non-biodegradable plastics and other waste in road construction and other manufacturing industries.
  - e. Imposing ban on non-biodegradable plastic bags.
  - f. Encouraging reusable cloth shopping bags.
  - g. Composting of organic waste.
  - h. Producing gas from landfill waste.
  - i. Initiating community clean-up drives at neighborhood level.
  - j. Conducting awareness sessions in schools.
  - k. Installation of trash bins in public areas.
86. The proportion of people without access to improved sanitation shall be reduced by half.
87. The mixing of tube well and sewage water shall be avoided by preventing sewage overflow, constructing septic tanks, and separating sewage pipes.
88. All water bodies and drainage systems shall be cleaned through public and private resources and community mobilization.
89. Community and government partnership shall be initiated to deliver municipal services (water, sanitation, and solid waste) in peri urban areas, and small urban settlements especially in the South and North zones.<sup>33</sup>
  - a. Guidance and training shall be provided to local residents to carry out such projects, such as basic understanding of engineering design of the project to operations and maintenance.
  - b. Government shall finance up to 80% of capital costs.
  - c. The community shall participate in the procurement process.
  - d. The project management shall be handled by the local community jointly with the local government.
90. Removal of trees shall be prohibited in large development and construction projects including housing societies.
  - a. Heavy fines shall be imposed on the felling of trees for these purposes.

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<sup>33</sup> Iftikhar, M. N., Ali, S., & Sarzynski, A. (2018). Community–government partnership for metered clean drinking water: A case study of Bhalwal, Pakistan. In *Climate Change in Cities* (pp. 163-179). Springer, Cham. Policy guidelines adapted from a community-government initiative for clean drinking water in Bhalwal, Pakistan.

- b. In the event that removal of trees is direly necessary, new trees shall be planted as per the results of the EIA.
- 91. Only indigenous trees shall be planted in public open spaces or along roads.
- 92. Greenery shall be enhanced on canal patrolling roads and tracts.
- 93. Ladies' parks shall be developed in each city with minimum space of 9 m<sup>2</sup> for every female.
- 94. Extra-curricular actives, inter-collegiate events and youth competitions shall be organized for women and youth at city level, and sponsorship shall be sought from the private sector.
- 95. Public libraries shall be provided for every Neighborhood Council.
- 96. Daycare facilities shall be provided by the government, with 1 daycare center per Neighborhood Council.
  - a. Private sector companies shall be mandated to provide appropriate day care facilities in their offices/factories etc. The quality of these shall be regulated by the government via development of guidelines and standards for daycare centers.<sup>34</sup>
  - b. A list of all daycare facilities in all cities of KP shall be published and publicly available.
- 97. Trainings for gender sensitivity and reduction in bias shall be introduced in the secondary school curriculum across KP.
- 98. A women safety application shall be developed, and self-defense classes shall be organized.
- 99. A special police force shall be deployed for the protection of women, especially during starting and closing hours of female educational institutes.
  - a. Employees of this special force should be mandated to go through sensitivity training.
- 100. A system shall be set in motion to rehabilitate drug users and the homeless, particularly those in pedestrian underpasses, and awareness campaigns shall be conducted to prevent the payment of charity to drug addicts.
- 101. Separate female and male public toilets shall be mandated (and maintained) in public spaces and commercial areas, especially in large shopping malls and hospital waiting rooms.
  - a. A NOC for construction shall be provided only when separate female public toilets are included in the site plan.
- 102. Access to differently abled shall be facilitated in public spaces, commercial areas and housing societies and given special attention.<sup>35</sup>
  - a. There must be handrails next to publicly accessible stairs and the handrails shall not be obstructed with objects.
  - b. Public toilets shall be designed to aid the differently abled. The dimension of public toilet compartments shall be at least 2.2 x 2.2 meters.
  - c. The number of stairs shall not exceed 8 and the stair width shall be at least 1.5 meters.
  - d. Ramps should be installed at all entrances and access points with a width of at least 1.5 meters.

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<sup>34</sup> On private sector's role also see Khan and Ahmed (2014).

<sup>35</sup> Shahraki, A. A. (2020). Urban Planning for Physically Disabled People's Needs with Case Studies. *Springer Link*, 12.

- e. The width of sidewalks must be at least 3 meters and surfaces should be smooth and non-slippery. There should be distinct boundaries between materials and plants, grass, paving, and edges to aid in orientation for the disabled.
- f. Elevators should have enough space for two and should be equipped so that people at the height of a wheelchair are able to use the buttons.

## K. Traffic & Mobility

- 103. The share of investment in each mode of transport must be equitably balanced, and data about the investment values on roads, footpaths and public transport in each city shall be made public through digital and non-digital means of dissemination.
- 104. Bi-annual traffic impact assessments shall be conducted on for all roads, and results shall be publicly disseminated.
- 105. Traffic count data by mode of transport shall be regularly collected and monitored using Artificial Intelligence (AI) and Machine Learning (ML) based cameras and real time traffic monitoring.
- 106. Non-motorized transportation (walking and bicycling) shall be encouraged to control obesity and air quality deterioration.<sup>36</sup>
  - a. Footpath connectivity shall be enhanced by relocating and regularizing encroachments, facilitating continuity, and increasing footpath width to at least 10 feet (3 meters) where possible.
  - b. Footpaths should consist of three zones in the Central and Southern Zones. The frontage zone should be 0.5 to 1 meter wide and be a buffer between street-side activities and the pedestrian zone. The pedestrian zone should have a width of 2 meters and be free of any obstacles and allow pedestrians to walk unhindered. The furniture zone should provide space for signs, lights etc.
  - c. The faulty streetlights shall be repaired through a regular maintenance plan and street lighting network shall be extended in all cities.
  - d. Streetlights shall be converted to solar energy.
  - e. Dedicated bicycle lanes shall be developed and separated by elevated platforms and channelizers. The lanes shall be at least 2 meter wide and constructed from smooth surface material. This is applicable in the Central and Southern Zone.
  - f. Bicycle parking should be provided at all public buildings, educational institutions etc. and end of trip facilities like bike storage shall be provided.
  - g. Microfinance facilities shall be provided to support the purchase of low-cost bicycles.
  - h. Implement bicycle sharing systems in dense, mixed-use city areas to serve short trips and improve last-mile connectivity to public transport.
  - i. Laws shall be established and strengthened for lower speed limits. A maximum speed limit of 50 km/h shall be enforced on primary roads in the Central and Southern Zones and 30km/h in the Northern Zone.
  - j. The corner radii of streets shall be narrowed. This will reduce vehicle speeds and ensure the safety of passengers and pedestrians.

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<sup>36</sup> Institute for Transportation and Development Policy. (n.d.). *Non-Motorised Transport Strategy Template*. United Nations Environment Programme.

- k. Ensure strict implementation of 'Vehicle Road Fitness' by Traffic Police and Transport Department.
- 107. Street vendors shall be encouraged and dedicated vending spaces on city streets shall be identified. Street shall be closed for motorized transport at certain times of the day, so street vendors provide a safer environment for pedestrians.
- 108. Car-free days on certain streets shall be launched on at least one day per month.
- 109. Monthly advocacy events for sustainable commuting (walking and cycling) shall be launched.
- 110. Private car use shall be reduced by levying environmental and road maintenance tax.
- 111. The mayors/chairperson of the city/tehsil local governments must implement car parking charges (via smart metering) and clearly designate parking, limited time parking and no parking zones.
- 112. Car-free zones shall be designated in congested neighborhoods of each city as well as "limited traffic zones" where private cars are not allowed without a special permit.
  - a. Heavy fines shall be imposed for violations.
  - b. Wide public transit coverage shall be provided in these zones as an alternative to private car use.
- 113. For every new settlement, single occupancy vehicles shall be disincentivized and carpooling shall be incentivized..
- 114. Ring road access shall be closed via tolls with high-speed limited carriage way.
- 115. A mechanism shall be put in place for mandatory requirement of annual examinations of road worthiness of all forms of transport including private cars and public transit vehicles.
  - a. Vehicle registration shall not be renewed until the registered vehicle has cleared the road worthiness test.
  - b. The maximum number of pollutants allowed in exhaust gases released from an internal combustion engine shall be clearly defined by tailpipe/exhaust emission rules (or as per *National or KP Environment Quality Standards*) and shall be tested in the annual examination of road worthiness through the Vehicular Emission Testing Stations (VETS).
  - c. More VETS shall be established and equitably distributed across the province.
- 116. Enforcement of seat belt and helmet use shall be intensified. Sale price of helmet shall be subsidized.
- 117. Public transport shall be improved and revamped by providing dedicated bus lanes and bus bays on main roads.
- 118. Special steps shall be taken to integrate various transport options, for example the journey between buses, trains, and shared bikes. Several methods that may be employed are park and ride facilities, bicycle storage capacities on buses, and ticketing systems that allow ease of transfer between various transport options.
- 119. Space in public transport (specially buses, coasters, vans and pooled taxis) shall be increased for women by reserving 50% capacity for females.
- 120. Public transport shall be given priority over private vehicles. Bus terminals shall be maintained and operated from within urban centers or downtowns, and disincentivized from shifting them to the peripheries of the city.
- 121. The private sector shall be mobilized to invest in inter-city transport and regulation shall improve the quality of service.
  - a. Data shall be collected on the existing inter-city routes and number of daily commuters in and out of the city using the AI and ML based systems.
- 122. The inter-city feeder routes of Bus Rapid Transit (BRT) Peshawar shall be initiated from Chamkani to Mardan, Charsadda, Shabqadar, Nowshehra and Kohat.

123. The number of buses on Peshawar BRT shall be increased by at least 100% by 2030.
124. Female only buses shall also be operational especially on the BRT routes.
125. Gender sensitivity trainings shall be provided to all BRT employees including senior management and the security guards.<sup>37</sup>
126. The BRT stations shall be transformed into vibrant spaces by installing shopping stalls, advertisements, and marketing booths.
127. One BRT station each, within 800 meters, shall provide a female and male public toilet with clear signage.
128. Key inter-city Railway Transport Systems will be implemented by 2030, which include 'Greater Peshawar Circular Railway Project', connecting urban centers of Peshawar, Nowshera, Swabi, Mardan, Charssada through ML-1; and Southern KP Railway project by connecting planned industrial zones in D I Khan, Kohat, Bannu and Lakki Marwat with urban centers and ML-1
129. Pink scooters in female sitting style shall be subsidized, especially in the Central Zone.
130. In smaller urban areas, rickshaws shall be introduced to make it easier for females to travel.

## **L. Tourism in Cities and in Northern Zone**

131. A tourism strategy shall be designed as required by the Khyber Pakhtunkhwa Tourism Act, 2019 and in conformity with the principles presented in this Urban Policy.
132. City branding shall be implemented for cities to convert locations to destinations. A vision, mission, brand name, logo, slogan, ambassadors, and target audience for each city shall be identified.
133. Community-based tourism shall be promoted by pursuing activities and experiences that respect local cultures and values.
134. Urban tourism shall be promoted by identifying tangible and intangible heritage in each city and training local youth (male & female) as tourist guides.
135. Indigenous foods of every district shall be promoted.
136. Intangible cultural heritage tourism shall be promoted such as Urs, folklore, music, art, sports events and festivals.
137. Craftsperson shall be trained in using modern, cutting-edge technology to gain maximum benefit from their skills and talent.
138. Open workshop spaces shall be developed allowing artisans to orchestrate their techniques and visitors to witness firsthand.
139. Special focus shall be given to artisan classes who are engaged in various crafts such as Rabab making, shoe making (Charsadda), and clothing (Bannu). They shall be introduced to the outside world via e-commerce platforms.
140. Pashtun truck art shall be promoted as a brand and a museum shall be constructed to trace the evolution and history of truck art, especially in the Central Zone.

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<sup>37</sup> While harassment is an important to include in these trainings, the training content shall be more nuanced and focus on reducing barriers caused due to discrimination and bias. The end-goal shall be to inculcate mutual respect irrespective of gender. The curriculum for these sessions shall be in conformity with international standards, particularly those of UNESCO.



141. Fair trade merchandise items, such as gemstones and Pashtun truck, art shall be produced and sold on an e-commerce platform representing the Pashtun culture and heritage.
142. Annual exhibitions shall be held for arts and crafts from all three zones, including its marketing, at the domestic, national and international level.
143. Mandatory standards, labelling, and collective trademarks shall be launched through certification programs to improve quality and international standing of the crafts.
144. The history of Peshawar as the oldest living city of South Asia shall be echoed in future development. The dynamic and localized building codes discussed in clause 53 shall be customized for heritage zones to resemble traditional architecture and façade.
145. Powerful branding and promotion of Bazaar-e-Misgaran near Kabul gate shall be carried out.
146. An authority shall be developed following the pattern of Walled City Lahore Authority and preservation of old walled city of Peshawar shall be carried out.
147. Pedestrian and double-decker bus tours shall be provided by the Culture and Tourism Authority in the old cities, especially in the Central Zone.
148. Health clusters shall be developed and promoted in urban tourism.
149. Historic educational institutions in KP shall organize tours of their campuses and the surrounding neighborhood to attract urban tourism.
150. Trash bins shall be provided in the cities including the Integrated Tourism Zones (ITZs) identified as per the Tourism Act at every 50 meters to prevent littering.<sup>38</sup>
151. Plastic disposables such as spoons, straws, and take-out containers in eateries shall be replaced with biodegradable products, and strictly enforced in Integrated Tourism Zones (ITZs).
152. The architecture of hotels and other new developments shall be in harmony with the local culture, heritage, and surrounding environment.
153. Visitor accommodation shall be provided in existing local homes i.e, it shall be allowed to convert 1 or 2 rooms into guest rooms to provide tourists with a local experience.
154. The number of rooms in a tourist accommodation shall be within 30 to 50 units depending on the size of the ITZ or the number of tourists in the city.
  - a. The tourist accommodation shall provide parking as per building regulations and requirement.
155. Sustainable travel shall be enforced particularly in the ITZs, where motorized traffic is disallowed, non-motorized transport is encouraged, and only publicly provided shuttle service is allowed.
  - a. Car parking shall be provided in strategic entry/exit points of ITZs in partnership with private sector.
156. The Culture and Tourism Authority shall attract green investment in water and waste management (such as bioswales), maintenance of biodiversity, and protection of cultural heritage.
157. A specialized Tourism Police shall be trained and deployed at ITZs for facilitation of tourists and enforcement of relevant laws and regulations.

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<sup>38</sup> SFBetterStreets. (n.d.). *A Guide to Making Street Improvements in San Francisco*. Retrieved from <https://www.sfbetterstreets.org/find-project-types/streetscape-elements/street-furniture-overview/sidewalk-trashcans/>. This manual provides standards and guidelines for public trash cans in San Francisco which is adapted to the localized context of KP cities.

158. Investment shall be made in the digitalization of tourism services to attract and assist the tourists.
159. Adventure tourism shall be encouraged in the North and South Zone.
160. Trainings and skill development courses shall be provided to business owners in the hoteling industry, specifically in the Northern Zone. These should be aimed towards improving the quality and sustainability of their enterprises.

## M. Institutional Capacity Building

161. The Land Use and Building Control Authority shall:
  - a. Assume the responsibility of implementing and monitoring this policy and it shall be restructured and strengthened to perform this role.
  - b. Lead technical research, surveys, studies, and data analyses on urban matters<sup>39</sup>. The Unit shall access the National Institute of Urban Infrastructure Planning for augmenting its capacity for research in urban development.
  - c. Publish annual report on “State of Cities in Khyber Pakhtunkhwa” which shall highlight the status of cities.
  - d. In partnership with, the Land Use and Building Control Authority, Urban Areas Development Authorities and Housing Authority, shall jointly develop a comprehensive GIS database for efficient and uniform urban land record documentation across all suppliers of land and housing, and other information related to urban infrastructure and land use.
162. A mechanism for collaboration between city governments and Cantonment Boards shall be developed and implemented.
163. The performance indicators for municipal services provided by City Local Governments and WSSCs shall be updated on a monthly basis and updated on PMRU’s dashboard. In addition to other indicators, the dashboard will showcase municipal revenues, public investment and expenditures, coverage, frequency, and quality of municipal services.
164. The Planning and Development Department shall devise an equitable framework for allocation of development funds for all cities in the province.
165. The Deputy Commissioner, Mayor City Local Government, Chairmen Tehsil Local Governments, the directors of Local/ Urban Development Authorities and Chief Executive Officer (CEO) of the Cantonment Board(s), shall jointly organize and hold regular monthly consultative meetings with different public sector stakeholders, private sector representatives and community and civil society organizations for resolution of issues in implementation of the policy.
166. The Urban Area Development Authorities and local government institutions shall generate resources through imposition of rates, local taxes, and betterment fee to finance their development initiatives. The entities mentioned above shall utilize their powers to capture value of developed land or improvement in certain locations.
167. A repository of data shall be created for each government department involved in urban development matters, which should be publicly accessible.

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<sup>39</sup> Almost all public sector institutions are mandated to conduct studies, surveys, experiments, and technical research on issues of urban areas or contribute toward the cost of such studies, surveys, experiments, or technical research made by other institutions. This is probably the most neglected area in the functional assignment of all the entities.



168. Major investment and capacity upgradation in the information and valuation system shall be initiated to enable the system of Urban Immovable Property tax capture the increase in property values. The valuation system shall be redesigned to specify taxable values per unit of land and covered areas in different zones of an urban area based on area-wise property values. The taxable value will be adjusted within zones based on factors such as access to road and quality of construction.<sup>40</sup>
- a. The valuation tables, which report tax liability per unit of property and are implicitly a product of property value and tax rate, should distinguish between the tax base and the tax rate.
  - b. Periodic revaluation i.e., properties shall be reevaluated every two years.
  - c. The tax net shall be increased by eliminating tax exemptions, taxing vacant plots and removing tax preference for owner-occupiers.
  - d. Efforts shall be made to magnify the perception of fairness and equity of the tax system for boosting the morale of taxpayers.
  - e. A transparent and demonstrable link (using technology platforms) between tax payments and tax expenditure shall strengthen this morale.
  - f. The skills and size of the staff that assess and collect UIPT shall be upgraded.

## Annexure 1: Three Options for List of Cities by Zone

Option 1: List of 34 Cities<sup>41</sup> with population greater than 40,000.

Northern Zone					Central Zone				Southern Zone			
	City	District	Division	Population	City	District	Division	Population	City	District	Division	Population
1	Mingora	Swat	Malakand	331,377	Peshawar	Peshawar	Peshawar	1,893,344	Dera Ismail Khan	Dera Ismail Khan	Dera Ismail Khan	212,324
2	Abbottabad	Abbottabad	Hazara	137,762	Mardan	Mardan	Mardan	352,200	Kohat	Kohat	Kohat	191,836
3	Mansehra	Mansehra	Hazara	127,645	Swabi	Swabi	Mardan	123,402	Paharpur	Dera Ismail Khan	Dera Ismail Khan	66,745
4	Kabal	Swat	Malakand	117,973	Charsadda	Charsadda	Peshawar	114,558	Lakki Marwat	Lakki Marwat	Bannu	59,273
5	Barikot	Swat	Malakand	94,019	Shabqadar	Charsadda	Peshawar	91,490	Karak	Karak	Kohat	51,086
6	Haripur	Haripur	Hazara	85,915	Nowshera	Nowshera	Peshawar	83,606	Hangu	Hangu	Kohat	48,801
7	Batkhelda	Malakand	Malakand	67,686	Takht-i-Bahi	Mardan	Mardan	81,198	Tank	Tank	Dera Ismail Khan	47,064
8	Bahrain	Swat	Malakand	61,889	Jamrud	Khyber	Peshawar	63,728	Bannu	Bannu	Bannu	41,632
9	Chitral	Lower Chitral	Malakand	49,780	Pabbi	Nowshera	Peshawar	55,370				
10	Khwazakhela	Swat	Malakand	48,016	Jehangira	Nowshera	Peshawar	53,109				
11	Khalabat	Haripur	Hazara	47,185	Topi	Swabi	Mardan	53,026				
12	Dir	Upper Dir	Malakand	44,100	Tordher	Swabi	Mardan	41,319				
13	Matta	Swat	Malakand	42,547								
14	Timargara	Lower Dir	Malakand	40,314								

<sup>41</sup> A city in this case is an 'urban locality' as specified by the PBS, usually an MC or a TC.

Option 2: List of 44 Cities<sup>42</sup> and Tehsils<sup>43</sup> with districts which were not covered by the former list.

Northern Zone					Central Zone				Southern Zone			
	City	District	Division	Urban Population	City	District	Division	Urban Population	City	District	Division	Urban Population
1	Mingora	Swat	Malakand	331,377	Peshawar	Peshawar	Peshawar	1,893,344	Dera Ismail Khan	Dera Ismail Khan	Dera Ismail Khan	212,324
2	Abbottabad	Abbottabad	Hazara	137,762	Mardan	Mardan	Mardan	352,200	Kohat	Kohat	Kohat	191,836
3	Mansehra	Mansehra	Hazara	127,645	Swabi	Swabi	Mardan	123,402	Paharpur	Dera Ismail Khan	Dera Ismail Khan	66,745
4	Kabal	Swat	Malakand	117,973	Charsadda	Charsadda	Peshawar	114,558	Lakki Marwat	Lakki Marwat	Bannu	59,273
5	Barikot	Swat	Malakand	94,019	Shabqadar	Charsadda	Peshawar	91,490	Karak	Karak	Kohat	51,086
6	Haripur	Haripur	Hazara	85,915	Nowshera	Nowshera	Peshawar	83,606	Hangu	Hangu	Kohat	48,801
7	Batkhela	Malakand	Malakand	67,686	Takht-i-Bahi	Mardan	Mardan	81,198	Tank	Tank	Dera Ismail Khan	47,064
8	Bahrain	Swat	Malakand	61,889	Jamrud	Khyber	Peshawar	63,728	Bannu	Bannu	Bannu	41,632
9	Chitral	Lower Chitral	Malakand	49,780	Pabbi	Nowshera	Peshawar	55,370	Sadda	Kurram	Kohat	32,543
10	Khwazakhela	Swat	Malakand	48,016	Jehangira	Nowshera	Peshawar	53,109	Miran Shah	North Waziristan	Bannu	4,364
11	Khalabat	Haripur	Hazara	47,185	Topi	Swabi	Mardan	53,026	Wana	South Waziristan	Dera Ismail Khan	-
12	Dir	Upper Dir	Malakand	44,100	Tordher	Swabi	Mardan	41,319	Lower Tehsil	Orakzai	Kohat	-
13	Matta	Swat	Malakand	42,547	Saffi	Mohmand	Peshawar	-				
14	Timargara	Lower Dir	Malakand	40,314								
15	Alpuri	Shangla	Malakand	-								
16	Daggar	Buner	Malakand	-								
17	Mamund	Bajaur	Malakand	-								
18	Batagram	Batagram	Hazara	-								
19	Palas	Kohistan	Hazara	-								

<sup>42</sup> Cities showcased here include urban localities with population greater than 40,000 and largest urban localities for districts that were not included in the former list.

<sup>43</sup> Tehsils with the highest population per district are included in this list for districts that were not included in the former selection.

