Fazal Kazmi - PC
Budget Call Circular 2025-26
Pg# 1

No. FD/BCC/ ***657-756*** */2026*

AZAD GOVERNMENT OF THE STATE OF JAMMU & KASHMIR
FINANCE DEPARTMENT

Dated: 16th January, 2026

To:

1. The Additional Chief Secretary (Gen./Dev.), Azad Govt. of the State of Jammu & Kashmir.
2. The Senior Member Board of Revenue, Azad Govt. of the State of Jammu & Kashmir.
3. The Secretary to the Prime Minister, Azad Govt. of the State of Jammu & Kashmir.
4. All Secretaries (PAOs) to the Government, Azad Govt. of the State of Jammu & Kashmir.
5. The Secretary, Azad Jammu & Kashmir Legislative Assembly Muzaffarabad.

SUBJECT: BUDGET CALL CIRCULAR FOR BUDGET ESTIMATES 2026-27 & REVISED ESTIMATES 2025-26.

Sir,

I am directed to refer to the subject cited above and to forward the documents / forms with this Budget Call Circular (BCC) for preparation and submission of the Budget Estimates 2026-27 & Revised Estimates 2025-26. The Estimates may be prepared as per the timelines mentioned in the attached Budget Calendar **(Annex-I).**

2. While formulating the Budget Estimates for the Financial Year 2026-27, it may kindly be recognized that budget is not only an expression of numbers. Essentially, it is a policy document of the Government setting its strategic priorities; preparing action plans; devising ways & means to achieve those objectives through corresponding resource allocation. Accordingly, it is imperative for all stakeholders to undertake necessary and due diligence while articulating the demands for resource allocation besides ensuring austerity in public spending. As the Government aims to ensure allocative efficiency; bridge the continuously widening gap between projected expenditures and realizable receipts, this can only be achieved through resource mobilization and establishing necessary linkages of the demanded resources with expected outcomes and effective service delivery.

3. Moreover, reliability, accuracy and completeness of the detailed object wise information provided in the enclosed forms will enable the Finance Department to make informed choices as to how best the scarce public resources are allocated for achieving the policy objectives for a particular year and to avoid unnecessary initiation of demands for provision of supplementary grants. Finance Department has also taken an initiative for discussions with Administrative Departments on Budget Estimates and separate meetings will

be planned to discuss and firm up the Budget Estimates for FY 2026-27 in accordance with the Government policy.

4. Administrative Departments are requested to send the **Revised Estimates for FY 2025-26 and Budget Estimates for 2026-27, "DDO wise"**, to the Finance Department in the New Accounting Module (NAM) mode as prescribed. While filling in the forms, following points may be kept in view:

a. The forms shall be filled in by the DDO/Collecting Officer, both in the case of Budget Estimates for Current/Development Expenditure and Receipts Estimates as per the instructions on the subject. Departments should submit their budget estimates with detailed objects by carrying out an extensive exercise to assess the realistic needs for the next Financial Year to avoid supplementary or additional grants at the very outset of Financial Year 2026-27;

b. Need for current budget for the Project(s) which are likely to be completed during current financial year must be finalized by **February 10, 2026** and a comprehensive proposal on a summary may be sent to Finance Department along-with PC-III;

c. In order to avoid distortions in the budget estimates for the next year, the actual expenditure for the current financial year must be indicated clearly along with the estimates for the next year;

d. Estimates for utilities and other periodical expenditures must be accompanied by statements indicating designation of officers, entitlement of vehicle/telephone, and ceilings for ensuring accurate budgetary allocations;

e. While formulating budget estimates, Administrative Departments may determine the performance targets for their field offices/attached departments;

f. The schedule given in the Budget Calendar (**Annex-I**) must be strictly adhered to;

g. The Austerity measures/instructions issued by Finance Department must be implemented in its letter and spirit;

5. Finance Department will make necessary budgetary allocations depending upon the resource availability and in line with the policy framework of the Government. Finance Department may reduce or delete an appropriation if the departments do not meet the prescribed criteria/requirements. The time-schedule for the submission of Revised Estimates **2025-26** and Budget Estimates **2026-27** is placed at **Annex-I**. Administrative Departments are requested to consolidate the estimates received from various units under their control on NAM

format and submit the consolidated estimates, duly verified, to this office in the form of hard as well as soft copies. Email address for submission of soft copy is; **ajkbudget@gmail.com.**

6. I would personally request the Principal Accounting Officers/Secretaries of the Department to support this reform initiative and do not hesitate to contact the Finance Department for any further clarification and assistance.

7. Earlier circular bearing no. FDB/BCC/16074-16174/2025 dated 16th December 2025 on the cited subject is hereby withdrawal revoked ab-initio.

Yours Sincerely,

(Arif Iqbal Usmani)
Deputy Secretary
(Budget)
Ph # 05822-921967

NO. & DATE EVEN

Copy to:

1. The Secretary to the President, Azad Jammu & Kashmir.
2. PSO to the Chief Secretary, Azad Govt. of the State of Jammu & Kashmir.
3. All Private Secretaries to the Ministers/Advisors for information.
4. The Joint Secretary, Azad Jammu & Kashmir Council Secretariat, Islamabad.
5. The Secretary Mohtasib Secretariat, Muzaffarabad, AJ&K.
6. The Secretary Public Service Commission, Muzaffarabad, AJ&K.
7. The Accountant General Azad Jammu & Kashmir, Muzaffarabad.
8. The Director General Audit Azad Jammu & Kashmir, Muzaffarabad.
9. The Commissioner Inland Revenue (Direct Tax /Provincial Tax), Muzaffarabad GoAJ&K.
10. All Heads of Attached Departments for information & necessary action.
11. All Heads of Development Authorities/Local Govt. Board/AJ&K TEVTA for necessary action.
12. All officers of Finance Department, for information & necessary action.

16/1/026

(Arif Iqbal Usmani)
Deputy Secretary
(Budget)

AZAD GOVT OF THE STATE OF JAMMU & KASHMIR

Azad Government of the State of Jammu & Kashmir
Finance Department

www.financeAJ&K.gok.pk

BUDGET CALL CIRCULAR
2026-27

Details of enclosed documents/forms with the Budget Call Circular are as follows:

i.	Budget Calendar.	**Annex-I**
ii.	Instructions/guidelines to fill the forms in respect of Estimates of Receipts.	**Annex-II**
iii.	Form for the Estimates of Receipts for the Financial Year 2026-27, to be filled by the Departments / Attached Departments & Collecting Officers, along with instructions relating to the completion of these forms according to the New Accounting Model (NAM).	**Annex-II**
iv.	Instructions / guidelines to fill the forms in respect of Estimates of Expenditure.	**Annex- IV**
v.	Forms for Estimates of Expenditure for Regular (permanent) Budget Estimates, to be filled by Drawing & Disbursing Officers, Controlling Officers & Head of Departments, along with instructions relating to the completion of these forms on the principles laid down in the New Accounting Model (NAM).	**Annex-V**
vi.	Form for recording details of sanctioned posts and filled posts.	**Annex-VI**
vii.	Form for Annual Development Program.	**Annex-VII**
viii.	Climate Budget Tagging Guidelines 2026-27	**Annex- XI**
ix.	Gender Budget Tagging Guidelines 2026-27	**Annex- XII**

ANNEX-I

BUDGET CALENDAR

SCHEDULE FOR CURRENT BUDGET

ITEM	BCC Forms Distributed on	Due date of submission to Finance Department	Meeting with Departments Annex-II	Examination & Finalization by Finance Department	1st Proof	2nd Proof	Final Proof (Printing)
Budget Estimates for 2026-27 including RE 2025-26	16-01-2026	10-02-2026	Separate meeting will be planned soon	28-02-2026	15-04-2026	30-04-2026	20-05-2026

SCHEDULE FOR RECEIPTS

ITEM	BCC Forms Distribution	Due Date of Submission to Finance Department	Meeting with Department Annex-II	Examination and Finalization by Finance Department	Review by Finance Secretary	1st Proof	(Printing)
Budget Estimates for 2026-27 including RE 2025-26	16-01-2026	10-02-2026	Separate meeting will be planned soon	28-02-2026	01-03-2026 to 30-03-2026	25-05-2026	05-06-2026

ANNEX-II

INSTRUCTIONS FOR FORMAT OF BUDGETARY ESTIMATES OF RECEIPTS

IMPORTANT:
The departments should read the following instructions carefully and all estimates should invariably be prepared in the enclosed forms.