### Option 3: List of Tehsils with Neighborhood Councils (Urban)

Northern Zone					Central Zone				Southern Zone			
	Tehsil	District	NC Count	% NC	Tehsil	District	NC Count	% NC	Tehsil	District	NC Count	% NC
1	Babozai	Swat	25	51%	City	Peshawar	121	93%	Lower Kurram	Kurram	7	39%
2	Batkheila	Malakand	9	27%	Mardan	Mardan	39	43%	Kulachi	D.I.Khan	6	35%
3	Kabal	Swat	9	23%	Swabi	Swabi	15	37%	D.I. Khan	D.I.Khan	22	34%
4	Battagram	Battagram	11	21%	Jamrud	Khyber	8	25%	Wana	South Waziristan	15	31%
5	Dargai	Malakand	6	19%	Katlang	Mardan	8	25%	Kohat	Kohat	16	30%
6	Mansehra	Mansehra	11	18%	Jehangira	Nowshera	9	24%	Lachi	Kohat	4	22%
7	Dir	Dir Upper	3	18%	Shabqadar	Charsadda	6	19%	Hangu	Hangu	7	19%
8	Samarbagh	Dir Lower	5	17%	Topi	Swabi	6	19%	Upper Kurram	Kurram	7	19%
9	Ghazi	Haripur	5	17%	Nowshera	Nowshera	11	18%	Thall	Hangu	5	19%
10	Timergara	Dir Lower	5	17%	Upper Mohmand	Mohmand	4	17%	Darra Adam Khel	Kohat	3	19%
11	Haripur	Haripur	20	16%	Central Mohmand	Mohmand	1	14%	Tank	Tank	11	16%
12	Bahrain	Swat	3	14%	Charsadda	Charsadda	11	14%	Karak	Karak	4	15%
13	Chitral	Chitral Lower	5	13%	Landi Kotal	Khyber	5	14%	Serai Naurang	Lakki Marwat	3	13%
14	Adenzai	Dir Lower	5	13%	Lahor	Swabi	4	14%	Daraban	D.I.Khan	2	11%
15	Darband	Mansehra	1	13%	Takht Bhai	Mardan	6	11%	Lakki Marwat	Lakki Marwat	4	11%
16	Barikot	Swat	2	12%	Chamkani	Peshawar	4	9%	Upper Orakzai	Orakzai	3	10%
17	Charbagh	Swat	1	9%	Tangi	Charsadda	3	8%	Miranshah	North Waziristan	3	10%
18	Judbah	Torghar	1	9%	Pabbi	Nowshera	4	8%	Razmak	North Waziristan	1	9%
19	Khar	Bajaur	6	9%	Lower Mohmand	Mohmand	2	6%	Paharpur	D.I.Khan	4	9%
20	Abbottabad	Abbottabad	11	8%	Pishtakhara	Peshawar	2	6%	Bannu	Bannu	5	8%
21	Balakot	Mansehra	4	8%	Bara	Khyber	4	5%	Darazinda	D.I.Khan	1	8%

22	Havelian	Abbottabad	3	8%	Shah Alam	Peshawar	2	5%	Lower Orakzai	Orakzai	1	6%
23	Barawal	Dir Upper	1	8%	Razar	Swabi	2	3%	Mirali	North Waziristan	2	5%
24	Khwaza Khela	Swat	2	7%	Mathra	Peshawar	1	2%	Paroa	D.I.Khan	1	3%
25	Seo	Kohistan Upper	1	6%								
26	Baffa Pakhal	Mansehra	3	6%								
27	Matta Shamozi	Swat	2	4%								
28	Oghi	Mansehra	1	4%								
29	Balambat	Dir Lower	1	3%								
30	Wari	Dir Upper	1	3%								
31	Nawagai	Bajaur	1	2%								

## Annexure 2: Implementation Framework for KP Urban Policy

Every prescription of the Khyber Pakhtunkhwa Urban Policy is condensed into an activity in this annexure. These activities are sequenced and based on statutory mandate and regulatory responsibilities. The activities are allocated to the respective public sector institution for implementation, enforcement, monitoring, and oversight.

#	Subject/Activity	Institutional Responsibility for Implementation/Enforcement
1	Approval of the Khyber Pakhtunkhwa Urban Policy including its scope, vision, principles, goals, indicators, cross cutting themes and applicability of the policy	The Khyber Pakhtunkhwa Land Use and Building Control Council under section 4 (b) of the Khyber Pakhtunkhwa Land Use and Building Control Act, 2021.
2	Revision, upgradation, consolidation of land use, building control and zoning rules, regulations, standing orders and instructional circulars in conformity with the Khyber Pakhtunkhwa Urban Policy and their codification in a single volume	The Khyber Pakhtunkhwa Land Use and Building Control Authority
3	Communication, coordination, supervision, oversight and follow up on implementation of the Khyber Pakhtunkhwa Urban Policy	The Directorate General of the Land Use and Building Control Authority through Urban Policy and Planning Unit
4	Lead technical research, surveys, studies and data analyses on urban matters in the province	Urban Policy and Planning Unit
5	Preparation and publication of annual report on the "State of the Cities in Khyber Pakhtunkhwa"	Urban Policy and Planning Unit
6	Develop and publicize performance dashboard for municipal services provided by City Local Governments, Tehsil Local Governments and Water and Sanitation Services Companies.	City Local Governments, Tehsil Local Governments and Water and Sanitation Services Companies for their respective jurisdictions
<b>Strategic City Management, Coordination and Land Use Planning</b>		
7	Development of Strategic City Management Plan identifying key challenges, proposing sustainable solutions and prioritizing interventions in (i) urban governance and organizational effectiveness (ii) land use planning and sustainable mobility (iii) safe and inclusive urban design (iv) local economic development (v) environmental sustainability (vi) financial stability (vii) revenue generation and (viii) communication and outreach sectors	Deputy Commissioner of the respective district in consultation with all stakeholders and through a meaningful participatory process of public engagement.

8	Regular monthly meetings for review of city level governance, infrastructure planning, unified service delivery.	Respective Deputy Commissioners
9	Regular monthly consultative meetings to address issues of public interest in urban areas	All Mayors City Local Governments and Chairmen respective Tehsil Local Governments
10	Quarterly review of implementation of the Strategic City Management Plan.	Deputy Commissioner of the respective district
11	Bi-annual review and evaluation of the implementation and impact of interventions proposed in Strategic City Management Plan and course correction.	The Khyber Pakhtunkhwa Land Use and Building Control Authority
12	Annual review on implementation of the Urban Policy and Strategic City Management Plans.	The Khyber Pakhtunkhwa Land Use and Building Control Council
13	Incorporation and circulation of guidelines for land use and floor area planning	The Khyber Pakhtunkhwa Land Use and Building Control Authority
<b>Affordable Housing, Housing Societies, Condominiums and Building Codes</b>		
14	Revision of private housing scheme rules and regulations to incentivize mixed use development and low-cost housing in urban areas	The Khyber Pakhtunkhwa Land Use and Building Control Authority in consultation with the Local Government and Rural Development Department
15	Provision of tax rebates to incentivize mixed use development and low-cost housing	The Government of Khyber Pakhtunkhwa
16	Launching of “Loans for Housing and Businesses in Cities Scheme” to provide housing and business loans to different groups such as shop owners, project employees and women in cities	The Government of Khyber Pakhtunkhwa
17	Incorporation of mandatory provision in the building plans for rainwater harvesting tanks in houses in cities	Local Government & Rural Development Departments Local and Urban Area Development Authorities
18	Integrate the impact of vehicular emissions and traffic congestion caused among other potential environmental, social and health effects of housing development societies in the Environmental Impact Assessment	The Khyber Pakhtunkhwa Environmental Protection Agency
19	Mandate all housing societies to present complete proposal, on reducing, reusing and recycling of solid waste at 85% efficiency, with their applications for approval. Approval such be linked to the viability of these proposals.	Local Government and Rural Development Department and The Khyber Pakhtunkhwa Environmental Protection Agency
20	Mandate all housing societies to provide compulsory public transport	Local Government and Rural Development Department, Transport and Mass Transit

	from and to commercial hubs at a minimum standard of one standard bus for 125 housing units at three times of the day.	Department through Regional/ District Transport Authorities
21	Obligate all housing societies, including local and urban area development authorities, to install bio-composting pits	Local Government and Rural Development Department
22	Obligate all housing societies, including local and urban area development authorities, to develop at least one wastewater treatment plant	Local Government and Rural Development Department
23	Legislation of condominium law and drafting of zone-specific rules including regulations for joint insurance of buildings and byelaws for maintenance, cleanliness, renovation, and security	The Khyber Pakhtunkhwa Land Use and Building Control Authority through the Local Government & Rural Development Department
24	Ensure background checks and police verifications of guests and tenants through effective enforcement of the Khyber Pakhtunkhwa Hotels Restriction (Security) Act, 2014, The Khyber Pakhtunkhwa Rented Buildings (Security) Act, 2014 and the Khyber Pakhtunkhwa Sensitive and Vulnerable Establishment and Places (Security) Act, 2015 in all urban areas	Deputy Commissioners and District Police Officers of the respective districts
25	Specify city specific type of materials, colors, and architectural designs that can be utilized in the elevation or facade safeguarding the image and character of the city. Introduce sustainable building methods and materials for housing and commercial buildings and formalize these standards in City Building Codes	The Khyber Pakhtunkhwa Land Use and Building Control Authority
26	Enforcement of City Building Codes	Building plans approval authorities in the urban areas.
<b>Economic and Real Estate Development</b>		
27	Specify time limit of three (03) years after purchase for development on residential and commercial plots and imposition of higher fee and taxes on sale and transfer of plots more than three (03) times.	The Khyber Pakhtunkhwa Land Use and Building Control Authority through incorporation of the provision in the land use plans and regulatory instruments on non-user charges and colonization schedules.
28	Analysis of manufacturing and services industrial trends and supply/demand side of job markets and their segregation by gender.	The Bureau of Statistics by incorporating the provision in the format of its compilation of Annual Development Statistics
29	Adjustment of the land use patterns in urban areas and skillset of students according to the trends in	The District Land Use and Planning Management Committee of the respective districts constituted under section (13) of



	manufacturing and services industries and supply/demand side of job markets with special focus on marginalized groups for expanding social and economic opportunities	the Khyber Pakhtunkhwa Land Use and Building Control Act, 2021
30	Improve quality, availability, and connectivity of the internet services in cities. Promote information technology and oversee establishment of information technology parks in urban areas.	Science and Technology and Information Technology Department through coordination with public & private sector.
31	Design initiatives to promote women entrepreneurs and technology firms through shared working spaces. Pilot the concept in local and urban development authorities	The respective Deputy Commissioner, Mayor City Local Government, Chairman Tehsil Local Government and the Director of the respective Local/Urban Development Authority in coordination with Women Development Department
32	Link startups with the financial sector and facilitate access to financial schemes.	Khyber Pakhtunkhwa Board of Investment and Trade
33	Repurpose underutilized government buildings or land as technology spaces and bazars for youth and women. Organize shop galleries, showcases and popups (with both permanent and temporary space options) for women entrepreneurs and small and medium scale businesses.	The respective Deputy Commissioner, Mayor, City Local Government, Chairperson, Tehsil Local Government
34	Establishment of separate market (at least one in every city) for women only that is managed solely by women, where small-scale vendors can rent stalls at a minimal price.	The respective Deputy Commissioner, Mayor, City Local Government, Chairperson, Tehsil Local Government in coordination with Women Development Department.
35	Train women in digital literacy to hone their skills for home-based entrepreneurship, optimizing their business processes.	The respective Deputy Commissioner, Mayor, City Local Government, Chairperson, Tehsil Local Government in coordination with Women Development Department.
36	Promote and encourage Circular Economy by providing tax rebates to businesses that recycle, reuse, refurbish and remanufacture waste (or byproducts) in large quantities.	The Khyber Pakhtunkhwa Environmental Protection Agency in coordination with Industries Department and respective Chambers of Commerce and Industry
37	Encourage producers and manufacturers to embrace the principles of Circular Economy through the establishment of design standards and norms in collaboration with stakeholders	The Khyber Pakhtunkhwa Environmental Protection Agency in coordination with Industries Department and respective Chambers of Commerce and Industry
38	Regular inspections of food outlets, including small scale street vendors, for maintaining hygiene.	The Khyber Pakhtunkhwa Food Safety and Halal Food Authority

39	Simplify, consolidate, and expand the system of online payments of taxes, fees, charges, tolls and other government dues.	The Finance Department in consultation with Excise & Taxation department, Board of Revenue, Local Government Department and Khyber Pakhtunkhwa Revenue Authority
40	Organize regular monthly meetings with business sector representatives to resolve their concerns and problems relating to urban management and follow up with respective departments and public sector institutions.	Respective Deputy Commissioner, Mayor, City Local Government, Chairman Tehsil Local Government.
<b>Municipal Services and Livability</b>		
41	Preparation of project proposals for tapping into the funds for sustainable cities programs provided by the Green Climate Fund and Global Environment Facility, especially for Peshawar and Mingora	The Forestry, Environment and Wildlife Department and the Khyber Pakhtunkhwa Environmental Protection Agency
42	Monitor air quality and publication of results.	The Forestry, Environment and Wildlife Department and the Khyber Pakhtunkhwa Environmental Protection Agency
43	Installation of low-cost air monitors and at least one reference grade sensors at various locations of each city	The Forestry, Environment and Wildlife Department and the Khyber Pakhtunkhwa Environmental Protection Agency
44	Periodic testing and monitoring of drinking water quality provided by different service providers.	The Khyber Pakhtunkhwa Water Resources Regulatory Authority established under the Khyber Pakhtunkhwa Water Act 2020.
45	Imposition of fines and penalties on service providers for supply of unfit drinking water	The Khyber Pakhtunkhwa Water Resources Regulatory Authority established under the Khyber Pakhtunkhwa Water Act 2020.
46	Regular monthly cleaning of community water tanks	Respective water service providers in the cities
47	Monitoring and regulation of solid waste disposal and recycling	The Khyber Pakhtunkhwa Environmental Protection Agency
48	Conservation and redistribution of ground and surface water resources and allocation for domestic, agricultural, ecological, industrial, and other purposes and securing proper use of water resources.	The Khyber Pakhtunkhwa Water Resources Commission established under section (3) of the Khyber Pakhtunkhwa Water Act, 2020.
49	Discourage ground water extraction for bulk water users such as car service stations or workshops and heavy water-based industries.	The Khyber Pakhtunkhwa Water Resources Regulatory Authority constituted under section (7) of the Khyber Pakhtunkhwa Water Act, 2020 through imposition of requisite tariffs and fees.
50	Design and build permeable surfaces and other mechanisms for the collection of stormwater runoff for	The Irrigation Department, Government of Khyber Pakhtunkhwa

	recharging underground water table and aquifer	
51	Ensure rainwater harvesting apparatus in new building designs for collection and storage of rainwater in underground water tanks	The Khyber Pakhtunkhwa Land Use and Building Control Authority
52	Expand opportunities for private sector entities in service delivery through performance contracts	The Government of Khyber Pakhtunkhwa
53	Upgrade water and sewage infrastructure to meet the demand of the prevailing activity in every city	City Local Governments, Tehsil Local Governments and Water and Sanitation Services Companies
54	Establish municipal policing system for imposing fines on violation of water and sanitation services standards and prescriptions.	The Khyber Pakhtunkhwa Water Resources Regulatory Authority and other water and sanitation service providers including the Water and Sanitation Services Companies.
55	Regulate water and sanitation services sector for recovery of actual costs of these services on the basis of actual consumption and elimination of subsidies	The Khyber Pakhtunkhwa Water Resources Regulatory Authority and other water and sanitation service providers including the Water and Sanitation Services Companies.
56	Installation of consumer and bulk water metering in each building	The Khyber Pakhtunkhwa Water Resources Regulatory Authority and other water and sanitation service providers including the Water and Sanitation Services Companies.
57	Elimination of functional overlaps in water and sanitation service delivery with pilot-phase starting in divisional headquarters	Public Health Engineering Department, Local Government and Rural Development Department and Water and Sanitation Services Companies.
58	Outsourcing printing and distribution of bills for municipal service delivery to modern delivery companies to increase bill delivery efficiency to 90% and increase revenue collection	Public Health Engineering Department, Local Government and Rural Development Department and Water and Sanitation Services Companies and other municipal service delivery outlets
59	Waiver of dead debt of municipal services subject to condition that the last cycle's bill and all future bills shall be paid	The Government of Khyber Pakhtunkhwa
60	Development of Solid Waste Management Policy and legislation to provide statutory basis for enforcing solid waste management regime and binding provisions for (i) reducing, reusing and recycling solid waste (ii) prohibition of solid waste disposal in water bodies (iii) promoting and encouraging segregation of waste at source (iv) utilizing non-biodegradable plastics and other waste in road construction and manufacturing industries (v) prohibition of non-	The Government of Khyber Pakhtunkhwa

	biodegradable plastic bags (vi) encouraging reusable bags or baskets (vii) composting of organic waste (viii) producing gas from landfill waste.	
61	Incentivize solid waste management with tax exemptions and rebates	The Government of Khyber Pakhtunkhwa
62	Mandate the submission of proper waste management plan as pre-condition for no objection certificates for housing societies, commercial plazas, clinics and medical centers	The Khyber Pakhtunkhwa Land Use and Building Control Authority
63	Regular community clean-up drives	City Local Governments, Tehsil Local Governments and Neighborhood Councils in urban areas.
64	Awareness sessions and cleanliness campaigns in educational institutions and instituting the concept in school curricula	Elementary and Secondary Education Department through District Education Officers
65	Installation of standard trash bins (25cm x91cm) in public areas including fruit and vegetable markets at every 50 meters	City Local Governments, Tehsil Local Governments and Water and Sanitation Services Companies
66	Improve and expand access to sanitation services, reducing by half the proportion of people without access.	City Local Governments, Tehsil Local Governments and Water and Sanitation Services Companies
67	Construction of septic tanks and separation of sewage pipes from water supply lines to eliminate the mixing of tube well and sewage water	City Local Governments, Tehsil Local Governments and Water and Sanitation Services Companies
68	Clean water bodies and drainage systems through public and private resources and community mobilization	Irrigation Department, Public Health Engineering Department, Local Government and Rural Development Department and Water and Sanitation Services Companies
69	Initiate Community-Led-Government-Supported Programme for delivery of municipal services, particularly water, sanitation, and solid waste management in peri urban areas, and small urban settlements.	Respective Tehsil Local Governments
70	Prohibition on removal of trees in large development and construction projects including housing societies and imposition of heavy fines for violations.	The Government of Khyber Pakhtunkhwa
71	Provide statutory provision for compulsory plantation of trees as replacement to trees removed in the event of dire need.	The Government of Khyber Pakhtunkhwa
72	Circulation of guidelines for mandatory provision on plantation of	Forestry, Environment and Wildlife Department

	indigenous trees in public open spaces or along roads.	
73	Enhance greenery along canal patrolling roads	Irrigation Department
74	Development of ladies' parks in each city with minimum space of 9 m <sup>2</sup> for every female.	Respective City Local Governments and Tehsil Local Governments
75	Organize extra-curricular activities, inter-collegiate events and youth competitions for women and youth at city level.	Respective City Local Governments, Tehsil Local Governments in collaboration with Higher Education Department, Sports and Youth Affairs Department and sponsorship support from the private sector.
76	Provision of public libraries and day care centers for every Neighborhood Council.	Higher Education, Archives and Libraries Department
77	Develop women safety applications and arrange self-defense classes for women	Home and Tribal Affairs Department in coordination with Khyber Pakhtunkhwa Police, Social Welfare and Women Development Department and Science, Technology and Information technology Department
78	Deployment of special police force for the protection of women, especially during starting and closing hours of female educational institutes.	Police Department in coordination with E & SE Department, Higher Education Department and Social Welfare and Women Development Department
79	Rehabilitation of drug-addicts and the homeless, particularly those in pedestrian underpasses	Police Department in coordination with Home Department and Social Welfare and Women Development Department
80	Incorporate mandatory provision in the land use and building control regulatory instruments to ensure the construction and maintenance of separate female public toilets in public spaces and commercial areas, especially in large shopping malls and hospital waiting rooms.	Land Use and Building Control Authority
81	Incorporate mandatory provision in the land use and building control regulatory instruments to facilitate access of differently abled people to public spaces, commercial areas, and housing societies. given special attention	Land Use and Building Control Authority in consultation with Social Welfare and Women Development Department
<b>Traffic &amp; Mobility</b>		
82	Balance investment equitably in each mode of transport and publicize data about the investment values on roads, footpaths, and public transport in each city.	The Transport and Mass Transit Department in consultation with the respective Deputy Commissioners
83	Conduct bi-annual traffic impact assessment for all roads and publicize results of the assessment for public information	The Transport and Mass Transit Department and the Khyber Pakhtunkhwa Environmental Protection Agency

84	Regular collection and monitoring of traffic count data by mode of transport using Artificial Intelligence (AI) and Machine Learning (ML) based cameras and real time traffic monitoring	Transport and Mass Transit Department
85	Encourage non-motorized transportation including walking and bicycling through improvement of walkways and footpaths	Transport and Mass transit Department in collaboration with City Local Governments, Tehsil Local Governments
86	Regular planning for repair, maintenance, improvement and expansion of streetlights and their conversion to solar energy	City Local Governments and Tehsil Local Governments
87	Provision of dedicated bicycle lanes and their separation by elevated platforms and channelizers.	Transport and Mass transit Department in collaboration with City Local Governments, Tehsil Local Governments
88	Provision of bicycle parking at all public buildings, educational institutions.	City Local Governments, Tehsil Local Governments in coordination with elementary & Secondary Education Department and Higher Education Department
89	Providing microfinance facilities for purchase of low-cost bicycles	The Government of Khyber Pakhtunkhwa
90	Enforce lower speed limits on primary roads	Respective Deputy Commissioners and District Police Officers
91	Identification of dedicated vending spaces on city streets and closing such streets for motorized transport at certain times of the day to encourage street vendors provide a safer environment for pedestrians	Respective Deputy Commissioners in consultation with City Mayors and Chairmen Tehsil Local Governments
92	Launch at least one car-free day per month on certain streets in every city	Respective Deputy Commissioners and District Police Officers in consultation with City Mayors and Chairmen Tehsil Local Governments
93	Launch monthly advocacy events and at least one day per month for sustainable commuting like walking, cycling, or using public transport	Respective Deputy Commissioners and District Police Officers in consultation with City Mayors and Chairmen Tehsil Local Governments
94	Reducing private car use by levying environmental and road maintenance tax	City Local Governments and Tehsil Local Governments with approval of the Government of Khyber Pakhtunkhwa
95	Implementation of car parking charges (via smart metering) and clearly designated parking	Respective City Local Governments and Tehsil Local Governments
96	Designating car-free zones in congested neighborhoods of each city as well as "limited traffic zones" where private cars are not allowed without a special permit	Respective City Local Governments and Tehsil Local Governments