GENERAL INSTRUCTIONS:

1) Departments/Attached Departments are required to submit details of their budgetary estimates of receipts;
2) No column should be left blank. In case any column is not applicable it should state **Not-Applicable.**
3) **Enter the most appropriate Climate Budget Tagging (CBT) Codes from the Climate Budget Actions and Measures List (Table 1, Annexure XI) that corresponds to the specific revenue sources. You may select more than one code if multiple measures apply to the proposed receipts. Assign a percentage to each relevant action and measure based on the extent to which the receipt aligns with the corresponding action and measure .** ***Although Table 1 provides a list of actions and measures specific to Sectors, complete list of actions and measures may be reviewed to identify additional actions and measures relevant to proposed activities.***
4) **Enter the most appropriate Gender Budget Tag (GDT) Code from the Gender Budget Actions and Measures list (Table 2 ,Annexure II) that corresponds to gender relevant activities proposed for the next financial**

year. *(e.g. gender awareness promotion, gender justice, actions). Assign a percentage to the relevant GDT Action & Measure based on the extent to which the receipt aligns with the corresponding Action & Measure*

5)

SPECIFIC INSTRUCTIONS:

a) Object Code.	Space has been provided for this purpose. You may consult the Chart of Accounts (CoA) and fill all the major, minor and detailed codes carefully for receipts. CoA is available on the Website of Finance Department i.e. ***www.financeajk.gok.pk***
b) Description	Description of the object classification at the detailed level.
c) Budget Estimates/Actual Accounts	Enter the information as required

ENQUIRIES:
If any further clarification or additional information is required, please do not hesitate to contact the following Officers of the Finance Department:

- **MR. Shafiq ud Din**
  Budget Officer, Finance Department (05822-921002)
- **Mr. Muhammad Naeem Qazi**
  System Analyst, Finance Department (05822-921652)

BUDGET PREPARATION FORMS,

INSTRUCTIONS AND PROCEDURES

For preparation and submission of Revised Estimates 2025-26 and Budget Estimates 2026-27

ANNEX-III

Revised Estimate 2025-26 & Budget Estimates 2026-27

Estimates of Receipts

1 **Department** 2. **Attached Department**

Code ________ Description _______ Code ________ Description _________________

3a. Climate Budget Tagging Code 1 __________________ Quantitative weightage (0-100%) in relation to climate budget tagging Code 1

3b Climate Budget Tagging Code 2 __________________ Quantitative weightage (0-100%) in relation to climate budget tagging Code 2

3c Climate Budget Tagging Code 3__________________ Quantitative weightage (0-100%) in relation to climate budget tagging Code 3

4 Gender Budget Tagging Code _______________ Quantitative weightage (0-100%) in relation to gender budget tagging Code

5 RECEIPTS

Object Code	Description	Budget Information			Accounts information			
		Budget Estimates 2025-26	Revised Estimates 2025-26	Budget Estimates 2026-27	Actual 2024-25	Actual last 8 months 2024-25	Actual first 4 months 2025-26	Probable Outlay 2025-26
1	2	3	4	5	6	7	8	9

Total														

DDO SIGNATURE WITH STAMP

ANNEX- IV

INSTRUCTIONS FOR PREPARATION OF REGULAR BUDGET ESTIMATES

IMPORTANT:

THE DRAWING AND DISBURSING OFFICERS / DEPARTMENTS SHOULD READ THE FOLLOWING INSTRUCTIONS CAREFULLY TO FILL THEIR REGULAR BUDGET ESTIMATES IN THE ENCLOSED FORMS

GENERAL INSTRUCTIONS:

1. DDOs are required to submit the following estimates separately for each office:
   a. Regular Budget Estimates
   b. Revised Estimate
2. No Column should be left blank. In case any column is not applicable it should be filled out as "**Not Applicable**".
3. Shaded portions are NOT required to be filled by the DDOs.
4. **For tagging the cost centre's budget in accordance with the Climate Budget Tagging Codes, following instructions should be followed**
   i. All departments must review their regular (recurrent) expenditures to identify allocations that support climate mitigation, adaptation, or supporting areas.
   ii. For instance, electricity generated from solar panels, the use of hybrid vehicles, or maintenance of wastewater treatment plants should be tagged under the corresponding CBT Code from the Climate Budget Actions and Measures list given in Table 1 Actions and Measures List in annexure I.
   iii. Each cost centre should mention the relevant CBT Codes, the climate relevance (mitigation, adaptation, or support area), and assess what percentage of the total budget is dedicated to each of the CBT codes selected.
   iv. If any or some Actions and Measures are supported from your centre's budget, then identify the Actions and Measures from Annexure I below that are being supported in your budget, then record the relevant CBT code. Although Table 1 provides a list of actions and measures specific to Sectors, complete list of actions and measures may be reviewed to identify additional actions and measures relevant to proposed activities. You can choose up to three CBT codes in 3a, 3b and 3c from the list provided in Table 1
5. Gender budgeting is a regular feature of the BCC. Departments are required to fill the relevant form specifying gender-wise budget estimates and expenditure during each financial year. Following steps may be followed for gender budget tagging of your expenditures
   a. Review departmental programs, projects, or budget lines to

identify any activity that has a direct or indirect gender impact (e.g., women's education, maternal health, gender-based violence prevention, economic empowerment initiatives, or women's participation in governance).

b. Refer to annexure II , Table 2 : Gender-Related Actions and Measures in the GDT Guidelines and Identify the **most appropriate GDT code** that aligns with your activity or expenditure .

c. Each GDT code corresponds to a specific gender-responsive action or measure.

d. Enter the **selected GDT code** in the "Gender Budget Tagging Code"

e. Assign a **quantitative weightage (0–100%)** based on the proportion of the budget item that contributes to gender objectives.

- *Example:* If 50% of a project's activities target women's empowerment, record 50% as the weightage.

f. Provide a brief justification in the remarks or explanatory memo section explaining how the activity contributes to gender outcomes

g. Include any gender-disaggregated data, where available.

SPECIFIC INSTRUCTIONS:

Serial No. 1	Preprinted Budget / Financial year
Serial No. 2	Tick the relevant document – Regular Budget Estimates, Revised Estimates
Serial No. 3	Enter the 7 digit ***Fund Code*** e.g. KC21014- Education and its description (Demand/Grant)
Serial No. 4	Enter the 4 digit ***Attached Department*** and 6 digit sub detailed ***Function Code*** and their **Description**
Serial No. 5	Enter the 6 digit ***Fund Center / DDO Code*** and its **Description** i.e. its nomenclature.
Serial No. 6	**For tagging the cost centre's budget in accordance with the Climate Budget Tagging Codes, following instructions should be followed**