97	Discouraging single occupancy vehicles and encouraging carpooling by providing access to faster carpool lanes and free/low-cost access through toll plazas to cars with three or more passengers	Transport and Mass Transit Department in collaboration with respective Deputy Commissioners and District Police Officers
98	Close ring road access via tolls with high-speed limited carriage way	Transport and Mass Transit Department in collaboration with respective Deputy Commissioners and District Police Officers
99	Effective enforcement of mandatory requirement of annual examination of road worthiness of all forms of transport including private cars and public transit vehicles through denial of renewals without clearance of the road worthiness test	The Transport and Mass Transit Department and the Khyber Pakhtunkhwa Environmental Protection Agency
100	Preparation of regulatory instrument articulately defining the maximum number of pollutants allowed in exhaust gases released from an internal combustion engine and enforcement of the rules through Vehicular Emission Testing Stations (VETS) in the annual examination of road worthiness	The Khyber Pakhtunkhwa Environmental Protection Agency with approval of the Government of Khyber Pakhtunkhwa through Transport and Mass Transit Department
101	Increase the number of Vehicular Emission Testing Stations and their equitable distribution in cities across the province	The Khyber Pakhtunkhwa Environmental Protection Agency
102	Intensifying enforcement of seat belt and helmet use rules through regular campaigns	Respective Deputy Commissioners and District Police Officers
103	Improve and revamp public transport system by providing dedicated bus lanes/ bays on main roads	LGE & RDD and the Transport and Mass Transit Department
104	Integrate various transport options through special steps	The Transport and Mass Transit Department
105	Increase space reserved for women in public transport specially buses, coasters and vans	The Transport and Mass Transit Department in consultation with Social Welfare and Women Development Department
106	Encourage and prioritize public transport over private vehicles	The Transport and Mass Transit Department
107	Maintain and operate bus terminals from within urban centers or downtowns and disincentivize shifting them to the peripheries of the city	LGE & RDD and the Transport and Mass Transit Department
108	Mobilize private sector to invest in inter-city transport and incentivize improvement in the quality of service	The Transport and Mass Transit Department
109	Collection of data on the existing inter-city routes and number of daily commuters in and out of the city using	Transport and Mass Transit Department

	artificial intelligence and machine learning based system	
110	Extend the inter-city feeder routes of Bus Rapid Transit (BRT) Peshawar from Chamkani to Mardan, Charsadda, Shabqadar, Nowshera and Kohat	The Khyber Pakhtunkhwa Urban Mobility Authority established under section (3) of the Khyber Pakhtunkhwa Mass Transit Act, 2016
111	Increase the number of buses on BRT Peshawar shall be increased by at least 100% by 2030	The Khyber Pakhtunkhwa Urban Mobility Authority
112	Piloting and operating “female only buses” on the BRT Peshawar routes	The Khyber Pakhtunkhwa Urban Mobility Authority
113	Providing sensitivity training to BRT employees, especially security guards, regarding harassment	The Khyber Pakhtunkhwa Urban Mobility Authority
114	Transform BRT stations into vibrant spaces by installing shopping stalls, advertisements, and marketing booths	The Khyber Pakhtunkhwa Urban Mobility Authority
115	Pilot and provision of a female and male public toilet with clear signage on one BRT station each, within 800 meters	The Khyber Pakhtunkhwa Urban Mobility Authority
116	Subsidize pink scooters in female sitting style in the Central Zone	The Government of Khyber Pakhtunkhwa
117	Introduce rickshaw in smaller urban areas for facilitating females to travel	The Transport and Mass Transit Department through Regional Transport Authorities
<b>Tourism in Cities and Northern Zone</b>		
118	Integrate the prescriptions of this policy in the Khyber Pakhtunkhwa Tourism strategy	The Khyber Pakhtunkhwa Tourism Strategy Board established under section (3) of the Khyber Pakhtunkhwa Tourism Act, 2019
119	Implementation of city branding for converting locations into destinations and identifying target audience for each city	The Khyber Pakhtunkhwa Culture and Tourism Authority
120	Promotion of community-based tourism by pursuing activities and experiences that respect local cultures and values	The Khyber Pakhtunkhwa Culture and Tourism Authority
121	Promotion of urban tourism by identifying tangible and intangible heritage in each city and training local youth (male & female) as tourist guides	The Khyber Pakhtunkhwa Culture and Tourism Authority
122	Promote indigenous foods of every district	The Khyber Pakhtunkhwa Culture and Tourism Authority
123	Promote intangible cultural heritage tourism such as Urs, folklore, music, art, sports events and festivals	The Khyber Pakhtunkhwa Culture and Tourism Authority
124	Training of craftsmen in using modern, cutting-edge technology to	The Khyber Pakhtunkhwa Culture and Tourism Authority



	gain maximum benefit from their skills and talent	
125	Develop open workshop spaces allowing artisans to orchestrate their techniques and visitors to witness firsthand	The Khyber Pakhtunkhwa Culture and Tourism Authority
126	Focus on artisan classes engaged in various crafts such as Rabab making, shoe making (Charsadda), and clothing (Bannu) and introducing these classes to the outside world via e-commerce platforms	The Khyber Pakhtunkhwa Culture and Tourism Authority
127	Promotion and branding of Pakhtun truck art constructing a museum to trace the evolution and history of truck art, especially in the Central Zone.	The Khyber Pakhtunkhwa Culture and Tourism Authority
128	Production and marketing of fair trade merchandise items, such as gemstones and Pakhtun truck art on an e-commerce platform representing Pakhtun culture and heritage	The Khyber Pakhtunkhwa Culture and Tourism Authority
129	Hold annual arts and crafts exhibitions in all three zones, including marketing of arts and crafts at the domestic, national, and international level	The Khyber Pakhtunkhwa Culture and Tourism Authority
130	Launch of mandatory standards, labelling, and collective trademarks through certification programs to improve quality and international standing of local crafts	The Khyber Pakhtunkhwa Culture and Tourism Authority
131	Reflect the history of Peshawar as the oldest living city of South Asia in future development and customize dynamic and localized building codes for heritage zones to resemble traditional architecture and façade.	The Khyber Pakhtunkhwa Culture and Tourism Authority
132	Powerful branding and promotion of Bazaar-e-Misgaran in Peshawar.	The Khyber Pakhtunkhwa Culture and Tourism Authority
133	Create an authority on the pattern of Walled City Lahore Authority for preservation of old walled city of Peshawar.	The Khyber Pakhtunkhwa Culture and Tourism Authority
134	Provide pedestrian and double-decker bus tours in the old cities	The Khyber Pakhtunkhwa Culture and Tourism Authority
135	Develop and promote health clusters in urban tourism	The Khyber Pakhtunkhwa Culture and Tourism Authority
136	Replace plastic disposables such as spoons, straws, and take-out containers in eateries with biodegradable products and strict enforcement of the replacement in Integrated Tourism Zones	The Khyber Pakhtunkhwa Culture and Tourism Authority

137	Harmonize the architecture of hotels and other new developments with the local culture, heritage, and surrounding environment, especially in the North Zone.	Land Use and Building Control Authority
138	Provision and regulation of visitor accommodation in local homes by allowing and encouraging conversion of rooms into guest rooms to provide tourists with a local experience	The Khyber Pakhtunkhwa Culture and Tourism Authority
139	Regulation of the number of rooms and availability of parking in tourist accommodations	The Khyber Pakhtunkhwa Culture and Tourism Authority
140	Introduction and enforcement of sustainable travel in tourist destinations and piloting the same in Integrated Tourism Zones	The Khyber Pakhtunkhwa Culture and Tourism Authority
141	Attract and encourage green investment in water and waste management (such as bioswales), maintain biodiversity and protect cultural heritage.	The Khyber Pakhtunkhwa Culture and Tourism Authority
142	Digitize tourism services for attracting and facilitating tourists.	The Khyber Pakhtunkhwa Culture and Tourism Authority
143	Encourage and regulate adventure tourism	The Khyber Pakhtunkhwa Culture and Tourism Authority
144	Organize trainings and skill development courses for businesses in tourism and hospitality sectors to improve quality and sustainability of their enterprises.	The Khyber Pakhtunkhwa Culture and Tourism Authority
145	Organize tours of campuses and surrounding neighborhood of historic educational institutions in cities as part of urban tourism	Historic educational institutions with assistance from the Khyber Pakhtunkhwa Culture and Tourism Authority
146	Provision and installation of trash bins in the cities including the Integrated Tourism Zones	The Khyber Pakhtunkhwa Culture and Tourism Authority, City Local Governments and Tehsil Local Governments
<b>Institutional Capacity Building</b>		
147	Annual allocation of resources for the development and maintenance of (i) Roads (ii) Public Transport (iii) Walkability (including footpaths and other pedestrian infrastructure) (iv) Bicycling (v) Tree plantation and care (vi) Public spaces (including sports activities) and (vii) Heritage	Planning and Development Department
148	Devising an equitable framework for the allocation of development funds to all cities in Khyber Pakhtunkhwa	The Provincial Finance Commission constituted under the Khyber Pakhtunkhwa Local Government Act, 2013
149	Generate resources through imposition of rates, local taxes and capture value of developed land or	All Local and Urban Area Development Authorities, City Local Governments and Tehsil Local Governments

	improvement in certain locations by levying betterment fee to finance development initiatives in urban areas	
150	Create a repository of data for each government department involved in urban development and make it publicly accessible	Respective Deputy Commissioners
151	Creation of a comprehensive GIS database for efficient and uniform urban land record documentation and other information related to urban infrastructure and land use	The Urban Policy and Planning Unit, in partnership with, the Land Use and Building Control Authority, Local and Urban Areas Development Authorities and Housing Authority.
152	Capture the increase of property value by the valuation system of Urban Immovable Property tax.	The Excise, Taxation and Narcotics Control Department
153	Adjustment of taxable value of urban property within zones based on factors such as access to road and quality of construction	The Excise, Taxation and Narcotics Control Department
154	Capacity upgradations in the information and valuation systems and enhancement of the skills and capacity of the staff that assess and collect Urban Immovable Property Tax	The Excise, Taxation and Narcotics Control Department
155	Revisit the statutory and regulatory instruments on Urban Immovable Property Tax for minimizing biases, eliminating exemptions and encompassing vacant plots	The Excise, Taxation and Narcotics Control Department
156	Introduce a mandatory periodic revaluation of properties, after every two years, for the purposes of Urban Immovable Property Tax	The Excise, Taxation and Narcotics Control Department
157	Use of technology platforms for introducing a transparent and demonstrable link between tax payments and tax expenditure to magnify the perception of fairness and equity of the tax system	The Excise, Taxation and Narcotics Control Department
<b>Community Engagement</b>		
158	Institutionalize community engagement through a legally binding and transparent mechanism for building an inclusive urban agenda	The Local Government and Rural Development Department through amendment in the Khyber Pakhtunkhwa Local Government Act, 2013
159	Constitution of community boards, as advisory forums at the level of Neighborhood Councils, for input on matters such as Strategic City Management Plans, master and land use plans, land use conversion,	The Local Government and Rural Development Department

	municipal service delivery, grievance redressal and public funds	
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### Annexure 3: Linkages Matrix<sup>44</sup>

Ref.	Indicator	Goal	Sector	Cross-Cutting Theme	Relevant Clause Number
Goal 1 (a)	Number of trees per thousand population and per square kilometer	Sustainable Cities	Land Use & Floor Area Planning, Strategic City Management Planning, Municipal Services and Livability	Sustainability	21, 25, 43, 90, 91, 92
Goal 1 (b)	Number of days in a year where the Air Quality Index is in the good range	Sustainable Cities	Strategic City Management Planning, Affordable Housing, Housing Societies, Condominiums, and Building Codes, Municipal Services and Livability	Sustainability , Technology	21, 25, 45, 70
Goal 1 (c)	Share of land that is mixed use	Sustainable Cities	Strategic City Management Planning, Land Use & Floor Area Planning, Affordable Housing, Housing Societies, Condominiums	Sustainability , Gender, Technology	21, 25, 38, 39, 40, 44
Goal 1 (d)	Share of land that is devoted to economic use	Sustainable Cities	Strategic City Management Planning, Land Use & Floor Area Planning, Affordable Housing, Housing Societies, Condominiums	Sustainability , Gender, Technology	21, 25, 38, 44
Goal 1 (e)	Number of public and private vehicles inspected for road worthiness per thousand vehicles	Sustainable Cities	Strategic City Management Planning, Traffic and Mobility	Sustainability , Technology	21, 25, 104, 115

<sup>44</sup> Annexure 3 displays the linkages and interrelationship between the goals, indicators, sectors/themes, crosscutting themes and policy clauses.

Goal 1 (f)	Share of investment in non-motorized transport (including footpaths and bicycle infrastructure) out of total investment in transportation (including roads)	Sustainable Cities	Strategic City Management Planning, Land Use & Floor Area Planning, Traffic and Mobility	Sustainability , Gender, Technology	21, 25, 40, 103, 106
Goal 2 (g)	Proportion of population with access to clean drinking water	Social Mobility & Livability	Affordable Housing, Housing Societies, Condominiums, Municipal Services and Livability	Sustainability , Gender, Technology	49, 71, 73, 78, 79
Goal 2 (h)	Proportion of population with access to proper sanitation	Social Mobility & Livability	Affordable Housing, Housing Societies, Condominiums, Municipal Services and Livability	Sustainability , Technology	47, 48, 49, 78, 86, 87
Goal 2 (i)	Proportion of municipal solid waste collected and safely disposed or recycled out of total municipal waste generated	Social Mobility & Livability	Strategic City Management Planning, Affordable Housing, Housing Societies, Condominiums, Economic & Real Estate Development, Municipal Services and Livability	Sustainability , Gender, Technology	21, 25, 47, 49, 66, 72, 78, 84, 85, 87
Goal 2 (j)	Share of land that is open space for public use	Social Mobility & Livability	Strategic City Management Planning, Land Use & Floor Area Planning, Municipal Services and Livability	Sustainability , Gender	21, 25, 30, 38, 42, 93, 95
Goal 2 (k)	The number of new public spaces developed in partnership with the local communities or private sector	Social Mobility & Livability	Strategic City Management Planning, Land Use & Floor Area Planning, Municipal Services and Livability	Sustainability , Gender	21, 25, 38, 42, 93, 95

Goal 2 (l)	The value of investment in the maintenance of heritage sites	Social Mobility & Livability	Tourism in Cities and in Northern Zone	Sustainability , Gender	133, 151
Goal 2 (m)	Proportion of trips taken by public transportation (segregated by male and female)	Social Mobility & Livability	Strategic City Management Planning, Affordable Housing, Housing Societies, Condominiums, Traffic & Mobility	Sustainability , Gender	21, 25, 46, 117, 119, 120
Goal 3 (n)	Number of sports facilities created and maintained	Youth-Focused Economic Development	Land Use & Floor Area Planning, Tourism in Cities and in Northern Zone	Sustainability , Gender	42, 135
Goal 3 (o)	Number of shared working spaces (and number of youths benefitting from these spaces) created by public or private sectors or through PPP	Youth-Focused Economic Development	Strategic City Management Planning, Economic & Real Estate Development	Gender, Technology	21, 25, 59
Goal 3 (p)	Number of women trained in digital skills and entrepreneurship	Youth-Focused Economic Development	Strategic City Management Planning, Economic & Real Estate Development	Gender, Technology	21, 25, 63
Goal 3 (q)	Number of housing units (studio apartments or small flats) for young adults and students	Youth-Focused Economic Development	Affordable Housing, Housing Societies, Condominiums, Land Use & Floor Area Planning	Sustainability	38, 44, 50



## Annexure 4: Guidelines for Preparation of Strategic City Management Plans

**Strategic City Management Plan - An Introduction:** A Strategic City Management Plan is a vital tool for city administration to ensure that the priorities set by various government departments are aligned with the city's goals, that strategies are clearly developed to meet the goals, and that overall city government is accountable to meeting community needs. Managing cities and urban growth is one of the defining challenges of the twenty-first century. A well-managed city can act as an engine of economic growth by providing residents with better employment opportunities, adequate housing, a safer environment, and improved social development. Parallel to the preparation of master plan for the district, every Deputy Commissioner is required to initiate the development of a 'Strategic City Management Plan' for every city in his jurisdiction to ensure an action-oriented process, developed and sustained through participation of all stakeholders. The strategy will provide a tool for the city to harness the potential of urbanization and enable the city to develop a coordinated, institutional framework to make the most of opportunities. The Deputy Commissioner, in collaboration with the respective mayors and chairmen city/tehsil local governments, shall lead the process of developing the plan by engaging cross-sectoral stakeholders. In essence, the plan will become a communication tool to link the past, present, and future and narrate the story of the city.

**Essential Guidelines for development of Strategic City Management Plan:** Following are few guidelines for preparation of Strategic City Management Plan:

- ✓ The plan shall be jointly developed by the Deputy Commissioner, Mayor, City Local Government and Chairmen, Tehsil Local Governments, and the Director General/Director of the relevant development authority where applicable.
- ✓ The plan shall be developed through a binding participatory process of public engagement
- ✓ The language of the plan shall be user friendly and easy to understand by the general public.
- ✓ The plan shall prioritize key local interventions and actions based on key challenges and sustainable solutions in (i) Urban Governance and Organizational Effectiveness (ii) Land Use Planning and Sustainable Mobility (iii) Safe and Inclusive Urban Design (iv) Local Economic Development (v) Environmental Sustainability (vi) Financial Stability and Revenue Generation and (vii) Communication and Outreach
- ✓ The plan must enforce that every city should publicly announce the annual (budgeted and actual) investment in the following (i) Roads (ii) Public Transport (iii) Walkability (including footpaths and other pedestrian infrastructure) (iv) Bicycling (v) Tree plantation and care (vi) Public spaces (including sports activities) (vii) Heritage
- ✓ The performance of all interventions must be measured, monitored, and evaluated semi-annually for the three years.
- ✓ The plan shall be displayed on the websites of the Urban Policy and Planning Unit (UPPU), the District Administration, the Mayor/Chairperson local government office, and the development authority.

### Template Outline of the Strategic City Management Plan

A Strategic City Management Plan may be prepared in the following template which is based on best practices from international cities.

<b>City Vision</b>	A city vision will create coherence in the strategy. The vision must reflect the greatest challenge of the city, but it should also address goals in the following areas.
<b>Strategic City Management Plan Goal:</b> Goals in the plan must be tangible	
<b>Goal A. Urban Governance and Organization Effectiveness</b>	<p><b>Municipal services:</b> The strategy should promote a multi-sectoral, coordinated approach with adequate contractual relationships between public authorities and service providers. The strategy should consider the environmental and public health consequences through better provision and management of urban basic services (water and sanitation, solid waste management).</p> <p><b>Digital transitions:</b> Digitalization of records and one-window operation will make the processes quick and eradicate corruption. Digital land records will help in better governance for long-term planning and impact assessment.</p>
<b>Goal B. Land-use Planning and Sustainable Mobility</b>	<p><b>Land-use Planning:</b> A critical review of the current land-use planning including zoning and building bylaws must be undertaken in close consultation with all stakeholders. Efforts may be made towards setting density targets and mixed use in various zones and neighborhoods.</p> <p><b>Public transport:</b> Investment in public transport will not only make affordable transport options available for the lower income population, it will also reduce reliance on private vehicles and hence ease congestion. Planning and reorientation of routes of public transport should also be undertaken.</p> <p><b>Pedestrian Paths:</b> A plan of pedestrian pathways should be developed for the entire city to identify where walking infrastructure is weak. Sidewalk, slopes and streetlights should be marked as well with walking infrastructure to ensure safer environment for walking all over the city.</p> <p><b>Cycling Infrastructure:</b> Cycling infrastructure for short trips can reduce reliance on fuel and promote clean and healthy living environment. Segregated bicycle lanes should be developed and speed limit for cars should be lowered where bicycle lands are shared.</p> <p><b>Mobility Integration:</b> Multi modal mobility should be promoted where walking, cycling, driving and taking public transport options are all available. A mobility map to be developed which integrates all modes of transport.</p>

<p><b>Goal C. Safe and Inclusive Urban Design</b></p>	<p><b>Open Public and Green Space</b></p> <p>Public spaces serve an important functional, civic and social role in society in addition to its aesthetics in urban design. From an urban design thinking perspective, public spaces help break through the monotony of concrete and add a lively aspect to the city through green public spaces. Projects should be initiated towards inclusive public spaces that serve their function to all streams of population, rich and poor, men and women, old and young. Public space design should address: (i) City parks and small parks within neighborhoods (ii) Sidewalks within market areas (iii) Squares in markets (often occupied with parking) (iv) Greenbelts to slope with the grade level for better walkability (v) Mobility and public spaces for youth, children, women, elderly and differently abled citizens.</p>
<p><b>Goal D. Local Economic Development</b></p>	<p><b>Informal Economy &amp; Vendors:</b></p> <p>With sustainable public transport and a vibrant urban design, economic activity in the city can flourish. Mobile street vendors and stationary kiosks to be allowed in designated public areas with commercial activity. Space shall be allocated in land use plan for street vendors.</p> <p><b>Entrepreneurship and SMEs:</b></p> <p>Recently online jobs, freelancing, e-commerce and IT sector is transforming the dynamics of income generation. Public investment should support the transition by providing IT infrastructure in IT hubs and shared working spaces. Public policy should also expedite entrepreneurship friendly policies and interactions.</p> <p>Skills and craft, which are unique to every city, can also thrive the SME sector in cities.</p> <p><b>Heritage conservation and Tourism:</b></p> <p>Heritage conservation gives identity to a city, which attracts urban tourism, thus creating jobs and boosting informal economy and SMEs in the city. Policies should acknowledge and give due consideration to city branding.</p>
<p><b>Goal E. Environmental Sustainability</b></p>	<p><b>Solid Waste Management:</b></p> <p>Environmental sustainability is closely associated with the physical infrastructure development of a city. A healthy and sustainable community can be maintained by meeting certain goals. Evaluation of sources of waste in a city must be done on priority and the associated impact on the environment. Waste output of industries should also be examined to get a clearer idea of the required mitigation strategy. Better management and recycling of solid waste is a priority here. In this, housing societies should be mandated to take care of their waste via low-cost technologies including the conversion of organic waste to compost. Commercial centers should also be given incentives for better management of solid waste. Recycling facilities should be</p>

	<p>set up by the government. Cleaning of water bodies/streams is also an integral goal for ensuring environmental sustainability.</p> <p><b>Urban Greenery:</b></p> <p>Similarly, urban forestation is essential, and regulations should be put in place for ensuring adequate tree cover and greenery in cities. Research should be done beforehand to identify the specific species that will not harm the delicate balance of the ecosystem. Planning for climate change should be done and energy conserving systems/technologies should be employed in public/private buildings and awards may be given for adopting cleaner technologies.</p> <p><b>Environment Conscious Public:</b></p> <p>Awareness sessions for the general public are integral if any headway is to be made in the sustainability endeavors. These can be started at school level where children are instructed to clean their surroundings. Plastic bags should be reduced, reused, and banned. Quality of food should be ensured.</p>
<b>Goal F. Financial Stability and Revenue Generation</b>	<p><b>User Charges and Property Tax:</b></p> <p>Fiscal health should be fostered by making improvements in the system of urban immovable property taxes. User charges should be employed for services like car parking etc especially in middle- and upper-class neighborhoods. Taxes should be levied on the sale of land and unused land. Innovative methods should be developed for mobilizing finance for urban development keeping in mind international best practices. There should be optimal use of public assets.</p>
<b>Goal G. Communication and Outreach</b>	<p><b>Community Engagement:</b></p> <p>Strong connections should be established with community partners and residents through participatory planning approaches. In this way, locals also take ownership of initiatives in their neighborhood. Consultative meetings should be regularly held in the town-hall style with all stakeholders to ensure their voices are heard and their views are given due consideration in city management. Special emphasis needs to be given to women, minorities, and the differently abled. These sessions should often be held in universities to allow students to develop an interest in their cities.</p> <p><b>Government City Dashboards:</b></p> <p>Performance dashboards and city reports should be created and maintained by city governments to keep citizens informed of service delivery actions. These should be made transparent and public.</p>

## Annexure 5: Public Space Design Guidelines<sup>45</sup>

*These guidelines are cast to assist the planners design and create public spaces for achieving the paramount objectives of (i) ensuring the all users have convenient and safe access to and through public spaces (ii) connecting the public space to the surrounding pedestrian network (iii) locating entry paths with clear views to other exits from the public space (iv) continuing pedestrian paths through the public space with direct, logical routes and (v) giving pedestrians a feeling of safety and convenience.*

1. To achieve vibrant public spaces, include a diversity of activities in the space that increase the hours of use. A public space should be attractive for a diversity of users and at different times. Locate features at the center of the space that attract people into and through the space. Spaces for (formal and informal) vendors should be allocated beside the main pedestrian path.
2. To establish activity on the edges of public spaces, arrange doors and windows of buildings to overlook the spaces. The public space should be visible from the surrounding areas with direct sightlines. Informal seating should be arranged at the edges of the space. Define boundaries between public and private spaces without high fences and barriers.
3. To ensure safety in public spaces, locate public toilets and play and recreation facilities in accessible and active areas. Install low transparent fencing around children's play areas near busy streets or bicycle paths. Provide lighting to indicate paths and areas for night-time use and locate utilities infrastructure in a designated zone away from the main pedestrian paths and recreation areas.
4. To make public spaces comfortable, arrange paths and seating in a such a way to catch the sun in winter and shade in summers. Protect the spaces from strong winds and install signs with maps to show connections and destinations, location of public facilities, and estimated walking times and distances.
5. To support a strong sense of place and identity, integrate locally relevant urban art.
6. To ensure good maintenance of public spaces, establish a maintenance program prioritizing prompt identification, removal, and repair of any indications of damage and misuse.