	i. All departments must review their regular (recurrent) expenditures to identify allocations that support climate mitigation, adaptation, or supporting areas. ii. For instance, electricity generated from solar panels, the use of hybrid vehicles, or maintenance of wastewater treatment plants should be tagged under the corresponding CBT Code from the Climate Budget Actions and Measures list given in Table 1 Actions and Measures List in annexure I. iii. Each cost centre should mention the relevant CBT Codes, the climate relevance (mitigation, adaptation, or support area), and assess what percentage of the total budget is dedicated to each of the CBT codes selected. iv. If any or some Actions and Measures are supported from your centre's budget, then identify the Actions and Measures from Annexure I below that are being supported in your budget, then record the relevant CBT code. Although Table 1 provides a list of actions and measures specific to Sectors, complete list of actions and measures may be reviewed to identify additional actions and measures relevant to proposed activities. You can choose up to three CBT codes from the list provided in Table 1
Serial No. 7	Gender budgeting is a regular feature of the BCC. Departments are required to fill the relevant form specifying gender-wise budget estimates and expenditure during each financial year. Following steps may be followed for gender budget tagging of your expenditures i. Review departmental programs, projects, or budget lines to identify any activity that has a direct or indirect gender impact (e.g., women's education, maternal health, gender-based violence prevention, economic empowerment initiatives, or women's participation in governance). ii. Refer to annexure II , Table 2 : Gender-Related Actions and Measures in the GDT Guidelines and Identify the **most appropriate GDT code** that aligns with your activity or expenditure . iii. Each GDT code corresponds to a specific gender-responsive action or measure. iv. Enter the **selected GDT code** in the "Gender Budget Tagging Code" v. Assign a **quantitative weightage (0–100%)** based on the proportion of the budget item that contributes to gender objectives. *Example:* If 50% of a project's activities target women's empowerment, record 50% as the weightage. vi. Provide a brief justification in the remarks or explanatory memo section explaining how the activity contributes to gender outcomes

<table>
<tr><td></td><td>vii. Include any gender-disaggregated data, where available.</td></tr>
<tr><td>Serial No. 8</td><td>Use this space for writing any other related information. Write “Not Applicable” if it is not applicable.</td></tr>
<tr><td>Serial No. 9</td><td>Enter the total budget amount.</td></tr>
<tr><td>Serial No. 10

10-A–Employee related expenses

10-B–Other Expenses</td><td>This has been bifurcated into the following parts:
<table>
<tr><td>a)</td><td>Object Code</td><td>A space has been provided for the purpose. You are required to consult the New Chart of Accounts (CoA) and fill out the detailed codes carefully.</td></tr>
<tr><td>b)</td><td>Description</td><td>Description of the object (and Posts)</td></tr>
<tr><td>c)</td><td>Sanctioned Posts (A only)</td><td>Enter the existing Post Code, relevant designation and BS for the employees for which budget is required (which should be exactly supported by details in Annexure-VI)</td></tr>
<tr><td>d)</td><td>Number of Posts (A only)</td><td>Enter the number of posts sanctioned</td></tr>
<tr><td>e)</td><td>Budget/Revised Estimates</td><td>Mention provision of object item.</td></tr>
<tr><td>f)</td><td>Actual Accounts</td><td>Same as (e) above.</td></tr>
</table></td></tr>
<tr><td>NOTE:</td><td>All officers signing Regular Budget Estimates in the Administrative Departments are requested kindly to write down their telephone number clearly on every Regular Budget Estimate</td></tr>
</table>

ENQUIRIES:

For any clarification or additional information, please do not hesitate to contact:

Mr. Arif Iqbal Usmani, Deputy Secretary Budget, at Phone No.05822-921967, and

Mr. Muhammad Naeem Qazi, System Analyst Finance, at Phone No.05822-921652.

ANNEX-V

FORMAT FOR REGULAR BUDGET

Please Fill in the Following Information

From: ______________________________
____
____

To: ______________________________
____
____

Dated ____ / ____ / ____ (DD / MM / YYYY)

1 Budget Year **2026-2027**

2 Type of Document (Tick the Box Applicable) ☐ Regular ☐ Revised ☐ SNE(F)

		Code	Description
3	Fund (Demand No.)	K C _ _ _ _ _	- ______________
4	Attached Deptt.	_ _ _ _	______________ / ____
	Sub-detailed Function	_ _ _ _ _ _	______________
5	Fund Center (DDO Code)	_ _ _ _ _ _	______________

6a. Climate Budget Tagging Code 1 ______________ Quantitative weightage (0-100%) in relation to climate budget tagging Code 1

6b. Climate Budget Tagging Code 2 ______________ Quantitative weightage (0-100%) in relation to climate budget tagging Code 2