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<sup>45</sup> Victoria State Government. (n.d.). *Urban Design Guidelines for Victoria*. Retrieved from <https://www.urban-design-guidelines.planning.vic.gov.au/guidelines/public-spaces>. Public Space Design Guidelines have been adapted from recommendations given by the government of Victoria, Australia

## Annexure 6: Community Participation Guidelines

Key Questions for assessing the level of community participation:

1. How much does the community know about the program?
2. How much do they know about the organization carrying out the program?
3. How often do they come face to face with the program personnel?
4. What responsibilities do they carry out on behalf of the program?
5. What kinds of difficulties do they find in undertaking these responsibilities?
6. How satisfied are they with the involvement in the program and why?
7. Do they have any suggestions to improve their participation in the program?
8. What different communities exist within your locality?
9. Are all sections of the community equally involved in the program?
10. If there is a differential advantage to some group, why does it happen and who gets the preferential advantage?

Further guidelines on how to conduct community participation:

1. Before designing a program of public participation, be very clear about your purposes and intended outcomes. Set goals and objectives for the program. What decisions, formal or informal, are to be made? When? By whom? What are the value choices you want public input on? Is consensus sought, or input?
2. Then, carry out stakeholder analysis and identify the people that need to be reached. Think about the issues that affect particular groups of people and what information they need to provide useful input. Identify the groups that will not participate and consider methods of mobilizing them. Think about people that may be inclined to actively support or oppose a decision or who have the power to influence others.
3. Flesh out a strategy to meet the goals and objectives of this public involvement process and flesh it out with specific techniques.
4. During the public involvement process, keep basic democratic principles in mind and allow people the opportunity to debate issues.
5. Public meetings must not have a confrontational atmosphere and must not be dominated by individuals with similar views.
6. Use different varieties of public involvement techniques that target different groups of people as one size does not fit all.
7. Begin the public participation process by simply listening. Useful tools are interviews, survey research, and focus groups.
8. Acknowledge main concerns of the people so they also listen to you.
9. To inform the public before any meetings are held, create presentations that are easily understood and of 15-20 minutes each. Include facts, the rationale or need, multiple alternatives and the implications of each, the uncertainties and risks, and your tentative conclusions.
10. Record comments so people know they have been heard.
11. Send out a questionnaire after each discussion for participants to record what they learnt and the conclusions they reached.
12. Physical access to such meetings can also cause problems for the disabled, the elderly and frail as well as those who may be deaf.
13. Reach out to people underserved by transportation facilities and hold meetings in their localities as opposed to calling them elsewhere.



14. Consider the times at which minorities, low-income groups, and women are able to participate.
15. Consider financial incentives for involvement in public participation.
16. Make sure that hearings are also held in regional languages.
17. Find out how culture may affect styles of communication and be mindful of this.
18. People can participate far more effectively if information is presented visually rather than in words, which can be costly to prepare and may not be cost-effective.
19. Make engagement fun by integrating games, music, food etc. in the process, keeping in mind cultural factors.

## Annexure 7: Urban Sector Diagnostic

### Background

Khyber Pakhtunkhwa (KP) has been urbanizing rapidly over the past decade. While roughly 83% of the province's population continues to reside in rural areas, some two-third live only one hour away (by car) from a city and approximately 90% live within a traveling distance of two hours, mostly around urban clusters in the Peshawar and Hazara regions (International Growth Center, 2015). While this phenomenon has been a driver of economic growth and employment generation, the lack of a holistic, integrated urban policy and planning framework has given rise to multiple challenges.

As also recognized by the Sustainable Development Strategy 2019-23 (Government of Khyber Pakhtunkhwa, 2019), the lack of a policy-driven approach towards urban development has given rise to sub-optimal land utilization and underdeveloped land markets. The overlapping of mandates and functional as well as territorial jurisdictions between multiple provincial and local authorities hinder private investment in infrastructure and leads to uneven enforcement of zoning regulations and urban service delivery. Limited institutional capacity and fiscal resources also hamper the realization of an integrated city with well-managed expansion leading to informal settlements. Existing public transport facilities, except in the metropolitan city of Peshawar where the Bus Rapid Transit (BRT) is operational, struggle to meet citizens' daily mobility needs. Moreover, the environmental degradation – particularly worsening air quality – has created serious public health hazards and negatively affected the quality of life of city dwellers.

To address these policy gaps and strengthen urban planning in KP, Sub-National Governance (SNG) program of the Foreign, Commonwealth and Development Office (FCDO) of the UK is providing technical support to the Planning & Development Department (P&DD) of KP and the Urban Policy Unit (UPU) for the development of the country's first urban policy in KP.

This urban sector diagnostic report has been formulated prior to the development of the KP Urban Policy and is divided into 5 sections. The first section highlights the need for an urban policy. The second section is an overview of the demographic and spatial context of KP followed by an examination of relevant legal and institutional structures in the province. Developing an understanding of the context in which the policy will operate is essential, therefore, this section is of utmost importance. The fourth section summarizes the various stakeholder consultations that have been carried out so far and insights derived from them about the issues that must be rectified via the urban policy.



## The Need for an Urban Policy in KP

Urbanization is an opportunity for social and economic mobility of the masses. Effective and professional urban management can contribute to wealth creation, service provision, and infrastructure development in urban centers. City dwellers get access to many advantages including more job prospects with higher salaries, access to better education and healthcare, better municipal services, and an environment that fosters innovation.<sup>46</sup> KP has an enormous potential, which can be best leveraged if an urban policy is not only formulated and articulated but also made an integral part of the provincial development plan.

Urbanization in Pakistan including the province of KP is leading to major alterations in the spatial allocation of resources, as well as the consumption of land. However, what is lacking in Pakistan is supportive policies and frameworks that sustainably guide development and gain from the urbanization trend. In the context of KP, cities and regions are unable to harness their full potential. Rather, unmanaged urbanization has created challenges such as traffic congestion, unaffordable housing, and inequitable services.

This gives rise to the need for a coordinated approach and a clear policy direction to leverage the urbanization gains and to move towards sustainable development. It was observed in KP that several government departments were involved in the planning and management of urban centers, with overlapping or unclear responsibilities. At the moment, there are several separate, ongoing initiatives, such as the master planning of 21 cities, regional development planning of 3 regions, the land use planning of 2 divisional headquarters, and the master planning of the 7 districts of merged areas in addition to the development of several housing schemes. Additionally, the GoKP also wishes to develop City Strategic Development Plans for seven district headquarters.

These initiatives need to be guided by an overarching provincial urban development policy. However, there is no clear framework which coordinates and gels all these initiatives together. In Pakistan, and also in KP, urban planning is primarily steered by developing masterplans and other provincial level sectoral plans, while urban policy making is not given much attention.

Thus, an urban policy is a tool to foster maximum economic benefits of urbanization, with social cohesion and least environmental degradation. It will no longer be an isolated urban planning instrument, but rather an effective response to economic, social, and environmental problems inherent to urban centers.

## Demographic and Spatial Context

Khyber Pakhtunkhwa is located in the northwest of the country housing seven divisions and 35 districts as listed in table 1 and shown in Figure 2 below. It must be noted the statistics presented below are extracted from different sources such as the latest Census in 2017. All statistics prior to May 2018 reflect information about the previous 25 districts of KP before the merger of the Federally Administered Tribal Areas (FATA) and the Frontier Regions with KP unless specified otherwise.

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<sup>46</sup> See Nazir et al. 2021.



Figure 1: Themes in the Demographic and Spatial Context Section

Districts by Division						
Malakand Division	Mardan Division	Hazara Division	Peshawar Division	Kohat Division	Bannu Division	D.I. Khan Division
Buner	<u>Mardan</u>	Abbottabad	<u>Charsadda</u>	Kohat	<u>Bannu</u>	Dera Ismail Khan
Lower Chitral	Swabi	<u>Battagram</u>	Nowshera	<u>Karak</u>	<u>Lakki Marwat</u>	Tank
Malakand		Haripur	Peshawar	<u>Hangu</u>	North Waziristan	South Waziristan
Lower Dir		Lower Kohistan	Khyber	Orakzai		
Shangla		<u>Mansehra</u>	Mohmand	Kurram		
Swat		<u>Torghar</u>				
Upper Dir		<u>Kolaj Pass</u>				
Bajaur		Upper Kohistan				
Upper Chitral						

Table 1: Districts by Division

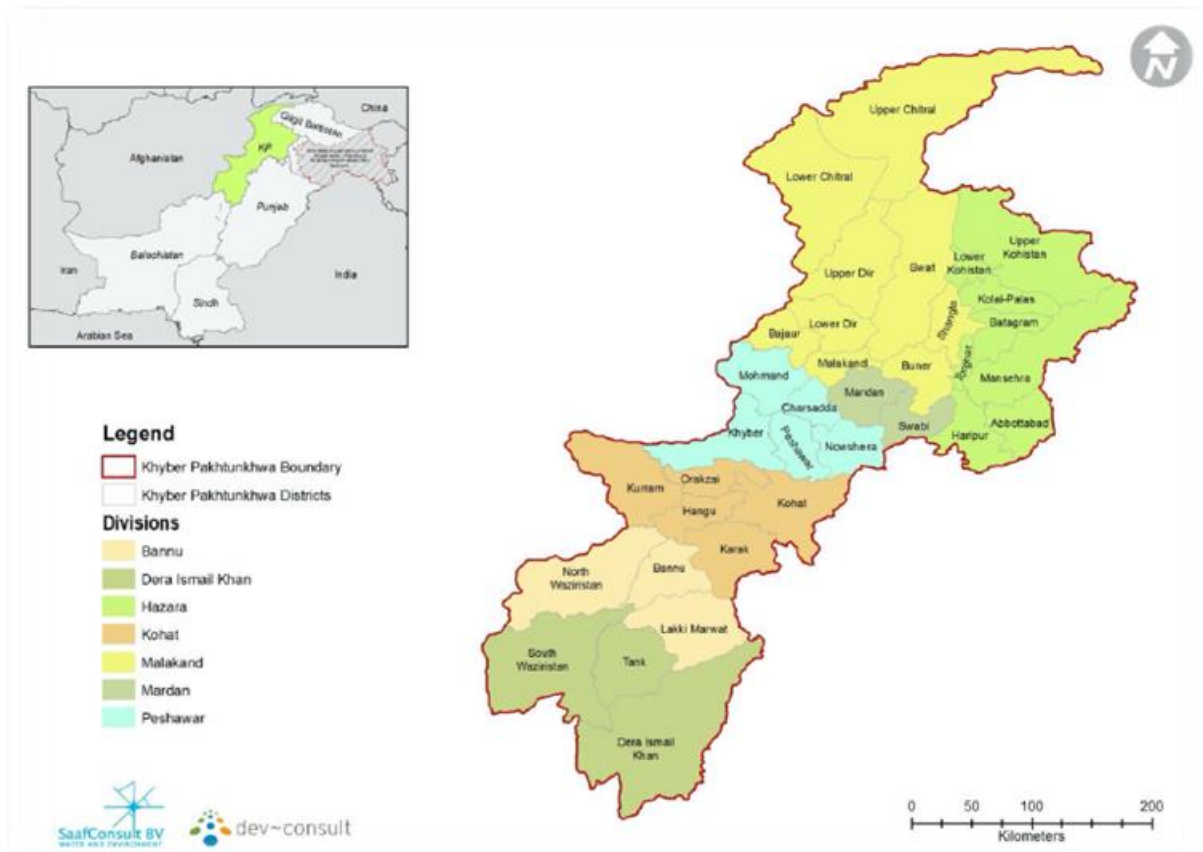


Figure 2: Map of Division and Districts of KP (Asian Development Bank, 2020)

## Population and Urbanization

KP's annual population growth rate (1998-2017) was 2.89%, which is higher than the average national score of 2.4%. With a population of 35.5 million, approximately 16.6% of KP's inhabitants live in urban areas (these statistics include the newly merged FATA areas). This figure is lower than all other Pakistani provinces, and much less than the national average of 36.4 percent and Punjab's average of 37 percent (Pakistan Bureau of Statistics, 2017). Between 1998 and 2017, there was a rise of roughly 2.8 million in the urban population of KP (including FATA region).

Pakistan	Khyber Pakhtunkhwa
2.4%	2.89%

Table 2: Population Growth Rate (1998-2017)

Pakistan	Punjab	Khyber Pakhtunkhwa
36.4%	%	16.6

Table 3: Percentage of Population Living in Urban Areas

KP's central region and Hazara regions – the two distinguishable urban agglomerations – have experienced growth. The districts of Peshawar, Charsadda, Mardan, Nowshera, and Swabi make up the central urban cluster, which accounts for a third of the province's overall population and half of its urban population. The districts of Haripur, Abbottabad, and Mansehra

make up the Hazara region's urban cluster in the North-East. It is home to around 10% of the province's total and urban population (CDPR, 2021).

Peshawar is the capital city of the province and serves as the administrative centre of the Newly Merged Districts (NMDs). The city covers a total area of 1,257 square km and is one of the oldest urban settlements in the country and in South Asia. Its current population is approximately 2 million and estimated to reach around 2.6 million by 2030. Population growth in the city is also attributed to the influx of around 280,000 Afghan refugees and 100,000 Internally Displaced Persons (IDPs), thereby causing a strain on infrastructure and public services (ADB, 2021). Peshawar alone is home to about one-third of the province's urban population. However, the greater Peshawar region determines the floating population of the area and amounts to about 3 million (Pakistan Bureau of Statistics, 2017).

Urbanization rates across districts vary drastically within the province, ranging from over 46 percent in Peshawar, 30 percent in Swat, 27 percent in Kohat, and 22 percent in Nowshera to practically 0 percent in parts of the recently merged FATA regions. District Khyber is the most urbanized district (10%) in the Newly Merged Districts (NMDs) FATA region (Pakistan Bureau of Statistics, 2017).

In addition to the district comparison presented above, the cities of Peshawar, Mardan, Mingora (Swat), Kohat, D.I Khan, Abbottabad, Mansehra, Swabi and Nowshera - are the largest with a population of over 120,000 people. A map of KP listing the population figures of the thirty largest cities is presented below in Figure 3 (Abbasi, 2020). These figures are extracted from the block-wise summary of the Census 2017 results and only refer to municipal corporations or committees as cities within the districts. The urban growth of Abbottabad and Mingora cities is depicted in figure 4 below.

A large portion of the population residing in these agglomerations live beyond municipal administrative limits, and "ribbons" of growth along roads have emerged, mostly to gain from access to these urban centers or clusters (IGC, 2015). The majority of the population in these urban clusters live in slums or informal settlements where poverty is rampant. It is likely that these areas freeride on the civic services and amenities such as transport infrastructure of nearby urban areas putting strain on the resources.

This urban development tendency has both advantages and disadvantages. Potential synergies resulting from connectivity to intellectual resources, information, technology, and markets are among the benefits. However, with the lack of land use rules and zoning laws, this rapid urban change is resulting in the negative consequences of densification, such as slums, traffic congestion, overburdened municipal infrastructure, and increased urban poverty. Addressing these issues will need investment and policy solutions, especially if cities are to realize their full potential as growth and development engines (Malik, 2021).

There are many adverse effects of ungoverned urbanization, including smog, urban heat island effect, and pollution of inland water bodies with solid waste disposal. A case study conducted in Peshawar (2016) revealed vehicular emissions, biomass burning, road dust, biological emissions, and construction activity in and around the sampling site as the main sources of particulate matter in the air (Zeb, 2018).



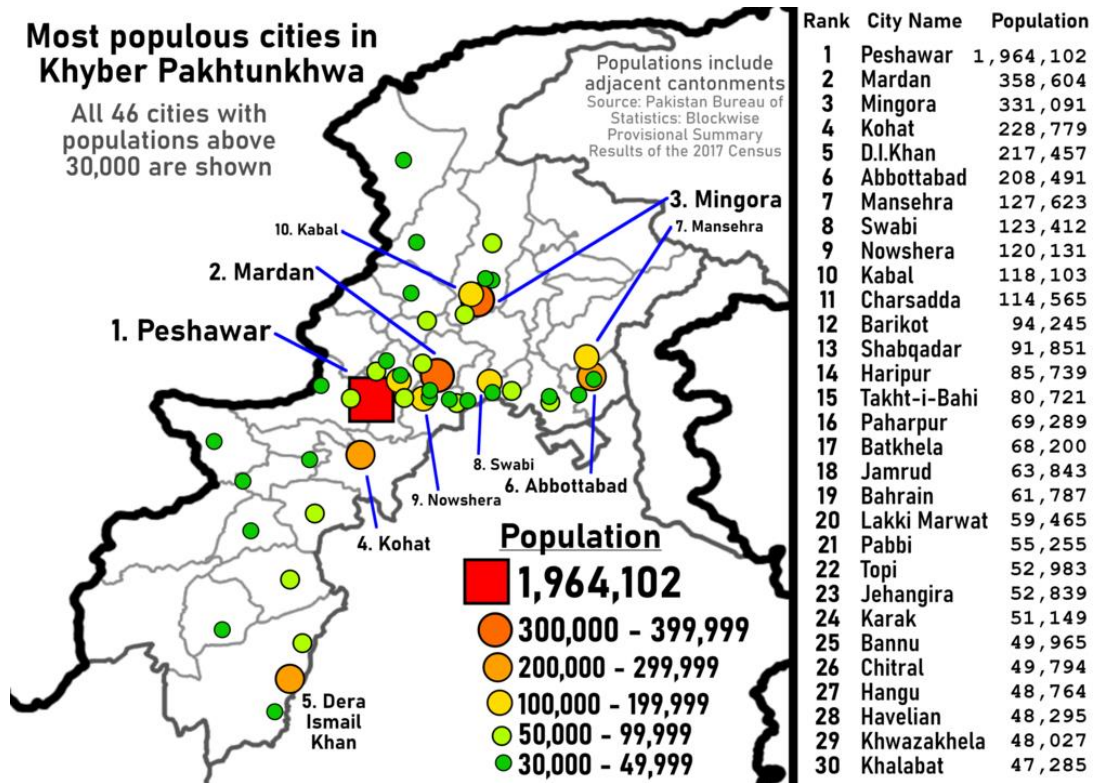


Figure 3: Map of KP Cities with a Population Greater than 30,000

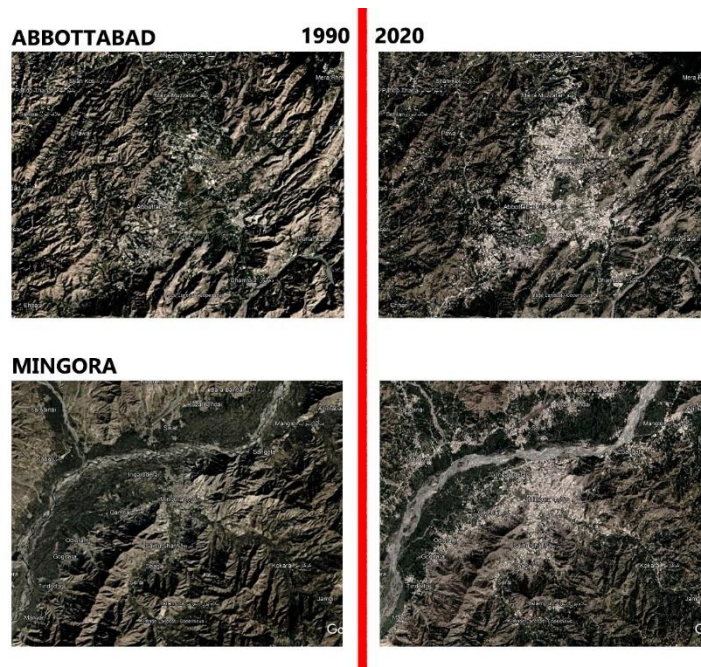


Figure 4: Satellite Imagery Urban Growth in Abbottabad and Mingora

## Housing and Land Use

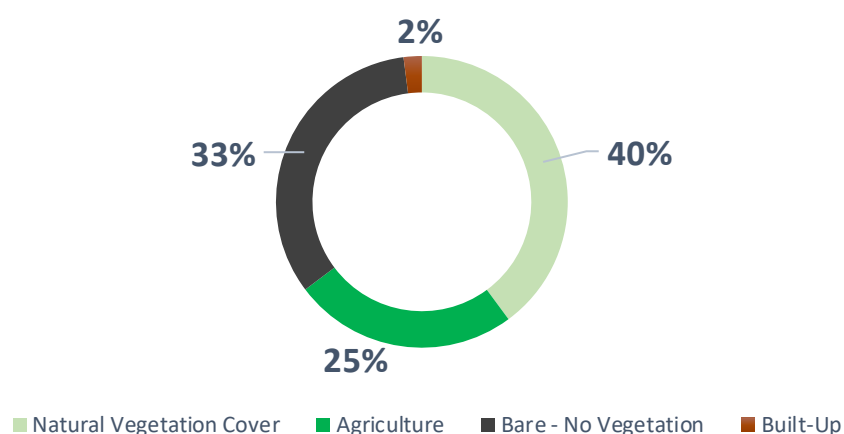
There is a significant need and demand for appropriate housing across most of the districts. Currently, the housing stock is composed of high-income homes in gated communities, middle income homes scattered across the city, and informal settlements (Urban Policy Unit, 2020). The housing demand mainly dominated by low- and middle-income groups remains unmet while the low-density, high-income housing societies have encroached on the ecological assets of the cities.

There is a housing shortage of around 1.3 million housing units in KP. In percentage terms, this amounts to 37 percent of current housing stock (Iqbal, 2020). With regards to housing quality, Peshawar and Nowshera rank as the best in the province, with Swabi, Charsadda, and Mardan ranking among the worst. Here, lack of good quality housing refers to use of non-permanent materials in house construction, congestion of one-room houses, and lack of indoor toilet facilities (IGC, 2015).

In terms of housing demand, the average household size in KP has decreased marginally from 8.0 in 1998 to 7.83 in 2017, although it remains much higher than the national average of 6.39. There is not much variance between urban (7.52) and rural (7.90) household sizes (Pakistan Bureau of Statistics, 2017). Over-crowdedness is prevalent in urban KP with two-bedroom houses recorded as the highest percentage (33.45%) in the housing stock. The average person per housing unit (two bedroom) is 7.2 with most of the units occupied by 10 people or more (Malik, 2021).

In Peshawar, 9,256 acres will be required to fulfil the net housing demand by 2038 (Urban Policy Unit, 2020). The current building rules and FAR regulations will make it especially difficult to meet the projected demand and a 26% increase in the built-up area will be required. The government has proposed the development of satellite towns outside major cities to accommodate this demand, which would incur enormous costs in public service provision. Instead, there needs to be a focus on densification, contiguous housing, and vertical development to meet projected housing demands.

The land cover of KP is depicted in Figure 5. Urban land-use patterns show inefficiency owing to underutilization of very valuable inner-city (or central) land parcels, while expanding sprawl is causing urban footprints to expand into previously lush agricultural farmlands (Haque 2015). Moreover, antiquated land use rules and building standards, the lack of a uniform land record system, and inconsistent land use data can all contribute to inefficient urban land



management.

**Figure 5: Land Cover of KP (Asian Development Bank, 2020)**

The Urban Policy Unit has set forth District Land Use Plans for five districts in 2020, namely Peshawar, Swabi, Charsadda, Mardan, and Nowshera. The current land use plans in virtually

all districts of KP are characterized by the allocation of less area to commercial and industrial sectors and disproportionately high land allocation for residential purposes. The urban space of Nowshera is composed of ~62% residential, 1.4% commercial, and 0.4% industrial areas (Urban Policy Unit, 2020). In Swabi, there is virtually no land allocated to industrial use and most local industries are present in the Gadoon Amazai industrial estate or scattered elsewhere (Urban Policy Unit, 2020). It is difficult for economic activity to flourish if consumer markets are unable to sell products closer to residents due to minimal space allocation. Figure 7 below depicts the urban land use distribution for the districts of Mardan, Charsadda and Nowshera. In Peshawar, 38.66% of land is allocated for residential purposes, whereas, 5.23% and 3.13% of land is given to industries and commercial centers respectively (Urban Policy Unit, 2020)

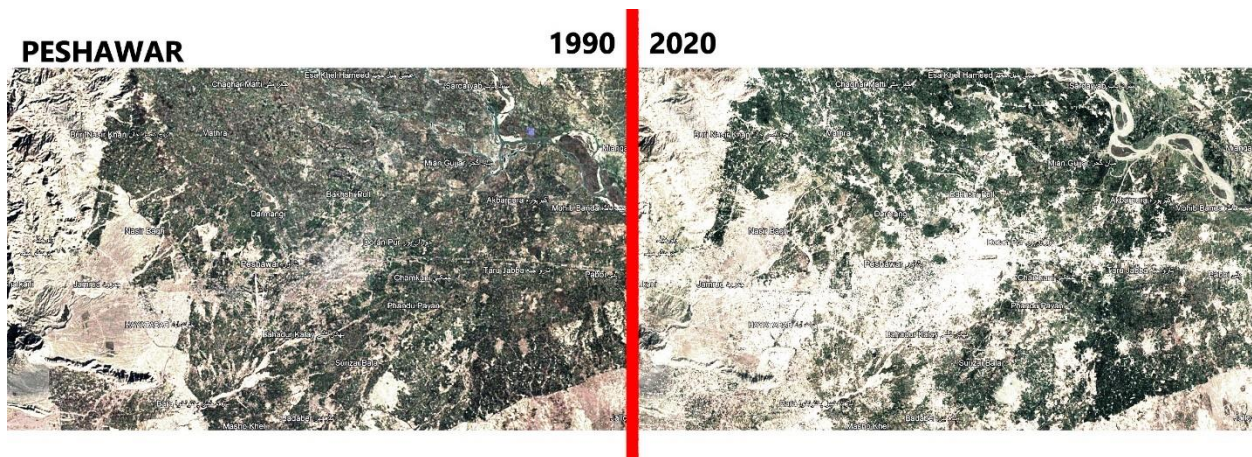
Moreover, there is a dearth of community centers and public health facilities in all districts of KP, which are essential elements of sustainable cities. In Peshawar, ~6% of land is allocated to community centers, whereas Swabi is woefully short of such recreational areas with 0.07% space allocation as opposed to the 1-7% national average for urban localities (Urban Policy Unit, 2020). Vast tracts of land remain vacant and unused across all parts of KP due to mismanagement of land resources, for example 11.7 % of Nowshera consists of empty land tracts (Urban Policy Unit, 2020). This is extremely unproductive as this land could be used for commercial or other activities to stimulate the economic cycle.

Similarly, in Mardan and Charsadda, a majority of “urban” land is used for agriculture purposes due to the rural nature of the districts. In Charsadda around 37.9% of the total area is residential in nature with a severe shortage of commercial, industrial, institutional, and recreational land usage (Urban Policy Unit, 2020). Similarly, the vast majority of land in Mardan district is agricultural and in the urban centre, around 32% is residential. Due to mismanagement of land resources, significant portions of land are vacant in Mardan which can otherwise be used productively (Urban Policy Unit, 2020). In Peshawar, 28.45% of land is utilized for agricultural while 2.59% is vacant land (Urban Policy Unit, 2020).

The rate of land-use transformation from cultivable to non-cultivable is also higher in KP as compared to the rest of Pakistan. The influx of internally displaced persons and refugees as well as political instability and natural disasters has led to rapid urbanization and, thus, the conversion of agricultural lands to settlements. As a result, cultivable land has reduced drastically over the last few decades. In Charsadda, for example, there has been a rapid deterioration of agricultural land and vegetation due to the aforementioned reasons, especially near the main Charsadda road. 221 housing societies have been developed by converting agricultural land into built-up area. In 2017 alone, the land allocated for agriculture declined from 85% to 43.1%, leading to an inevitable shortage of food and water scarcity (Baig et al., 2018).

From 2014 to 2021, forest cover of KP declined by 8.2% (KPBOS 2021, KPBOS 2014), which can be witnessed through the help of Google timeline imagery that denotes the urban sprawl especially in central KP as shown in Figure 6 below. According to the statistics, around 14.8 percent of land in Khyber Pakhtunkhwa is now under forest cover (KPBOS, 2021). The proportion of forest area in Mansehra, Kohistan, Swat, Lower Dir, Upper Dir, Abbottabad and Chitral is relatively high due to conservation efforts which focused on afforestation in the province.



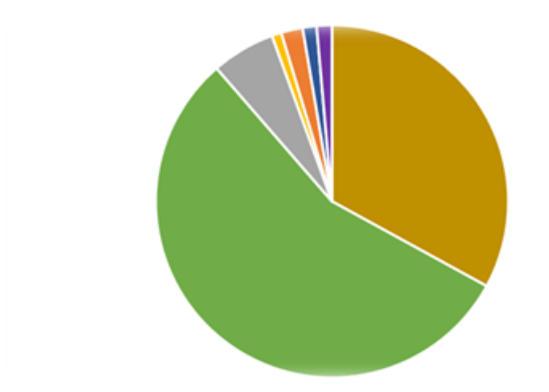


**Figure 6: Satellite Imagery around Peshawar City demonstrating its Urban Expansion**

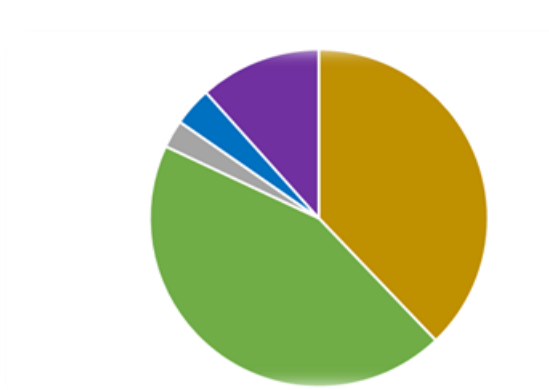
Due to zoning regulations and lack of mixed-use, commercial, and residential areas are generally located far apart with this uneven distribution characteristic of all cities in KP. This increases travel distances between localities and leads to cities and workplaces becoming inaccessible for women, disabled etc. In fact, the proposed land use map for Mardan from 2019-2039 recommends zoning to improve service delivery and more roads to ease traffic congestion. This is representative of the fact that our urban planning techniques are outdated and misguided. Strict zoning does not improve service delivery in all instances and building more and wider roads will not ease the traffic situation in KP's cities.

It is, therefore, necessary that the relevant bylaws/rules/regulations are examined, and recommendations given for alternative ways to structure our cities that foster inclusivity and resilience. Masterplans developed for our cities tend to be static and difficult to amend. On the other hand, scenario and spatial planning are good techniques which reduce uncertainty of the future by considering the many ways the future can unfold and proposing actions to build resilient and sustainable communities (Clark, 2013). Cities and regions which have employed this method are London, Paris, Chicago, Frankfurt, Singapore, Hong Kong, and Madrid (Waheed, 2020)

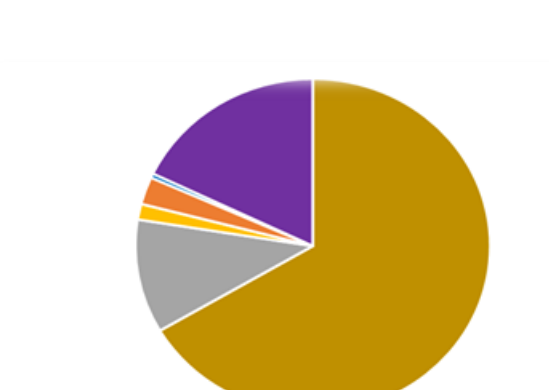
## Mardan



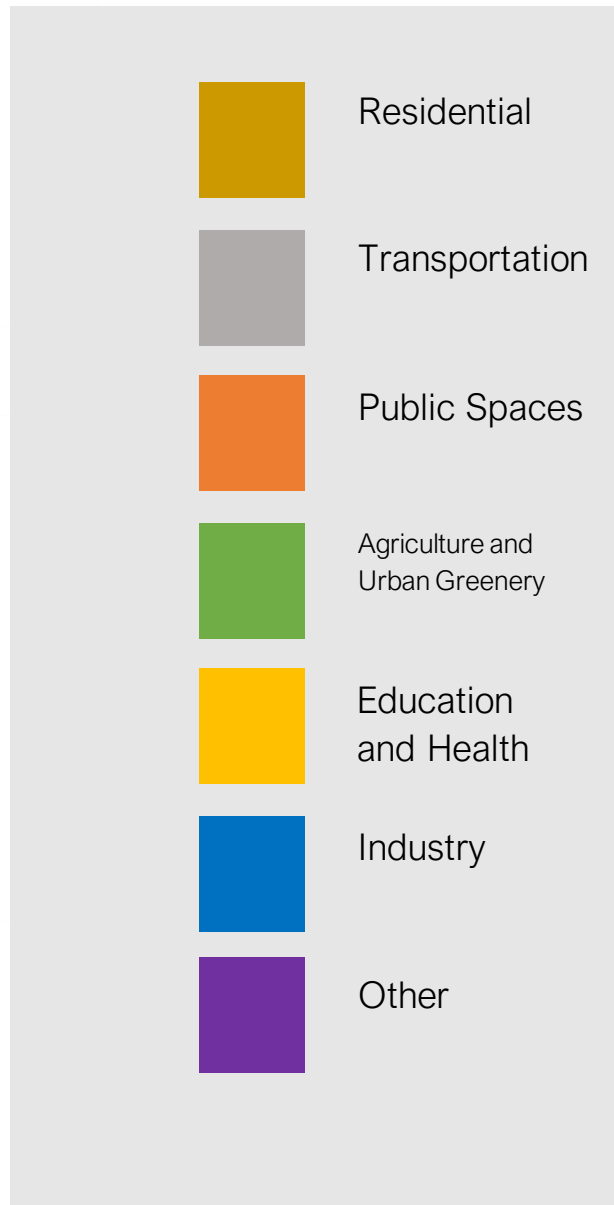
## Charsadda



## Nowshera



No Agriculture Area in Nowshera?



**Figure 7: Land Use Distribution of Urban Areas**

## Economy

Since 2005, KP has recorded a 5% real GDP growth rate. KP accounts for almost 11% of Pakistan's GDP. Agriculture together with livestock contribute about 21% to the provincial GDP, while the cities account for 70%. The agriculture sector employs and provides livelihoods to 83% of the rural population. (ADB, 2020).

As mentioned earlier, the overall unemployment rate in KP has declined from 11.8% in 2006 to 7.3% in 2018. However, it is still the highest among all the provinces. The labor force participation rate in KP is 42.7% (Pakistan Bureau of Statistics, 2019). Unemployment in urban KP (8.3%) is higher than rural areas (6.9%) (ADB, 2020).

As Pakistan's median age is 22.8, the number of young workers in the market seeking jobs and opportunities is expected to grow. Furthermore, a huge group of young people is about to enter the workforce: 44 percent of KP's population is under the age of 15 (Pakistan Bureau of Statistics, 2017). To avoid widespread poverty and its attendant societal difficulties, the number of job opportunities in KP's cities must increase to reduce the comparatively high unemployment rate. The KP employment to population ratio by age (15-24 years) was 29.6% for 2017-18, the lowest among all provinces (Pakistan Bureau of Statistics, 2019). Increasing youth unemployment rate is an alarming indicator coupled with the rising number of young people posing economic and social risks. It must be noticed that the labour force participation for females is 13.2% and 75.7% for males (Pakistan Bureau of Statistics, 2019). KP needs to spur economic development in cities to create more jobs and income opportunities for young men and women.

Cities that lack better education and income generating opportunities will inevitably experience out-migration losing human capital (Ishfaq et al. 2017). Several universities are located in urban cities of KP, including Peshawar. This attracts the young population from rural KP. Even though the overall unemployment rate in KP has declined, this does not account for the out-migration from the province. A World Bank study of a migrant's journey reveals the working force in KP has the highest intention to migrate overseas among all the provinces of Pakistan. Almost 37% of the workforce based in urban centers and 12% from rural areas expressed the intent to move abroad (World Bank Group, 2018). KP is the only province in Pakistan that has a larger share in the annual outflow of workers outside Pakistan to its share in the total population. Several districts in KP, including Dir, Swat, Mardan, Peshawar, Swabi, and Mansehra, are among the country's highest emigration districts. The share of migrants from KP varies between 17.5 % and 25% of the total share of Pakistani citizens working abroad. Average annual remittances per household in KP are estimated to range from PKR 200,000 to PKR 440,000, between 14% and 20% of all official remittances (IGC, 2015).

Gender gaps are visibly dominant in the province. Unemployed females (9.2%) are higher than males (6.9%) in the entire province. Females actively working or looking for work are also low, only 13.3%, while males are 75.7% (Pakistan Bureau of Statistics, 2019). Socioeconomic statistics show significant gender disparities among the province's urban population. This includes urban unemployment (6.9 percent for males vs 18.8 percent for females) (ADB 2020), literacy rates among urban populations (79.4 percent for males vs 53.2 percent for females) (Pakistan Bureau of statistics, 2019), and enrolment in four-year bachelor's programs (46,787 males vs 24,285 females) (KPBOS, 2021). The KP Urban Policy should consider the gender inequities to find solutions in stimulating economic growth and urban development via tapping into the complete pool of human capital.

Year	Unemployment Rate in KP (%)
2006	11.8
2018	7.3

Table 4: Unemployment Rate in KP

	Males	Females
Unemployed (%)	6.9	9.2
Actively job-searching (%)	75.7	13.3
Literacy Rate (%)	79.4	53.2

Table 5: Economic Profile in KP

The PBS Labor Force Survey 2017-18 reveals that the informal sector is large in KP and cannot be ignored. The informal workers contribute to 52% of the labor force in KP. The majority of the informally employed work in the construction (25.4%) and wholesale, retail trade, and vehicle services (28.2%) sectors (ADB, 2020).

In comparison to Punjab or Sindh, the manufacturing sector is modest. It also focuses on processing agricultural and mining resources from nearby areas. Peshawar is home to a few industrial facilities that produce chemicals, rubber, plastics, and electronic items (ADB, 2020). The Peshawar district alone has 679 active industrial units out of a total of 2,247 in KP (Malik, 2021). The manufacturing sector is quite diverse and includes cigarettes, ceramics (sanitary wares and wall tiles), cotton textiles (yarn and cloth), woollen textiles (blankets and fabrics), electric bulbs, fertilizers, pharmaceuticals, jute textiles, matches, paper, paper board, sheet glass, paints and varnish, beverages, sugar, and starch. The food processing sector, including vegetable ghee and cooking oil, has a considerable presence in KP, contributing around 30% of the nationwide ghee production (IGC, 2015).

There is considerable diversity in the number of industrial units and workers employed across the province. For example, Peshawar has twice the number of industrial units as Swabi but almost equal amounts of labour, implying that the industrial units in Swabi are more labour-intensive. Of the 2247 functioning industrial units in KP, 679 are in Peshawar alone. In contrast, there are only two industrial units in Shangla and four in Hangu. The manufacturing sector has been in a continuous state of decline after 2006-07, with around 1,145 industrial units closing over the past few years, causing widespread unemployment. There is an abundance of natural resources in the province, including reserves of marble, granite, and construction materials. According to estimates, there are around 4 billion tons of marble reservoirs of around 30 different varieties, however, due to outdated and inefficient industries and industrial processes, the province has not been successful in deriving value from the natural abundance (IGC, 2015).

In terms of Tourism, there is a KP Integrated Tourism Development Project in the pipeline (GoKP, 2020). It aims to implement activities in four potential locations - Naran, Chitral, Galliyat, and Kalam. Even though this may be a great initiative for the North of KP, adequate attention is not given to other regional cities of KP such as Peshawar, Kohat and Takht Bai. These cities and

many others also have enormous potential for cultural and heritage promotion. There is a need to provide clear guidance to promote urban and cultural tourism in KP.

While Pakistan's government does not release district-level official GDP figures, a recent research of night light levels as a proxy for economic activity level finds the greatest per capita income levels in Karak, Haripur, and Peshawar, and the lowest levels in Mansehra, Chitral, and Tor Ghar. According to government figures, Haripur, Nowshera, and Peshawar are the top three cities in terms of per capita power consumption (a potentially helpful proxy for per capita income), with Mardan, DI Khan, and Tank in the middle and Bannu, Karak, and Mansehra at the bottom. Even though nightlights are imperfect estimates and electricity consumption is clearly skewed in favor of developed areas, these numbers demonstrate that Haripur and Peshawar are economically leading districts while the northern districts like Mansehra, central areas around Bannu, and the southern areas adjacent to D.I. Khan are all economically underperforming regions. Peshawar and Nowshera have the greatest income levels, whereas Shangla and Dir Upper have an income that is eight times lower (Hasan et al., 2021)

Three economic clusters exist within the province of KP. First, the central districts of the Peshawar Valley, which run along the Kabul River and include the districts of Mardan and Charsadda, are becoming increasingly well connected to each other's wholesale and retail markets, as well as to the rest of the country via the improved national highways network (M-1 motorway) and internationally via the Peshawar and Islamabad airports. Second, certain districts in the northern areas, such as Dir and Chitral in the northwest and Kohistan and Mansehra in the northeast, are comparatively poorer and underserved, owing to restricted access to steep terrain. Third, the southern region, which is bordered to the southeast by DI Khan and to the north by Lakki Marwat and Bannu, and which borders several Merged Areas districts bordering Afghanistan and is relatively isolated from the province's manufacturing and trading hub in the Peshawar Valley and not fully integrated with major markets (Malik, 2021).

A key strength of KP province is its strategic location at the hub of the National Trade Corridor, linking Peshawar through Lahore to Karachi and Port Qasim. The majority of Pakistan's international trade is transported by road along this central corridor. Therefore, KP can benefit immensely from trade links with India, China, and Central Asia by playing its natural role as the mediator between large, resource-rich Central Asia and the growing economies of India and China (IGC, 2015).

## Transport

In KP, the growth of road networks and related infrastructure is far lower than in Punjab. For districts with similar population densities, the road density is much lower in KP. The road network is concentrated in the west-central region of the province and thins out considerably upon moving away from this central area. There was also a sharp decrease in KP's road network in the years 2011-12, when around 6,511 kilometers of road network was destroyed due to flooding. The regions of Kohistan, Battagram, Shangla, Hangu, Karak and Tank are the least industrialized districts with relatively low road density and lack of access to highways. The condition of more than half of the roads in the province is rated poor or bad and out of 1,878 km of road network, 700 km has a Pavement Condition Index (PCI) of less than 2 (ADB, 2018). Construction of motorways and highways has increased the number of roads per square kilometres in KP. The vehicular data suggests a sharp increase in private ownership of motor vehicles such as motorbikes, jeeps, and cars. On the contrary, the usage of public transport remained low.

Similarly, the railway network is sparse in KP, with most of it concentrated in Punjab and Sindh. The railways network is limited to the Peshawar region with no connectivity to the northern zone.



Most railway passenger traffic from KP is directed towards Karachi. The current transport system is uni-modal with an excessive reliance on road networks for both passenger and freight traffic (IGC, 2015).