6c. Climate Budget Tagging Code 3______________ Quantitative weightage (0-100%) in relation to climate budget tagging Code 3

7 Gender Budget Tagging Code ______________ Quantitative weightage (0-100%) in relation to gender budget tagging Code

8. Notes (if any) ______________________

____

	Revised 2025-26	Budget 2026-27
9. Total Budget Amount	______	______

TO BE FILLED ONLY BY BUDGET SECTION FINANCE DEPARTMENT

Diary No. ______________________

Revised Diary No. ______________________

Checked By ______________________

Entered By ______________________

ANNEX-VI Contd.

10-A) Object Classification

BUDGET ESTIMATES OF EXPENDITURE

Object Code	Description	Sanctioned Posts			No of Posts		Budget Estimates 2025-26	Revised Estimates 2025-26	Budget Estimates 2026-27	Accounts Information			
		Code	Designation	BS	2025-26	2026-27				Actual 2024-25	Actual Last 8 months 2024-25	Actual First 4 months 2025-26	Probable Outlay 2025-26 (12+13)
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**
	Employee Related Expenses	-											
		-											
	Total - Employees Related Expenses												
	Other Expenses (As Reported in 8-B)												
	Grand Total												

DDO SIGNATURE WITH STAMP

ANNEX-VII Contd.

10-B) Object Classification

BUDGET ESTIMATES OF EXPENDITURE

Object Code	Description	Budget Information			Accounts Information			
		Budget Estimates 2025-26	Revised Estimates 2025-26	Budget Estimates 2026-27	Actual 2024-25	Actual Last 8 months 2024-25	Actual First 4 months 2025-26	Probable Outlay 2025-26 (7+8)
1	2	3	4	5	6	7	8	9
	Other Expenses							
Total Other Expenses								

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Annex-VIII Contd.

Nominal Roll

DDO Code: ____________________

DDO Description ____________________

S. #	Name of Employee	Designation	Scale	Revised Pay 2025-26			Estimated Pay 2026-27			Allowances *						Total Employees Related Expenses R.E 2025-26 (7+A)	Total Employees Related Expenses B.E 2026-27 (10+B)
				Monthly Pay on 1/7/2025	Rate of Increment	Annual Revised Pay for Financial Year 2025-26	Monthly Pay on 1-7-2026	Rate of Increment	Annual Estimated Pay for Financial Year 2026-27					Total Annual Allowances for R.E 2025-26 (11+12+...)	Total Annual Allowances for B.E 2026-27 (11+12+...)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	....	(A)	(B)	(C)	(D)
A	Gazetted																
B	Non-Gazetted																

***Note:** **Allowances should be given in detail (i.e. House Rent Allow, Conveyance, Allow, Washing Allow, Dress Allow, Medical Allow, Ent. Allow, etc.)**

*****

Annex-IX

NUMBER OF EMPLOYEES BY BPS 2026-27 (BUDGET ESTIMATES)

DEMAND NO. ____________________

DDO CODE ______________________

DDO DESCRIPTION ____

* Post Code	Designation	BPS	NUMBER OF POSTS		
			TOTAL	Filled in	Vacant
Total					

DDO SIGNATURE WITH STAMP

Tel. No. __________

** For AJ&K Finance Department's (Budget Wing) Use Only*

ANNEX-X

PROFORMA FOR THE PREPARATION OF THE ANNUAL DEVELOPMENT PROGRAMME 2026-27

							Name of Scheme	Location of Scheme				Estimated Cost				Allocation for 2025-26				Provision for 2026-27			
General Serial No.	Sector Serial No.	Fund Center/DDO Code of the Sector	Climate Budget Tagging Code	Quantitative weightage (0-100%)	Gender Budget Tagging Code	Quantitative weightage (0-100%)	(with year of initiation)	District	Tehsil	Status of Scheme	Target / Component	Local	Foreign	**Total (9+10)**	Expenditure up to June 30th 2025	Local	Foreign	**Total (13+14)**	Revised Estimates for 2025-26	Local	Foreign	**Total (17+18)**	Current Expenditure
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
A. Approved funded scheme																							
			TOTAL (A)																				
B. Approved unfunded schemes (in prioritized order)																							
			TOTAL (B)																				
C. Unapproved/unfunded schemes																							

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(in prioritized order, with concept paper attached)																
TOTAL (C)																
★ Grand Total (A+B+C)																

Note: Head wise estimates expenditure be prepared as per Annex-IV and also provide recurring cost of schemes to be completed on 30th June 2026.