Poverty, with a 40% prevalence, can be commonly observed in the metropolitan city of Peshawar. The poorest individuals and women typically commute on foot or by informal public transportation, which mostly consists of pickup trucks and big and medium-sized buses from the 1980s and 1990s. In Peshawar, 60-70% of the public transport fleet is old and outdated and is considered insufficient by 84% of the population (Cities Development Initiative for Asia, 2014), also contributing to air pollution. Overall, these vehicles satisfy over 70% of total demand for motorized transportation while accounting for just 43% of total traffic. As a result of the tremendous market demand, numerous unlicensed operators are operating in a disorderly and inefficient way along the city's major thoroughfares. There is no effective public monitoring of supply and demand or the condition of public transportation vehicles; bus stops are archaic and lack schedule and route information; the ticketing system is outdated; and operators compete for passengers, aggravating congestion, and degrading safety (ADB, 2021)

Recently, the Peshawar Bus Rapid Transit (BRT) has been initiated to improve congestion. The project has been assigned to TransPeshawar, an urban mobility company. The BRT project aims to directly benefit 0.5 million people along a 26-kilometer BRT corridor with associated facilities. The project is economically justified by significant time savings for future BRT passengers, vehicle operating cost reductions, improved air quality, and reduced carbon emissions, all of which would enhance health and combat climate change. The initiative has also improved Peshawar's liveability and safety, increased private sector investment, and promoted gender equity (ADB, 2017).

Low FARs and lack of mixed use has led to new housing being located at the peripheries of cities, subsequently contributing to urban sprawl. Due to the long commute times and lack of adequate public transport, the use of the private car is the preferred mode in KP. It is essential that a transport network is developed for all cities of KP which is people-centric and incorporates public transport, private vehicles, bicycles, and motorbikes.

The Peshawar Circular Railway project's prefeasibility study is underway according to discussions with officials at the KP Urban Mobility Authority. This will be an inter-regional commuter rail system for the Peshawar Valley which aims to connect cities of Peshawar, Charsadda, Mardan, and Nowshera. They also shared that the negotiations to develop an urban transport policy are in motion.

In terms of women mobility, the female population in KP experiences serious issues in commuting mainly due to the conservative social customs restricting their exposure and activities outside homes. The KP Urban Policy and future transportation plans will support gender inclusive planning to highlight and incorporate women safety and transport needs to integrate women into the economy. In Abbottabad and Mardan, women are faced with similar urban mobility issues. A pilot initiative was launched to run Pink Bus Service exclusively for women in 2019. The project was financed by the Japanese government in partnership with UN Women. However, despite several calls for Expression of Interest from private contractors to run these buses on select routes in these two cities, no contractor showed interest citing feasibility and economic viability as major concerns. The Pink Buses remained dysfunctional and required government subsidy since the business model could not attract private operators. Ultimately, these buses were handed over to the Higher Education Department for deployment in Girls Degree Colleges where existing transport was insufficient.

Moreover, public spaces are inaccessible to women with no walkable zones and dearth of footpaths, lighting, and other public amenities. Therefore, it is generally unsafe for women to exist in the public realm and make use of public services, further contributing to the use of private transportation. Of these, only 2% are non-motorized so roads are congested, and travel speeds can be as low as 10 kilometers per hour.

## **Water, Sanitation and Solid Waste**

In KP, 20% of the population does not have access to sanitation and 24% is deprived of clean drinking water (ADB, 2021). In 2015, the KP government established companies for water and sanitation services, which are now in their initial years of operation in each of the 7 divisional headquarters. Yet, piped water facilities are low and where it is present, there are leakages and contamination of the water source due to lack of adequate maintenance. Non-revenue water is expected to increase as a result. Water supply in KP is heavily dependent on groundwater resources, however, this is uncontrolled and unregulated. In Peshawar and Abbottabad, surface water accounts for only 10% of total water supply, with the rest being groundwater. In all other urban areas of KP, ground water is the only water source. Piped water reached 48% of urban households, while pumped water from shallow aquifers reaches 43% of urban households. The water supply is intermittent in most areas, typically less than 6 hours per day. Poor maintenance of water supply pipes leads to wastage and leakage of water, which is of concern as the province is already facing severe water shortages. Contamination of piped water is also a major concern, with around 70% of piped water tested as unfit for human consumption. This is common where sewage lines and water supplies are co-located (KPCIP, 2021).

Sewage is properly managed only in less than 5% of KP (KPCIP, 2021) and where such systems exist, bad maintenance leads to overflow, increasing the chances of flooding. In Mardan and Kohat, wastewater flows in open drains and no wastewater treatment facility is present. Wastewater is then discharged onto farmland, causing significant health risks for farmers. Only around 88% of households in urban areas have access to flush toilets, 4% have access to non-flush toilets, and around 8% do not have access to any toilet facility. Effluents from toilets are often discharged into open or covered drains, leading to high incidence of malaria, dengue fever, hepatitis, water-borne diseases, and lung and skin infections (KPCIP, 2021).

Solid Waste Management (SWM) procedures are also inadequate in KP. Collection rates of municipal solid waste varies across the province, ranging from 20% to 80%, with an average of 30%. Existing waste management systems are labour-intensive and inefficient, exposing personnel to unnecessary risk. Collection equipment is also old and insufficient to collect the large volumes of waste generated. Due to non-existing transfer stations, waste collection vehicles are solely responsible for transporting collected waste to disposal sites, restricting their availability to collect waste (KPCIP, 2021). The majority of uncollected waste is burnt or dumped in uncontrolled sites. Plastic waste is especially mismanaged. According to the Local Government Act (LGA) of 2019, waste management falls under the ambit of local governments in KP. However, they have constrained resources and capacity, and require an integrated approach to solid waste management (ADB, 2021). Peshawar generates around 219,000-255,000 tonnes of waste per year, while Bannu generates 13,870 tonnes annually (World Bank Group, 2021).

In KP's Abbottabad District, groundwater was initially extracted via government operated tube wells. The quality of this water was satisfactory but depleted quickly due to leaking pipes that were laid across sewage drains. Approx. 62 tube wells were out of service and the water table was depleting rapidly. Therefore, the Abbottabad Water and Sanitation Services Company was initiated for management of water supply, sanitation, and drainage infrastructure (URA, 2017).



However, it is consistently difficult to service the district due to lack of data availability. Residents that have their CNICs registered outside the district are not visible in official records and meters are not installed everywhere.

With regards to solid waste management, the Abbottabad WSSC is only operational in 4 union councils, so open dumping of trash is common across the district. In the areas where WSSC is operational, collection bins are not installed according to the population needs of the union council, so trash piles up and becomes a health hazard. To counter some of these problems, a new landfill is being developed, which will contain a recycling and composting facility and the old dumpsite will be converted to a park under KP Cities Improvement Project.

Under the KP Cities Improvement Project, an integrated solid waste management system has been designed and will be implemented in the five cities of Abbottabad, Kohat, Mardan, Peshawar and Mingora. Construction of sanitary landfills, safe closure or rehabilitation of existing dumping sites, and creation of integrated SWM systems from source to final disposal, as well as procurement of requisite machinery and equipment, are all part of the SWM sub-component in all five cities. The system is designed for door-to-door collection in residential areas, while commercial waste will be collected and temporarily stored in storage containers. (AIIB, 2021)

With weak local governments as a foundation, it is unsurprising that even the province's richer districts are unable to serve huge segments of their populations with fundamental urban amenities that underpin quality of life for their citizens. KP presently collects \$0.1 per capita in property taxes (the most important local tax), which is 8 times less than the tax collected in Punjab and 129 times less than the tax collected in Indian municipalities that have implemented property tax systems based on property value. Overcrowding and major deficiencies in access to water and sanitation are coming from city governments' incapacity to finance municipal services for a growing population, with negative consequences for health and human development. (Malik, 2021)

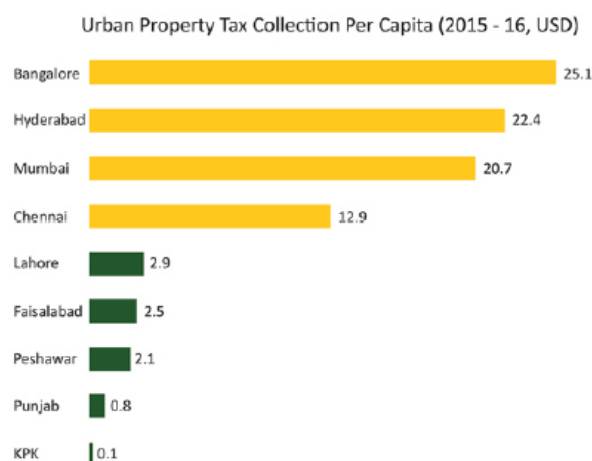
### Urban Finance

The major sources of own-source revenue for the urban areas of KP originate from (a) taxes imposed on urban immovable property, (b) real estate transactions, and (c) from services provided to the residents such as water, sanitation and waste disposal etc. The GoKP has capacity challenges to raise municipal finances efficiently (Abbas & Cheema, 2021). Generating revenues from local resources such as Urban Immovable Property (UIPT) and municipal services is important to attain financial autonomy and lower the reliance of local authorities on grants and subsidies provided by the provincial government. Likewise, it is important to develop local capacity to utilize the allocated funds. Cities in KP need to focus on both – revenue collection and expenditure management at the local level.

## Urban Immovable Property Tax

An important source of revenue that has not been accorded due attention in the cities for KP is from UIPT. Globally, urban land and property taxes are the main sources of urban revenue. However, the urban immovable property tax system of Pakistan and specifically KP are underperforming. Figure 8 portrays the low levels of UIPT collected per capita in comparison to other cities in Pakistan and India. The share of UIPT to provincial own source revenue is five times less in KP (0.5%) as compared to Punjab (2.5%) (Abbas & Cheema, 2021). However, the absolute value of property tax collected has multiplied by three between the fiscal years 2010-11 and 2019-20, the recurrent property tax is a small percentage of KP's total provincial revenue. The share of UIPT revenue to total funds available was only 0.16% in the year 2019-20 (Abbas & Cheema, 2021).

Figure 8: KP UIPT Collection Compared to Pakistan Punjab and Indian Cities.



The present valuation system in KP for UIPT purposes reflects several issues. An Annual Rental Value (ARV) method is used for the appraisal of the properties in which rental values are collected in a survey where the prices are verbally communicated by the tenant and subjectively assessed by the surveyor. The valuation system uses an area-based system that divides urban areas into very broad zones to calculate tax liabilities, as described in the Peshawar case study below. The property values within the zones are not adjusted in accordance with variations in actual (market) values or worth of the properties. This presents a major risk of underestimating tax liabilities or reducing the willingness to pay UIPT due to unfair property valuations within zones as there are differences between actual and assessed real estate values. The GoKP is in the process of designing a reform to catalyze a “virtuous cycle” where public investments lead to higher real estate values and enhanced service provision, which in turn lead to further financing through the willingness to pay taxes by the residents.

A report by SEED (Abbas and Cheema, 2021) presents an appropriate framework to establish a robust property tax system. The report recommends three-tiered reforms to be undertaken simultaneously as summarized below:

1. Policy reforms: The valuation system should be able to capture the increase in property values. It must also guarantee equity and efficiency. Both, land and improvements will have to be taxed since it is difficult to separate the values for each. Land and improvements can be valued using both methods i.e. capital value assessment (market value) and ARV method (estimated value of rental). A points-based system is suggested in the short to medium term, and a capital value assessment in the long term. The points-based system would specify taxable values per unit of land and covered areas in different zones of an urban area based on area-wise property values. The taxable value will need to be adjusted within zones based on factors such as access to road and quality of construction. For this KP requires major investments and capacity upgradations in the information and valuation systems. The rules for exemption of properties are recommended to be fair and minimize biases by tying it to the residents' ability to pay.

2. **Strengthening enforcement capacity:** It is imperative to modernize information and audit systems, facilitate tax payers, simplify tax regime and modernize the incentives of tax collectors. Theories indicate that evasion, collusion, and corruption result from poor information, weak audit capacity and an ineffective system of penalties related to registration, estimation of tax liability and tax collection. Complicated tax systems also disincentive taxpayers to stay in the tax net.
3. **Building citizens tax morale:** Increasing perception of fairness and equity of the tax system can boost taxpayers' morale. A transparent and demonstrable link between tax payments and tax expenditure can strengthen this morale.

### Case Study of Peshawar UIPT

Peshawar follows the West Pakistan Urban Immovable Act Property Tax (UIPT) Act of 1958, and the Khyber Pakhtunkhwa government administers this tax. "Except Peshawar Town III, the UIPT plays a minor role in the budget of the six tehsils; it is also outperformed by the tax on the transfer of property" (IFES, 2015). According to the Act, 15% of the total tax revenues are received by the provincial government, and the tehsils receive 85% of the total tax revenues (IFES, 2015). The tax base for private houses depends on the property's size, with marlas as the base unit. The value classification of the properties is divided into three classes, i.e., A, B, and C, with C class as the largest category. Property owners are taxed with respect to the categories mentioned.

Under the Khyber Pakhtunkhwa Finance Act 2019, UIPT rate has been increased on commercial buildings in the city. A locality factor has been introduced based on the location, rental value, age of the building, value, type of business, civic amenities, and other variables related to the commercial building. Commercial properties are divided into five localities, i.e., A1, A, B, C, and D. If a commercial property falls in the A1, A, and B category locality, then it is taxed based on 18% of the actual annual rent. However, petrol pumps, CNG stations, and service stations are charged a flat tax rate regardless of the covered area. Industrial buildings are charged a flat rate (PKR 2.5) per square foot of the building area (Khyber Pakhtunkhwa Revenue Authority, 2019). Such enhancements should be directed more towards pegging the taxation rate to the value of the property rather than charging flat tax rates.

Moreover, if the property is rented, leased, or engaged in other arrangements, the property owner is burdened with double tax as the owner will have to pay both property tax and income tax on the same source of income (Provincial Urban Development Board, 1989). In Peshawar, 24% of households are living in rented houses (Pakistan Bureau of Statistics, 2015). The problem with such tax regimes is that due to administrative centralization by the central government, tehsils have minimal power to influence tax rates. More administrative autonomy for taxation is essential for considering differences among different tehsils rather than using a 'one-rate-fits-all' approach. Domestic resource mobilization at the city level is possible by collecting UIPT.

The tax burden for the rich is minimal compared to the urban infrastructure and services used by their neighborhoods. The UIPT has been capped at PKR 30,000 per annum, which is extremely low compared to the surge in residential property values in Peshawar (Excise, Taxation, and Narcotics Control Department, KP). According to zameen.com, there are 584 residential property listings in Peshawar, which are valued for more than PKR 30,000,000 (Zameen.com). It does not make even 0.1% of the value of these property listings. It presents an opportunity for the provincial government to rethink the tax rate decisions while considering each tehsil's property values. Once adequate percentages of taxes are collected, the government should devise a collective tax redistribution system in which funds are pooled into one place and allocated around the city on a need basis rather than prioritizing disbursement to areas where the taxes have been collected from. In the case of Peshawar, the valuation of properties is itself carried out in a fragmented manner, by multiple authorities. For instance, PDA is responsible for Hayatabad, E&T Department is responsible for commercial properties, the DC oversees city and agriculture/residential properties, and cantonment properties are handled by their respective administration. Exemptions within the tax base might also be problematic. Cantonment Boards grant 100% exemption to government retired employees and their spouses and 60% to government employees and their spouses. The act itself exempts various properties, including residences up to 5 marlas occupied by the owner, widow occupied properties, public parks/recreational spaces, places of worship, and buildings and lands owned by the Federal or KP government.

## Revenue from Municipal Services

The other source of urban revenue is fees and charges from municipal services such as water supply and sanitation, and solid waste management. Urban municipalities in KP are generally not financially sustainable as they do not generate enough revenue for operating and management costs, let alone capital expenditures. Under 20% of operating costs are recovered from user fees which is extremely low by any standard. Urban schemes have begun to see rising O&M costs due to escalating energy costs. For example, in Peshawar the share of electricity in total O&M costs is 38%. Reducing leakage from pipes and increasing energy efficiency are essential for cost recovery in municipal urban services. International best practice is to meter consumption and charge on a volumetric basis (The World Bank, 2013).

In the case of Peshawar's WSSP, analysis of financial documents for the year 2019 reveal that revenue received from services amounted to PKR 444 million, while government grants were around PKR 2.4 billion. The operational expenses for the WSSP were much larger than the revenue received from service provision, and therefore, the company has been dependent on government grants for financial stability since its inception. In fact, service revenues accounted for only around 18.6% of operational expenses (Water and Sanitation Services Peshawar, 2019)

For Abbottabad, the financial accounts of the WSSC statement for 2016-17 shows that the company received a grant of PKR 35 million from the provincial government to meet its expenditures of almost equivalent amount that include operating expenses of Rs. 20 million. The estimated revenue from water and sanitation charges is PKR 4 million (maximum) and hence it is less than 20% of the O&M costs. Besides, the company is offering the waste collection services free of charge.

It is imperative to develop a business plan for the municipal services at the earliest. A common apprehension in this regard is the political backlash if charges are rationalized or new charges are enforced. A viable option could be adoption of a long term and short-term plan. The short-term plan can be designed to enhance the water and sanitation charges across all consumers; however, the low-income households can be given temporary waivers using information from a reliable dataset such as BISP scores which are developed to determine eligibility for cash transfers to poor households. In this way the poor households that are considered eligible for state support based on their income/earnings shall be exempted from the additional financial burden but those who can afford shall be paying their rightful share towards provision of local public services.

Similarly, for waste collection service the charges can be effectively imposed on households that can afford these while allowing exemptions to the ones below certain threshold of income levels. This approach shall definitely help improve the revenue collection by WSSC and provide some margin to improve and extend their services. Besides, by exempting the poor households the chances of encountering a political backlash shall be minimal. Unfortunately, so far, all plans to rationalize charges for these services have been implemented in one go without allowing any waivers to the low-income segment and that is why it had to be withdrawn as in case of Peshawar and Rawalpindi.

The long-term plan particularly for the urban water services can include measures to move away from the flat rate charges. This is only possible if the WSSC plans for metering the water services so that consumption can be measured volumetrically. The metering exercise can be done in a phase-wise manner whereby the high- and middle-income neighborhoods are metered in the first step and some form of block tariff is devised to compensate for essential consumption of water.

## Overview of relevant legal and institutional framework

### Local Government Framework

In KP, the process of devolution of power by awarding authority to lower tiers of governance was set in motion by the NWFP Local Government Ordinance of 2001. Subsequently, the passing of the 18<sup>th</sup> Constitutional Amendment hitherto increased the autonomy of the provinces. The Khyber Pakhtunkhwa Local Government Act, 2013 created a three-tier local government system consisting of district government, town municipal administration (TMA) and union council administration with each level having its own designated mandates and responsibilities. The district council was responsible for education, health, agriculture etc. while the town level provided municipal infrastructure facilities. Union Councils were tasked with the implementation of community-based services.

However, the KP Local Government Act (LGA) was amended in 2019 and the district tier along with its nazim was removed from the institutional structure of the province. Now, all districts of KP, excluding Peshawar, have tehsil/city local governments (reconfigured from TMAs) and tehsil/city councils and village/neighborhood councils (reconfigured from union councils) with their respective chairpersons/mayors elected during local government elections. The city local governments have been formed in the divisional headquarters (Abbottabad, Bannu, Dera Ismail Khan, Kohat, Mardan, Mingora and Peshawar) and are represented by directly elected Mayors. The KP LGA 2019 has, therefore, removed the district tier from the local government but has retained the district as an administrative unit.

A striking amendment inserted in the Local Government Act in 2020, is regarding the approval of private housing schemes. The Chairmen, Tehsil Local Governments, shall have powers to receive applications from private developers for approval of private housing schemes. Once the Chairman is satisfied that the requirements for the grant of approval for establishing and development of the private housing scheme are met, he may place the application for approval before the Tehsil Council, which may approve the application with simple majority. In case the proposed site of the private housing scheme, simultaneously falls within jurisdiction of any Development Authority, the powers of the Chairman shall be exercised by the Director General of such Development Authority and the powers of Tehsil Council shall be exercised by the governing institution of such Development Authority.

In addition to these functions, the Mayors in City Local Governments are mandated to (i) prepare spatial plans for the tehsil including plans for land use and zoning and disseminate these plans for public enquiry (ii) review implementation of rules and byelaws governing land use, housing, markets, zoning, roads, traffic, tax, infrastructure, and public utilities and (iii) approve urban and housing development, including urban improvement and upgrading, and urban renewal and redevelopment. The City Councils in divisional headquarters are empowered to approve master plans, zoning, land use plans, including classification and reclassification of land, environment control, urban design, urban renewal and ecological balances and development schemes for beautification of areas along rivers, canals, streams.

Several issues have emerged regarding this local governance mechanism in the province, with the foremost being absence of local government level rules and procedures. The amendment to the LGA in 2019 has also created some challenges as it abolished the district tier and constrained the number of services and offices under the control of local government. There has also been concern regarding project implementation speed and capacities of local government to grapple with technical and financial issues. For effective enforcement of regulatory regime, LGA 2019 has



prescribed enforcement officers. However, they are recruited by the provincial government and work for local governments, making it difficult to identify responsibilities and reporting lines.

Among other things local governments in KP are tasked with development of budgets and master plans, land use and zoning decisions, waste management and provision of clean drinking water, handling transport services etc. However, as stated above, there is a dearth of trained professionals in local government to ensure successful initiation and implementation of development projects. Moreover, there are many other departments, authorities and companies which are involved directly in the service delivery process. There is still no clarity on how the elected governments at the local level will work with other service delivery organizations operating directly under the provincial government.<sup>47</sup> Moreover, as the elections of local government are being concluded in KP, the roles of Mayors and Chairpersons within the KP Urban Policy will be further explored regarding the landscape presented above.

## Review of Laws Relevant for the Urban Policy

Preliminary Note: The succeeding paragraphs present a brief overview of statutes in Khyber Pakhtunkhwa that have a bearing on urban planning and urban policy. The brief is focused on only those parts of the instruments, including references to institutional arrangements, which are relevant to the subject. It does not go into other details of the statutes.

**Urban Area- A Statutory Definition:** According to the West Pakistan Urban Immovable Property Tax Act, 1958 "urban area means an area within the boundaries of a Municipal Corporation, Municipal Committee, Cantonment Board, Small Town Committee, or other authority (not being a District Board) legally entitled to or entrusted by Government with the control or management of a municipal or a local fund."

Section (3) of the Act empowers the Government to notify urban areas where urban immovable property tax shall be levied. The areas notified for the purpose are designated as "Rating Area" and the immovable property tax is charged on the basis of annual rental value of buildings and lands in these rating areas. Section (3A) of the Act further reinforces the connectivity of "urbanity" with municipal institutions. The provision stipulates that "out of the tax collected under the Act from within the limits of the Tehsil Municipal Administration, Cantonment Boards or local area development authorities, the Government shall, after retaining fifteen percent thereof as Government share, pay eighty-five percent (85%) of the balance to such Tehsil Municipal Administration, Cantonment Boards or local area development authority from where the tax collection has been made." According to section (42) of the Local Government Act, 2013 urban immovable property tax is a municipal tax.

Section (44) of the Local Government Act, 2013 refers to "rating area" and "property tax" and states that, "every tehsil shall be rating area within the meaning of the Urban Immovable Property

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<sup>47</sup> Through the insertion of Section 115A in the Local Government Act, the government assumed the authority to exclude any of the functions from the functional assignment of local governments. The government could then outsource such functions to any authority, firm, or company. It is under this provision in the Act that water supply and sanitation services in seven divisional headquarters are entrusted to Water and Sanitation Services Companies while the fire brigade service of municipal institutions is allocated to 1122. Section 115B excluded the local or urban area development authorities from the administrative jurisdiction of local governments and allowed such authorities to continue their functions within their jurisdiction.

Tax Act, 1958. This concept of declaring the whole of tehsils as rating area was introduced in the local governance system in 2001 when the Local Government Ordinance of the same year dispensed with the bifurcation of urban and rural areas for the purposes of local governance and replaced municipal committees with tehsil municipal administration and municipal corporations with city district governments. Almost the same definition of urban area, albeit with an expansion, was adopted in the Urban Planning Ordinance, 1978 which stated, "urban area" means any area within the jurisdiction of a town or municipal committee and includes any other area which Government may, by notification in the official Gazette, declare to be an urban area for the purposes of this Ordinance.

**Urban Planning and Urban Policy in Khyber Pakhtunkhwa: The Urban Planning Ordinance, 1978** was a landmark legislation in Khyber Pakhtunkhwa. It established a system of urban planning for the province and provided for vertical and horizontal integration of physical planning with economic and social planning at provincial, regional and local levels. It also created a suitable institutional framework to for the purposes of formulating and carrying out integrated urban and rural development policies.

This law introduced the concept of Provincial Urban Development Board and Local Area Authorities as institutional arrangements for carrying out the purposes of the Ordinance. A distinct concept encapsulated in this Ordinance was that of "provincial concern" which included all those subjects, matters, policies, areas, projects, schemes, sites, works, or facilities having important implications for provincial development. The Board was empowered to review activities of all government agencies in carrying out development plans and schemes of provincial concern for securing compliance with urban development policies, ensuring that urban development activities are adequately coordinated with accepted planning practices and procedures. It was an exclusive mandate of the Board to formulate and amend long term, medium term, and short-term policies for development of urban areas in the province and these policies were collectively referred to as "Development Policies". The Board was institutionally resourced and positioned to provide technical guidance and support for the development and coordination of urban planning and technical services and financial support to municipal institutions in the province. For these purposes, the Board was required to establish and maintain central technical planning and research facilities for urban areas, prepare model regulatory instruments, prescribe procedures and standards, and promote professional organizations in urban planning.

The Ordinance empowered the Board to constitute a Local Area Authority, for detailed planning and implementation in a local area, where implementation of provincial urban policies was of sufficient importance. It was under this empowerment that in a short span of time and in addition to the integration of Peshawar Development Authority, nine more local area development authorities were created in Abbottabad, Bannu, Dera Ismail Khan, Karak, Kohat, Mansehra, Mardan, Swabi and Swat. Hayatabad and Regi Model Towns in Peshawar, Sheikh Maltoon in Mardan, Kotal Township in Kohat, Gahzikot in Mansehra, Shah Mansoor in Swabi and organized townships in Bannu, Dera Ismail Khan and Karak were the result of these initiatives. The Provincial Urban Development Board was given complete functional autonomy with the Physical Planning and Housing (PP&H) Department as administrative department for coordination and strategic purposes.

**Urban Area- A New Definition: The Devolution Plan of 2001**, changed the administrative and local governance structures and in the process repealed the Urban Planning Ordinance, 1978. The Physical Planning and Housing Department, the Provincial Urban Development Board and the institutional arrangement for urban planning were also scrapped. For all practical purposes, the concept of rural and urban councils was omitted from the statute. However, a distinction was maintained by introducing the concept of "City Districts" and "Towns in City Districts" The



provincial metropolis of Peshawar was designated as City District Government and Section (8) of the Local Government Ordinance 2001 stated that “the Government may.... declare a Tehsil or Tehsils within one or more adjoining districts as a City District if (a) the population of urban settlement therein or of proximate settlement exceeds one million people (b) the economy thereof is largely oriented to commercial, industrial and services sectors, and (c) the labour force employed in such sectors or in non-agricultural sectors is more than sixty-six percent (66%).” It amounted to a new definition of urban areas as compared to rural areas. As a consequence, urban local governance institutions- municipal corporations, municipal committees, and town committees- were integrated into tehsil level municipal administration. Peshawar, with one city district government, was divided into four towns. The local area authorities were given in the charge of respective district governments.

The devolution and delegation in this arena was not only hazy but unstructured as well and led to complete dispersal of focus on urban development. The adverse effects of the disintegration of Physical Planning and Housing Department and the Provincial Urban Development Board were visible within four years and the Government of Khyber Pakhtunkhwa created a Housing Department, through amendment in the Rules of Business and a Housing Authority, through legislation, to address the housing component of urban planning. The business allocated to the Housing Department included “(a) administration of the Khyber Pakhtunkhwa Housing Authority Act, 2005 (b) coordinating, development control and policies with other government agencies including local areas authorities and cantonment boards (c) formulation of policies and control with regard to urban growth and development and (d) area development schemes and new townships.”

**Refocusing on Urban Development: The Khyber Pakhtunkhwa Housing Authority Act, 2005** was enacted to establish a comprehensive system of town planning at different levels in the province to ensure systematic growth of urban and rural areas and to achieve the object of “Housing for All” including housing for shelter-less and government employees. Also, a corporate body by the name of Khyber Pakhtunkhwa Housing Authority was created for proper achievement of these objectives.

In addition to the chairman and members from the public sector, three representatives of the builders, construction industry, architects and consultants and two retired engineers are included as members of the Authority which is obligated to perform major functions including (a) provision of housing inputs through institutional and legal frame-works (b) developing a comprehensive land information system to cater to the planning and development requirements for a period of five to ten years (c) suggesting measures to check growth of slums (d) formulating provincial land use policy, plans and preparing regional development plans (inter district spatial planning and master plans) to ensure orderly growth and development of physical infrastructure (e) planning a comprehensive programme for the development of satellite, intermediate, secondary and industrial towns to reduce migration and drift to big settlements (f) developing Geographic Information System for efficient land documentation and information related to housing and town planning (g) providing technical assistance to local governments in all matters related to housing and town planning and (h) streamlining the affairs of private housing schemes.

The Provincial Housing Authority is mandated to declare any locality to be a “Controlled Area” and may issue in respect of such locality such directions as may be necessary for the prevention of haphazard growth, encroachments, and unauthorized construction. This concept of “Controlled Area” was taken from section (12) of the Urban Planning Ordinance, 1978 which stipulated that the Board may identify and define the boundaries of areas which contain or are influenced by or influence public facilities, public investments, natural resources, or other sources of provincial concern, which may be adversely affected unless protected by Land Development Regulations.

Since its establishment in 2005, the working of the Housing Authority is largely dominated by Sections 10-15 in Chapter- IV of the Act.

**Urban Component of Local Governance: The Khyber Pakhtunkhwa Local Government Act, 2013** is one important instrument which creates local institutions for the delivery of municipal services. While defining municipal services, the Khyber Pakhtunkhwa Local Government Act, 2013 stipulates that among other services, “municipal services” include land use control, zoning, master planning, classification, declassification, or reclassification of commercial or residential areas, markets, housing, urban or rural infrastructure, environment and construction, maintenance, or development thereof and enforcement of any law or rule relating thereto.” These are predominantly services provided in urban areas and the Local Government Act, 2013 allocates responsibility for the delivery of these services to the Tehsil Local Government.

In 2017, an amendment was introduced in section (9) of the Local Government Act, 2013 which reads, “notwithstanding anything contained in this Act or in any other law, rules, regulations, bye-laws, for the time being in force, in any master plan, relating to use of land or in any judgment or order of the Supreme Court or High Court, as the case may be, any land, building in the University Town, Peshawar, shall be permissible for commercial activities, which includes the use of such land or building for educational, government or semi-government offices, diplomatic mission offices, financial institutions, guest houses, clinics and for mix use as residential and commercial activities.....” This amendment gives the impression of commercializing the whole of University Town Peshawar which was created as a planned urban residential area.

In 2017, through the insertion of section 115A in the Local Government Act, the Government assumed the authority to exclude any of the functions from the functional assignment of local governments and outsource such functions to any authority, firm, or company. It is under this provision in the Act that water supply and sanitation services in seven divisional headquarters are entrusted to Water and Sanitation Services Companies while the fire brigade service of municipal institutions is allocated to 1122. Section 115B excluded the local area development authorities from the administrative jurisdiction of local governments and allowed such authorities to continue their functions within their jurisdiction.

In 2019, wide ranging amendments were introduced in the local governance system. In a major move, the district tier of local governance was omitted from the landscape of local governance and the Tehsil Municipal Administration was reconfigured as Tehsil Local Government headed by a directly elected chairman. These amendments mandated the Government to notify and establish City Local Governments for the urban centres in divisional headquarters. With this provision, it becomes clear that the seven divisional headquarters of the province (Abbottabad, Bannu, Dera Ismail Khan, Kohat, Mardan, Mingora and Peshawar) will have City Local Governments with directly elected mayors. In the arena for urban development, the chairmen of Tehsil Local Governments are obliged to (a) coordinate with the district administration for district wide development and delivery of services (b) oversee formulation and execution of programme for development and improvement of municipal services and municipal infrastructure and (c) prepare spatial plans for the tehsils including plans for land use and zoning and disseminate these plans for public enquiry.

A striking amendment, inserted in the Local Government Act in 2020, is regarding the approval of private housing schemes. In terms of this amendment, the Chairmen, Tehsil Local Governments, shall have powers to receive applications from private developers for approval of private housing schemes. Once the Chairman is satisfied that the requirements for the grant of approval for establishment and development of the private housing scheme are met, he may place the application for approval before the Tehsil Council, which may approve the application with simple

majority. Once the Tehsil Council approves the application, the Chairman shall issue a No Objection Certificate to the private developer for the private housing scheme. The municipal administration is obligated to oversee, supervise, and exercise regulatory control upon the development of private housing schemes during implementation phase. In case the proposed site of the private housing scheme, simultaneously falls within jurisdiction of any Development Authority, the powers of the Chairman shall be exercised by the Director General, or the Chief Executive of such Development Authority and the powers of Tehsil Council shall be exercised by the governing institution of such Development Authority.

In addition to these functions, the Mayors in City Local Governments are mandated to (i) prepare spatial plans for the tehsil including plans for land use and zoning and disseminate these plans for public enquiry (ii) review implementation of rules and byelaws governing land use, housing, markets, zoning, roads, traffic, tax, infrastructure, and public utilities and (iii) approve urban and housing development, including urban improvement, and upgrading, and urban renewal and redevelopment. The City Councils in divisional headquarters are empowered to approve master plans, zoning, land use plans, including classification and reclassification of land, environment control, urban design, urban renewal and ecological balances and development schemes for beautification of areas along rivers, canals, and streams. Looking at the current functional assignment of local governments the devolved functions of sports, municipal services including water and sanitation, rural development and public health have some relevance to urban planning and policy.

**Land Use and Zoning Plans for the Catchment Areas of Rivers in Khyber Pakhtunkhwa:** The Khyber Pakhtunkhwa Rivers Protection Ordinance, 2002 was promulgated in January, 2002 in view of four major factors that (i) rivers have a great potential for economic development (ii) growing human population and urbanization were putting increasing pressure on rivers and streams (iii) unplanned construction along the rivers, often involving encroachment, was in progress (iv) these economic and environmental resources were threatened with irreparable damage. This instrument provides for the protection of aquatic ecology, water quality, economic and environmental value of the rivers in the province as public resources used and required by people for drinking water, irrigation, and recreation.

Ironically, the application of the law to specific length of rivers or any particular river or stream or any part of a river or its tributary is tied to a notification in the Official Gazette. As a general prohibition, the Ordinance declares that “no person shall (a) construct, or undertake any physical works of any building, or undertake any other developmental work, within two hundred feet to be measured along the slope (lay off land) beyond high water limit on either side of the rivers (b) place or deposit or release, directly or indirectly, any substance into the rivers, in excess of the National Environmental Quality Standards and (c) dispose, directly or indirectly, any solid waste or hazardous waste or other additional substances into rivers. The Ordinance provided a window for preparation of land use and zoning plans for the catchment areas for a specific river or for all the rivers and their tributaries and mandatory compliance with these plans. The Ordinance declared that “the area up to fifteen hundred feet starting from two hundred feet to be measured along the slope (lay off land) beyond the high-water limits on either side of the rivers shall be known as Provincial Control Area, wherein construction or other developmental activities shall be undertaken in accordance with the land use and zoning plans so prepared.” Like the Khyber Pakhtunkhwa Housing Authority Act, 2005, this Ordinance has borrowed the concept of “Provincial Control Area” from the Urban Planning Ordinance, 1978. The institutional arrangements needed for implementing the concept are missing in both the laws.

**Addressing Urban Development Needs of Peshawar Metropolitan: The Peshawar Development Authority Act, 2017** was legislated for statutory augmentation of Peshawar

Development Authority for better management and development aimed at improving the quality of life within the jurisdiction of the Authority. It may be noted that the whole of Peshawar Division may be included in the jurisdiction of the Authority.

Master planning is one of the major functions of the Authority and according to this Act “master plan” means the traditional method for presenting a set of land usage, allocation and control measures in the form of a map or in graphical form which is supported by written statement of goals and objectives, strategy, financial implications and policies for planning and development for an area and includes a structure plan, an outline development plan, a spatial plan, peri-urban structure plan and a metropolitan plan.”

The Authority, as a body corporate, is chaired by the Chief Minister and mandated to (i) initiate and maintain a continuous process of comprehensive development planning for the area in its jurisdiction with the objective of preparing and implementing master plan (ii) establish, maintain and periodically revise as necessary, planning controls and building regulations to provide appropriate urban design and ensure compliance with the master plan after its preparation (iii) prepare, implement and enforce, schemes for environmental improvements, urban renewal including slum improvement and redevelopment and (iv) maintain, develop and regulate public parks, green belts and green areas. In the arena of regulation, the Authority is mandated to regulate construction in its jurisdiction. The Act requires all construction- residential and commercial- in the jurisdiction of the Authority to be strictly in accordance with the land use plan prepared by the Authority. The Authority is mandated to declare any locality within its jurisdiction to be a “controlled area” and may issue in respect of such controlled area such directions as it considers fit and appropriate and do all such things as may be necessary for the prevention of haphazard growth, encroachments, and unauthorized construction. The Authority is also empowered to levy property tax on any new scheme, which the Authority executes within its area of jurisdiction. The Authority may raise adequate funds to meet the cost of planning, expansion, execution, development, redevelopment, maintenance, zoning, classification, reclassification, augmentation, supervision, regulation and conversion of any property or any present and future scheme or any part thereof, by imposing rates, fees, surcharge, other charges, and fines.

It may be noted that this Act has also benefited from critical concepts in the Urban Planning Ordinance, 1978. However, it falls short in prescribing the institutional requirements for enforcing the ideals of urban planning.

**The Defence Housing Authority Peshawar Act, 2009:** This Act created the Defence Housing Authority Peshawar as a corporate body. In terms of section (2) of this Act “specified area” means “all land that may be purchased or procured or acquired by or leased to the Authority in an area of Peshawar and adjoining districts, as may be notified by the Authority.” The Authority, and by implication the Executive Board of the Authority, chaired by Commander 11 Corps, is empowered to plan, develop, provide, and regulate housing facilities in the specified area. The Authority is also mandated to perform all municipal functions in the specified area. In a conclusive manner the Act provides that, “no master plan, planning or development scheme shall be prepared by any local body or agency for the specified area without prior consultation with, and approval of, the Executive Board of the Authority.

**Reactivating Local Area Authorities: The Khyber Pakhtunkhwa Urban Areas Development Authorities Act, 2020** was enacted to provide for the regulation and establishment of the Urban Areas Development Authorities (known as local area authorities before 2001) for management and development of urban areas and other regions in Khyber Pakhtunkhwa. The Act schedules nine existing local area authorities as Urban Development Authorities. These include Urban Area

Development Authority Abbottabad, Bannu, Dera Ismail Khan, Karak, Kohat, Mansehra, Mardan, Swabi and Swat.

These authorities were established under the Khyber Pakhtunkhwa Urban Planning Ordinance of 1978. In addition to revival of these local area authorities, the Act obligates the Government to establish **Chitral Development Authority for Upper and Lower Chitral** districts and **Dir Development Authority for Lower and Upper Dir** districts. It also allows the Government to establish new authorities by amending the schedule. Every Authority is designated as a body corporate. These authorities are steered by a Board chaired by the Minister for Local Government. Two members from the private sector having adequate experience, skills and knowledge in relation to the field of environment, town and urban planning, traffic engineering, forestry, business, community development, marketing, tourism, architecture, law, finance or civil engineering are nominated as members of the Board which is mandated to (i) approve master plan of the respective authorities and regulate land development by private sector (ii) approve physical planning standards for authorities as well as land development by private sector (iii) review and approve long-term, medium term and short-term policies and regulations for development of urban areas in the province and (iv) recommend establishment of new authorities and extension of the jurisdiction of the existing authorities.

The Act introduces the concept of a joint Managing Director, as Chief Executive Officer for all the authorities and secretary of the Board. The Managing Director is obligated to supervise and oversee implementation of approved master plans of the Authorities. Each Authority is headed by a director who is required to prepare a local urban physical development plan in accordance with provincial development plan. These authorities are obliged to engage in a continuing planning process including planning for land development and implementation thereof for all parts of the local area which may be related to the (i) location, distribution, characteristics and intensity of uses and development of land for residential, commercial, public or other purposes (b) development, improvement or provision of public facilities, and services such as transportation and traffic circulation system, public utilities, educational, health, sanitation, community and recreational facilities, and other environmental facilities and services (c) location, distribution, characteristics, rehabilitation and development of public private housing and (d) location and development of new or expanded urban areas. This Act requires that all constructions- residential or commercial- in the jurisdiction of these authorities shall strictly be in accordance with the schemes and the land use plans, prepared by these authorities. By and large, this Act follows the pattern of Peshawar Development Authority Act and has adopted some parts of the Urban Planning Ordinance, 1978.

**Focus on Master Planning in Tourist Resorts: The Galiyat Development Authority Act, 2016** reconstituted and reorganized the Galiyat Development Authority for the development of Galiyat areas and other regions of Hazara Division. The Authority, a body corporate, consists of eleven members including five members from private sector, two members of the provincial assembly from the area, and four members from the Government. It is mandatory provision of the Act that the chairman of the Authority shall be from amongst the private members.

Major functions of the Authority include (a) preparation, management, and implementation of development of housing, sewerage, drainage, environmental improvement, and slum clearance (ii) enforcing and periodically revising urban designs, public safety and compliance with the master plans. Like all other urban areas development authorities, the Galiyat Development Authority is also mandated to prepare schemes for the Galiyat areas or any part thereof. The Act commands that all construction-residential and commercial- in the jurisdiction of the Authority, shall strictly be in accordance with the scheme and the land use plan prepared by the Authority.



The Authority is empowered to levy betterment fee. Every housing scheme and society in Galiyat area can only be started with prior written approval of the Authority.

**The Kaghan Development Authority Act, 2020** is legislated to reconstitute and reorganize the Kaghan Development Authority for the development of Kaghan Valley and other areas of Mansehra district. The geographical landscape of the jurisdiction of the Authority encompasses such areas of Mansehra district as are notified by the Government from time to time. According to the Act a “scheme” means any construction or developmental work, including master planning, carried out within the territorial limits of the Authority.” One major function of the Authority is promotion of tourism in the area. Composition of the Authority follows the structure of Galiyat Development Authority. Six members in the Authority are from private sector. Functional assignment of the Kaghan Development Authority follows the pattern of Galiyat Development Authority as the Act is an exact replica of the Galiyat Development Authority Act, 2016.

**Expansion of Focus on Master Planning in Tourist Resorts: The Khyber Pakhtunkhwa Tourism Act, 2019** is yet another law to augment the special instruments for Galiyat and Kaghan areas. This Act provides for a legal framework for the development, standard-setting, promotion, management, and marketing of sustainable tourism in the province. Section (20) of the Act introduces the concept of declaring certain areas as “Integrated Tourism Zones” and when an area is designated as Integrated Tourism Zone, it is taken out of the enforcement ambit of certain provincial laws and governed by the Tourism Act, 2019. Section (10) of the Act requires the Culture and Tourism Authority to prepare, approve and implement (i) “master plan” to regulate “land use” (ii) “building code” to regulate construction of buildings (iii) “forestry code” to protect and preserve forests and trees (iv) “municipal code” to regulate municipal obligations and services and (v) a code for protection and preservation of wildlife and biodiversity in the Integrated Tourism Zones. There are clear indications that the concept is under active consideration for declaration of certain areas as Integrated Tourism Zones.

**Addressing Transport Requirements in Urban Areas: The Khyber Pakhtunkhwa Urban Mass Transit Act, 2016** established the Khyber Pakhtunkhwa Urban Mobility Authority for the purposes of planning, establishing, coordinating and regulating mass transit system and supporting systems and Urban Transport Companies for coordinating, constructing, developing, operating, maintaining and carrying out all ancillary functions thereto for providing safe, efficient, comfortable, affordable, sustainable and reliable forms of mass transit system and supporting systems.

The Khyber Pakhtunkhwa Urban Mobility Authority, created as a body corporate by this Act, exercises powers and performs functions for the establishment and regulation of mass transit system. Major statutory functions of the Authority include (i) jurisdiction over public transport vehicle and route permits within its area of responsibility (ii) developing urban transport policies based on quantitative assessment of needs and in accordance with international best practices (iii) arranging studies, surveys, experiments and technical research, financially and environmentally sustainable urban transport plans with respect to mass transit system and ancillary matters (iv) examining plans for all land use, master plans, schemes and projects primarily related to infrastructure and land use but not limited to that initiated by any Department or authority of Government, so as to ensure their compatibility, suitability and sustainability with present and future mass transit systems, schemes and projects. In this respect, the Authority shall assist the relevant Departments of Government to the extent of mass transit systems, planning and infrastructure and issue no objection certificates for the master plans in accordance with long term plans, strategies, roadmaps and projects pertaining to mass transit systems and (v) ensure safe, secure and clean mass transit system and the effective protection of its right of way and

property, including co-ordination with Government to depute security personnel, police, including traffic police to maintain traffic in an orderly condition on the mass transit area.

The general direction and administration of the Authority and its affairs are vested with the Board of Directors of the Authority which is chaired by the Chief Minister. One distinct function assigned to the Authority is incorporated in section (5) of the Act and it stipulates that the “Authority shall have sole jurisdiction in relation to public transport vehicles, which operate in the area of a mass transit system, their route permits and matters ancillary thereto.” For this purpose, the Authority is vested with powers and functions of the Provincial Transport Authority and the Regional Transport Authority. The law requires the Authority to formulate a mass transit plan and a critical feature of the plan is the existing and projected population and land use.