★★ *It includes the total allocations against the schemes at A, B & C and funds will be provided to the schemes at Sr. No. B&C as and when additional resources are made available by the Finance Department. This refers to the additional current expenditure on account of the portion of the scheme completed.*

This refers to the additional current expenditure on account of portion of the scheme completed.

Instructions for Climate and Gender related columns (4-7):

i. Each development scheme proposed under the ADP must be screened for its relevance to climate and gender objectives. Departments should consult the Actions and Measures list to identify the appropriate CBT Codes. Each project should specify whether it contributes to mitigation or adaptation, record the CBT Code, and estimate the climate-related share of the total cost *(e.g. a solar irrigation project should be assigned the CBT Code "CBT 003 – Adoption of Solar Energy and Other Renewables" and classified as High as described in the para # 7 of the annexure XI*:

(a) Please refer to the (Table 1, Annex XI): Climate Budget Actions & Measures below and review the (Table 1, Annex XI): Actions & Measures listed.

(b) If no Action and Measure is relevant to your project, then record that specific project does not have climate linked budget and skip the following step (c) and (d).

(c) If any or some Actions and Measures are supported in a project, then identify the CBT Actions and Measures that are being supported by that project, then record the relevant CBT codes (multiple entries allowed in one field) in column 4.

(d) For each CBT code supported in the project, please assess the percentage of the project supporting that Action and Measure in column 5.

DDO SIGNATURE WITH STAMP

ii. (e) Perform step (c) & (d) for up to for all the projects listed in the form.To tag a scheme as gender-budget-relevant scheme, review Table 2 – List of Actions and Measures – in Annexure XII. If any action or measure applies to the scheme, record the corresponding code in column 5.

Assign an appropriate weight in column 6 to the scheme depending on the objective of the scheme if the scheme is to support any gender related objectives.

DDO SIGNATURE WITH STAMP

Annexure XI: Climate Budget Tagging (CBT) Guidelines 2026–27

1. Purpose

The Climate Budget Tagging (CBT) Guidelines aim to provide a structured approach for identifying, classifying, and reporting government revenues & expenditures that contribute to environmental protection, climate change mitigation, and adaptation. This initiative is part of the Government of AJ&K's efforts to integrate climate considerations into fiscal planning and public financial management. Through the Climate Budget Tagging process, all departments will be able to align their allocations and activities with AJ&K's environmental goals and Sustainable Development Goal (SDG) 13 on Climate Action.

2. Scope and Applicability

These guidelines apply to all Administrative Departments, Attached Entities, Cost Centers (DDOs) and Autonomous Bodies of the Government of Azad Jammu and Kashmir. The Climate Budget Tagging will cover both Development and Non-Development expenditures. Each department is required to review its budget estimates and identify those components that directly or indirectly contribute to environmental sustainability, climate adaptation, or mitigation. All such expenditures will be tagged and reported according to the methodology provided in these guidelines.

3. Objectives of Climate Budget Tagging

The Climate Budget Tagging framework is designed to integrate environmental and climate priorities into AJ&K's budgeting process. It enables departments to identify and track climate-relevant revenues & spending, thereby improving transparency, accountability, and informed decision-making. It also helps the Government of Azad Jammu and Kashmir access domestic and international climate finance and report progress on national, provincial and regional governments' commitments under the SDGs and climate change policies.