The Act requires the Government to establish one or more **Urban Transport Companies** for carrying out the purposes of the Act. These companies are responsible for implementation, management and maintenance of mass transit projects assigned by the Authority. Building and maintaining infrastructures for mass transit systems, procurement, and management of public transport services on mass transit area are among core responsibilities of these companies. **Trans Peshawar** is the first Urban Transport Company constituted for the purposes of the Act and registered under the Companies Act, 2017. The company is governed by a Board of Directors headed by Additional Chief Secretary Planning and Development, Khyber Pakhtunkhwa. Trans Peshawar is responsible for implementation, operation, management, and maintenance of three projects including the Peshawar Bus Rapid Transit along with procurement of buses, procurement of system control goods and implementation of bus industry restructuring program and operation as well as maintenance of women bus projects in Mardan and Abbottabad.

**The Khyber Pakhtunkhwa Bus Stands and Traffic Control (Peshawar) Ordinance, 1978.** It was promulgated to remove and prevent traffic congestion and to regulate movement of vehicular traffic within municipal limits of Peshawar. This instrument provided that “no person, company or association plying stage carriages to, from or through municipal limits of Peshawar, shall establish or maintain within these limits any stand or use any place, including a highway, road or street within these limits, for picking up or setting down passengers or halting the stage carriage except at the place allotted for the purpose in the bus stand provided by municipal institutions.” The Ordinance empowered Commissioner, Peshawar Division to require the municipal institutions to provide and maintain within their limits bus stands at places approved by the Commissioner. It also directed that all existing stands within municipal limits of Peshawar, shall cease to function and be shifted to the bus stands provided by municipal institutions within one month. The Ordinance further dictated that the Commissioner may acquire any land required for the bus stand, approaches and roads and eject forcibly any person in possession thereof. This law is on the statute book. It provided for some special arrangements to address traffic congestion and parking issues, but implementation of the law was neither a priority nor pursued in conformity with the letter and spirit of the law. Peshawar is still having traffic congestion and irregular movement of vehicular traffic.

**Strategic Approach to Land-Use Planning, Master Planning and Building Control: The Khyber Pakhtunkhwa Land-Use and Building Control Act, 2021** is the most recent legislation which bears on land use, master plans and building control. This Act provides for the establishment of a Provincial Land-Use and Building Control Council, Provincial Land Use and Building Control Authority, Local Planning and Enforcement Authority and District Land Use Planning and Management Committee for regulating, controlling, and improving land use planning, master planning and management in the province of Khyber Pakhtunkhwa.



**The Provincial Land-Use and Building Control Council** is chaired by the Chief Minister with four ministers, eleven administrative secretaries, five experts and the Director General of the Authority as members. Major functions of the Council include (a) approval of urban policy, physical planning standards, land-use policy, and guidance notes and (b) approval of regulations, standards and guidelines for land use, zoning, and spatial planning, strategic or master plans, district land-use plans and master plans.

**The Provincial Land-Use and Building Control Authority** is a body corporate and the Council acts as its Board of Directors. The Urban Planning and Policy Unit of the Planning and Development Department provides assistance and support to the Authority in implementation of the Act. Section (7) of the Act provides that there shall be a **Directorate General** and it shall be headed by a Director General who shall be assisted by directors, officers, and officials. Major functions of the Directorate include (a) proposing physical planning standards, land-use and guidance notes for approval of the Council (b) ensuring the development of master plans, strategic development plans, district land use plans and standards relating to building control (c) ensuring implementation of master plans and land-use plans (d) conducting, promoting and coordinating research, in relation to land use, zoning and spatial planning (e) reporting to and advising the Council on matters in conservation, use and development, classification and reclassification of land and (f) overseeing the performance of District Land-Use Planning and Management Committees.

Section (10) of the Act provides that there shall be a **Local Planning and Enforcement Unit** for each district which shall consist of a Chief Planning Control Officer and other officers. Responsible to the District Land-Use Planning and Management Committee, the Unit is obliged to perform functions including (a) supporting the District Land-Use Planning and Management Committee in the conduct of surveys and formulation of district land-use plans or master plan and (b) ensuring implementation of the Act within the area assigned to it. A special emphasis on the role of the Chief Planning Control Officer relates to his responsibility to inform the Chairman of the Tehsil Council, Mayor of City Tehsil Council, the Tehsil Municipal Officer, the Director of the Urban Area Development Authority, the Deputy Commissioner, and the Assistant Commissioner about all major deviations from the district land-use plan, master plan and the pace of implementation of the conversion plans.

**The District Land-Use Planning and Management Committee** is chaired by the Deputy Commissioner with chairmen of tehsil local governments, heads of the district level offices of Environment, Agriculture, Transport, Communication and Works, Sports, Culture and Tourism, Irrigation, Housing and Public Health Engineering Departments and Provincial Housing Authority, Urban Areas Development Authority, Additional Deputy Commissioner (Finance and Planning), Assistant Commissioners and Tehsil Municipal Officer as members. This Committee reports to the Authority and its major functions include (a) facilitating and supervising surveys for the purpose of land uses and their zoning, master planning and strategic planning and formulation and implementation of district land-use plans or master plans (b) monthly review of no objection certificates issued for land use and development permissions (c) stopping a developer from development carried out in violation of planning permission (d) compiling statistics and reports on land use for submission to the Authority.

Section (15) of the Act requires the Authority to conduct a survey to determine physical infrastructure and land use in every district. These surveys are to study (a) the extent of existing planned area and (b) designating the remaining area as unplanned area. With this in perspective, the Authority is required to use Geographic Information System and physical surveys to determine (a) urban design of the area and (b) land use patterns. Based on this survey, the area shall be categorized in (i) residential area (ii) commercial area (iii) industrial area (iv) forest, national park,

range land and other related areas (v) mining area (vi) agricultural areas (vii) concentrated public sector area (viii) recreational areas (ix) mixed land use area (x) barren and vacant land (xi) water bodies (xii) area prone to natural hazards and (xiii) any other land use type. This classification shall determine land uses categorized into (a) permitted (b) permissible and (c) prohibited. Subject to the land use plan and payment of the fee, permissible use may be allowed by the District Land-Use Planning and Management Committee.

This survey feeds into the preparation of draft district land use plans and master plans which shall rank different areas in terms of the quality of urban design. These draft plans are to be published for public scrutiny. After review and scrutiny, these plans are presented to the Council for approval. This approved plan shall govern the uses of land in concerned district. Where a district land use plan or master plan is prepared, reviewed, approved,

and notified after this process, no person, including a government agency, shall use a land or building for permissible uses without land use permission. Likewise, no person, including a Government agency, shall undertake land development, road remodelling or building construction unless a development permission is obtained under this Act. The Act describes three kinds of development permissions namely (i) land development permissions (ii) road remodelling permissions and (iii) building permissions.

On the subject of “Improvement of Urban Design”, the Act provides that where the urban design of an area has been ranked as poor, the Authority itself or on its instructions, the Local Planning and Enforcement Unit shall formulate an improvement proposal within a specified period. The improvement proposal so formulated shall contain (i) land use change plan (ii) redevelopment plan (iii) building stock renewal program (iv) cost of implementing the redevelopment plan (v) cost of building stock renewal program (vi) changes that may be required in development and ownership and (vii) steps that shall be taken for smooth and orderly transition to planned development. The Unit shall have the power to take all necessary measures to implement an improvement proposal.

As a supplemental provision, the Act stipulates that the Government may establish and finance an external **Land Use Inspectorate** to check the level of enforcement of various provisions of the Act and the district land use plan or master plan. The Land Use Inspectorate shall consist of a Chief Inspector and Deputy Chief Inspectors as may be determined by the Government. The Inspectorate is required to issue an annual schedule of inspections in consultation with the Authority. Draft findings of every inspection shall be shared with those responsible for enforcement of the Act and an opportunity shall be provided to them to give their views on it. Final inspection report shall be given to the Local Government Department, the local government of the area, the Urban Area Development Authority of the area and the Local Planning and Enforcement Unit.

The Act and rule and regulations made under the Act have been given overriding effect on the provisions of all laws, rules, regulations, and bye laws which have bearing on land-use and building control. A distinct provision in section (57) of the Act introduces few amendments in other laws holding ground at the moment.

Few deletions from the Peshawar Development Authority Act, 2017 pertain to (a) continuous process of comprehensive development planning and preparing master plan (b) periodical review of the master plan (c) coordination for implementation of the plan (c) developing, operating, and maintaining water-supply, sewerage, solid waste and drainage systems within the Authority (d) issuing interim development orders. Amendment in section (16) of this Act has empowered the Land-Use and Building Control Authority to issue directions to Peshawar Development Authority.

The deletion of sections 32-35 from this Act will have bearing on the powers of Peshawar Development Authority regarding sealing of buildings for violations, imposition of penalty for violation of construction or trespassing into sealed buildings, punishment for encroachments and illegal schemes.

The omissions from the Urban Areas Development Authorities Act, 2020 pertain to the functions of these Authorities regarding approval of master plans, regulating land development in private sector and approval of physical planning standards. Amendment in section (11) creates an obligation for directors in these Authorities to implement the land use plan within their areas of jurisdiction. Omissions from the Local Government Act, 2013 pertain to the functions and powers of the chairmen Tehsil Local Governments and Mayors in the City Local Governments regarding preparation of spatial plans and approval of macro municipal plans in the City Local Governments and making of byelaws on the subjects of zoning, master planning and buildings. These deletions and amendments in the three laws indicate a clear impression that the Land-Use and Building Control Authority is conceived as a replacement for the urban area development authorities and local governments in the arena of land use, master planning and continuous planning processes.

**Urban Development and Protection of Environment: The Khyber Pakhtunkhwa Environmental Protection Act, 2014 provides for** (a) the protection, conservation, rehabilitation, and improvement of the environment and (b) control of pollution, and promotion of sustainable development in the province. For the purposes of this Act, a “Project” means any activity, plan, scheme, proposal or undertaking involving any change in the environment and includes construction or use of buildings or urban development and other works, construction or use of roads or other transport systems, any change of land use or water use.”

Among so many other plans and projects, section (12) of the Act requires a strategic environment assessment of plans and policies relating to urban and rural development and land use. Section (13) of the Act further emphasizes that, “no construction or operation of a project shall commence unless the proponent of the project submits to the Environmental Protection Agency an initial environmental examination and, in cases where a project is likely to cause adverse effect on the environment, an environmental impact assessment of the project and obtains approval of the Agency.”

**Management and Amelioration of Slums:** The Khyber Pakhtunkhwa Housing Authority Act, 2005, The Peshawar Development Authority Act, 2017 and the Urban Areas Development Authorities Act, 2020 refer to certain issues and management of Katchi Abadis as such it is appropriate to visit a special law on Katchi Abadis in the province. **The Khyber Pakhtunkhwa Katchi Abadis Act, 1996** provides for regularization, development, and improvement of Katchi Abadis in the province. According to the Act, a “Katchi Abadi” is an area occupied on an authorized basis before March 23, 1985, and which continues to be so occupied and has at least forty dwelling units on it.” In essence this law provides a mechanism to regularize and develop slums established on certain lands.

The law declares that till the appointment of the Director General, Katchi Abadis, every Commissioner, in respect of Katchi Abadi in the concerned division, shall exercise all the powers and perform all the duties of the Director General. For all practical purposes, every Divisional Commissioner is Director General for his division as the Government has not appointed a Director General since 1996. As such, every Commissioner is supposed to identify an area to be declared as a Katchi Abadi, carry out detailed physical survey and census of occupants of Katchi Abadis and prepare improvement plans and designs of infrastructural works for their regularization and development, formulate development and financial programmes in respect of Katchi Abadis and determine implementation strategy of such programmes, arrange civic amenities and civic services in

Katchi Abadis through the local governments. The law also requires the establishment of an implementation committee in the local government and development authority in which a Katchi Abadi is located. The law requires preparation of schemes for development, improvement, or regularization of Katchi Abadis, including the grant of proprietary rights to the dwellers. These schemes may include community planning, housing, re-housing, including low-cost housing and amelioration, rehabilitation of occupants of Katchi Abadis in the same Katchi Abadis, or, where it is not possible, in some other area or locality, community facilities including water supply, sewerage disposal, electricity supply, gas and other public utilities or amenities, roads and streets. The law also contemplates the creation of “Katchi Abadis Fund” to carry out the purposes of the Act.

## Stakeholder Consultations

This diagnostic report identifies gaps and weaknesses within existing urban governance and planning frameworks. It is based on primary and secondary research. The initial secondary research was done through a review of the data which included laws, policies, strategies, and reports provided by various government departments in KP. A literature review was also conducted regarding case studies on the challenges faced by urban centers in the provision of services. The team assessed KP’s urban landscape including relevant policies, regulations and laws, and the challenges to resilient and inclusive urban development in the province.

In addition to this, we substantiated our findings further and carried out primary research. The technical team conducted meetings and in-depth discussions with representatives from numerous public sector organizations. A list of key stakeholders consulted is depicted in Figure 10 while Figure 11 shows the key stakeholders identified by zone. Details of some of the consultative sessions are given below focusing on challenges in urban areas identified by the stakeholders. The comments and suggestions given by the various stakeholders are organized theme-wise.

## Transport and Mobility

- The women’s college that was consulted does not have easy access, requiring one to come far inside congested, narrow lanes.
- The BRT does not directly stop at the women’s college’s location since it is not on the main road. Commercial or paratransit vehicles leave passengers outside on the main road, hesitating to come inside the congested lanes.
- On Peshawar’s Warsak Road, there is no public transportation available and rickshaw drivers take double fares from women.
- In the Peshawar BRT, 1/3<sup>rd</sup> of the space is allocated to women, which is often occupied by men. Men also sit on seats reserved for the elderly and disabled, making it difficult for these segments of the population to find space.
- Stops of the BRT are far from houses and women have to arrange alternative transport to be able to reach the stops.
- Land use and mobility are not integrated.
- Cycling tracks are non-existent.
- 30-40% of cars are registered in Islamabad so revenue from yearly tokens does not come to Peshawar.

## Public Access and Visibility

- Across KP, there is lack of availability of parks and entertainment avenues for women, children, and families.

- Public parks do not have swings or any entertainment facility for children. Benches and sitting areas are non-existent and there is lack of any urban design framework.
- Women's public appearance is negligible in the merged areas, especially in various bazaars like Landi Kotal Bazaar in Khyber and Jamrud Bazaar where not even a single woman is seen outside.
- Women also find it difficult to access public spaces due to lack of appropriate facilities for them. There is a dearth of public toilets for females especially in large shopping malls.
- Public toilets and elevators for women are non-existent in the BRT.
- There are numerous encroachments on footpaths on the Main Road in Peshawar, making it extremely difficult for women and the differently abled to walk safely.
- Access to public services is limited for the differently abled. Due to the presence of drug addicts in the underpasses in Peshawar, differently abled women are unable to access railings, therefore making it difficult for them to venture out without help.
- In plazas and shopping malls across Peshawar, plant pots have been placed around handrails for beautification purposes. However, this prevents the differently abled from using the handrails as support.

## **Education**

- Educational facilities are lacking. In FATA, there is only one university for women which is at a long distance from residential areas.
- The rote learning system is widespread in educational institutes of KP, and conceptual teaching is not done. Also, limited number of subjects are offered in KP universities.

## **Safety and Security**

- Issues of harassment and safety concerns are also rampant. Drug addicts have settled in the pedestrian underpass crossings in Peshawar making it unsuitable for women to cross.
- Teenagers who live in private hostels and roam around the city on bikes without number plates are also a threat to women safety and contribute to harassment cases.
- It is claimed that BRT employees, especially security guards, constantly harass women passengers. Streetlights are not present in many areas.
- Vegetable and fruit markets need to be regulated.

## **Environment**

- In Peshawar, gardens have been destroyed to make way for unplanned construction and there is lack of greenery and tree cover in the city.
- The Prime Minister's scheme to plant trees has been incorrectly thought out as eucalyptus trees have been planted which drain water reservoirs. In Dir, natural springs have ceased to exist due to these trees.
- Trees are only planted in main roads in Peshawar and are not of a sturdy quality.
- In KP villages, fishermen release current or poison in streams to catch fish, harming the natural ecosystem.
- Streams are filled with plastic bags especially in Charsadda
- University Town in Peshawar is regularly flooded.
- Industries are located near Hayatabad in Peshawar, causing significant environmental degradation and endangering lives of residents. This is especially true for the chip board industry.



## Water, Sanitation and Solid Waste

- The connection of sewerage systems and streams has led to water pollution and the color of the water has turned green, which was previously clear.
- In cities, drainage systems often overflow in heavy rains.
- Tube well and gutter water mixes in Hayatabad and water tanks are seldom cleaned.
- Dust bins are not present at many public locations and public toilets are often dirty, especially in hospital waiting rooms.
- There is a lack of cleaning staff in many areas for example only one janitor is employed for the huge Jawad Tower in Peshawar.
- The Water and Sanitation Services Companies (WSSCs) are faced with duplication of efforts.
- Sectoral master plans for SWM and WASH, so plans are made for the same problems several times.
- Water metering is not easy to carry out on-ground due to legal and enforcement issues.
- PHE and TMAs are carrying out the same tasks as WSSCs, so there are considerable overlaps of functions.
- Ground water is being depleted and the water table has lowered throughout KP.
- Rainwater is often wasted via run-off and there is dearth of rainwater harvesting tanks.
- There is no efficient water quality monitoring system in the province.
- EPA only does industrial water testing. Drinking water testing should also be carried out.
- Littering causes blockages of drains, leading to urban flooding.
- PHE has not carried out proper mapping of water resources.

## Land Use and Property Rights

- Army land is vacant and underutilized in Peshawar, which can be used for better purposes.
- In several areas of KP, property rights are unfair and non-existent for women. In Qilla Shakai, shared land is often given to the one who has occupancy (kabza), and women are generally excluded from claiming property.
- In several areas of KP, there are tussles between the government and local people regarding land acquisition and appropriate compensation. For example, Kookhi Khel has become a no man's land due to this.
- In other areas of KP, land is scarce and expensive.
- City boundaries are not properly defined, and it is difficult to distinguish between urban, rural, and peri urban.
- Condominium act was not followed by LGE&RDD.
- There is no standardization of building byelaws.
- Currently, there are 220 illegal housing societies present in KP.
- Planning is disproportionate as posh areas are located next to informal settlements.
- A ghost town is present in Bannu.
- Housing and land speculation needs to be curtailed.
- There should be solutions to costly provision of utilities to houses on the top of mountains.
- Hardwired rules for land use and building control authority should be made more flexible.

## Natural Resources

- Citizens of KP are also deprived of resources produced in their own province. In Karak, gas and oil extracted locally is not given to the residents.



- In Malakand, electricity concession rates are not applied in villages even though electricity is produced in the local hydropower plant.
- Clay ovens (tandoors) take gas via machines in commercial areas, and none is left for homes in KP cities.

## Tourism

- The area surrounding Khyber Pass has potential for tourism but does not receive many visitors due to army check posts and jammers which block cell phone signals.
- The walled city Peshawar culture of mixed-use development should be revived – ‘uppar makan neechay dukan’

## Governance

- There is overlap of functions, responsibilities, and mandates among government departments in KP.
- Public-private partnerships are not encouraged or given priority.
- There should be an online systems and MIS for transparency of urban services.



**Figure 9: Key Challenges in KP Urban Areas Identified by Stakeholders**

## Key Stakeholders Consulted

1.	Civil Society, Jamrud
2.	Civil Society, Landi Kotal
3.	Culture and Tourism Authority, Director General
4.	Department of Transport, Secretary
5.	District Administration, Abbottabad
6.	District Administration, Kohat
7.	Environment Protection Agency, Director General
8.	Food Safety & Halal Food Authority
9.	Former District Administration, Nowshera
10.	Former District Administration, Takht Bai
11.	Former Member, Provincial Assembly Abbottabad
12.	Government College of Commerce and Management Sciences for Women, Faculty and Students
13.	Home Department, Additional Secretary
14.	Housing Department, Secretary
15.	Irrigation Department Abbottabad, Former Official
16.	Khyber Pakhtunkhwa Board of Investment and Trade, CEO
17.	Khyber Pakhtunkhwa Cities Improvement Project, Project Director
18.	Khyber Pakhtunkhwa Urban Mobility Authority, Managing Director
19.	Local Government, Elections and Rural Development Department, Secretary
20.	Local Government, Elections and Rural Development Department, Special Secretary
21.	National Institute of Urban Infrastructure Planning, Director
22.	Planning and Development Department, Chief Economist
23.	Press Club, Landi Kotal
24.	Private School Regulatory Authority
25.	Transport and Mass Transit Department, Deputy Director
26.	University of Peshawar IM Studies Department, Faculty and Students
27.	University of Peshawar Urban Planning Department, Faculty and Students
28.	Urban Area Development Authority, Director, Abbottabad
29.	Urban Area Development Authority, Director, Mardan
30.	Urban Policy and Planning Unit, Executive Director, and Team
31.	Water and Sanitation Services, Peshawar, CEO

**Figure 10: Key Stakeholders Consulted**

Central Zone (includes Provincial Departments in Peshawar)	North Zone	South Zone	All Zones
<ul style="list-style-type: none"> <li>• Planning and Development</li> <li>• Local Government, Election and Rural Development</li> <li>• Excise and Taxation</li> <li>• Housing</li> <li>• KP Housing Authority</li> <li>• Transport</li> <li>• KP Urban Mobility Authority</li> <li>• KP Highways Authority</li> <li>• Industries</li> <li>• KP Economic Zones Development and Management Company</li> <li>• Small Industries Development Board (SIDB)</li> <li>• Peshawar Chamber of Commerce</li> <li>• Provincial Tourism Strategy Board</li> <li>• Culture and Tourism Authority</li> <li>• Water and Sanitation Service Peshawar</li> <li>• Water and Sanitation Service Mardan</li> <li>• Environmental Protection Agency</li> <li>• Environmental Protection Council</li> <li>• Peshawar Development Authority</li> <li>• Mardan Development Authority</li> <li>• Swabi Development Authority</li> <li>• City Local Councils</li> <li>• City Local Government</li> <li>• Cantonment Boards</li> </ul>	<ul style="list-style-type: none"> <li>• Water and Sanitation Service Abbotabad</li> <li>• Water and Sanitation Service Mingora</li> <li>• Galiyat Development Authority Abbotabad</li> <li>• Mansehra Development Authority</li> <li>• Swat Development Authority</li> <li>• Abbotabad Development Authority</li> <li>• Kaghan Development Authority</li> <li>• City Local Councils</li> <li>• City Local Government</li> <li>• Cantonment Boards</li> </ul>	<ul style="list-style-type: none"> <li>• Water and Sanitation Service Kohat</li> <li>• Water and Sanitation Service D.I Khan</li> <li>• Water and Sanitation Service Bannu</li> <li>• Karak Development Authority</li> <li>• Bannu Development Authority</li> <li>• Kohat Development Authority</li> <li>• Dera Ismail Khan Authority</li> <li>• City Local Government</li> <li>• City Local Councils</li> <li>• Cantonment Boards</li> </ul>	<ul style="list-style-type: none"> <li>• Chamber of Commerce</li> <li>• Trade associations</li> <li>• Citizen groups</li> <li>• Youth groups</li> <li>• University students</li> </ul>

**Figure 11: Key Stakeholders Identified by Zone**

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