4. Methodological Principles

The Government of Azad Jammu and Kashmir is instituting Climate Budget Tagging to generate data and information for planning and implementing adaptation and mitigation measures to address the adverse effects of climate change in the resources and people of Azad

Jammu and Kashmir. The Climate Budget Tagging will be implemented to generate and institutionalize:

- **(a)** Granular data for detailed assessments of expenditures and their effects
- **(b)** Dimensional variegation of data to allow for all relevant aspects to be recorded
- **(c)** Comparator comparability to allow for comparative analysis across areas
- **(d)** Intertemporal comparability to ensure analysis over time and tracking trends
- **(e)** Analytical Usability for increasing the efficiency and effectiveness of public resources
- **(f)** Planning Usability to gain maximum results from development and new expenditures
- **(g)** Dynamic scheme to allow for additional analysis as new scientific knowledge becomes available

Budget forms have been augmented with notes to allow budget tagging, aggregation of data, reporting, and analysis. A reference table, namely Climate Budget Tagging Actions and Measures, has been prepared bringing together international standards and scientific precepts with the Government of AJ&K's budget structures. It has been prepared so that each departmental unit can readily refer to only their relevant section while following the function, minor function and detailed function.

4. Policy Reference Framework

The implementation of Climate Budget Tagging will be guided by several policy documents and legal frameworks, including the National Climate Change Policy (2012, updated 2021), It also aligns with the Sustainable Development Goals (particularly SDG 13 – Climate Action), as well as commitments to Gender Equality (SDG 5) and Human Rights. These references ensure that climate responsiveness is embedded in all relevant policy, planning, and financial decisions.

6. Institutional Roles and Responsibilities

The successful implementation of Climate Budget Tagging requires coordination among several institutions. The Finance Department, through its Budget Wing, will lead the process by issuing the Climate Budget Tagging Guidelines, integrating tagging mechanisms into the Integrated Financial Management Information System (IFMIS), and compiling the annual AJ&K Climate Budget Statement.

The Environment Protection Agency of the Government of AJ&K will serve as the technical focal point, providing guidance, defining climate taxonomy, and reviewing departmental submissions for accuracy. The Planning & Development Department (P&DD) will ensure that development projects (PC-I and PC-II) are screened for climate relevance and aligned with SDG indicators.

Each Line Department will be responsible for tagging its own projects and recurrent expenditures in accordance with these guidelines, using the prescribed Forms at annex III, V, VII and X. All Cost Centers (DDOs) must maintain detailed records of climate-linked revenues & expenditures for future verification and audits.

7. Categorization of Climate Expenditures

From the Climate Tagged data, under the Climate Budget system, all government spending will be aggregated according to the degree of its relevance to environmental and climate objectives. The classification will help measure and monitor the scale of climate-related investment within GoAJ&K's public sector.

Category	Description	Examples
Primary / High Relevance (≥75%)	Expenditures that directly contribute to environmental protection, climate change mitigation, or adaptation.	Renewable energy projects, afforestation, flood protection, forest restoration.
Medium Relevant (50–74%)	Expenditures that generate significant environmental or climate co-benefits.	Irrigation efficiency, hybrid or electric transport, clean energy initiatives.
Low Relevance (25–49%)	Expenditures that indirectly support environmental objectives through research, awareness, or capacity building.	Training, data collection, monitoring systems.
Marginal (1–24%)	Expenditures with limited environmental relevance but minor indirect benefits.	Routine maintenance, basic administrative activities.
Neutral / No-Relevance (0%)	Expenditures with no direct link to environmental or climate outcomes.	Salaries, general administration, road resurfacing.

8. Tagging Methodology

Each department shall use the Forms at annexure III, V, VII and X annexed to the Budget Call Circular to identify and record climate-related revenues & expenditures. Departments must first review their activities both on going and proposed activities to determine which activities or budget lines have climate relevance.

For each project or expenditure item, departments should assess whether it supports climate mitigation, adaptation, or environmental protection. **Climate mitigation** refers to any action taken by governments, business or people to reduce or prevent green houses gases or to enhance carbon sinks that remove them from the atmosphere[1]. Whereas **climate adaptation** refers to all those actions that help reduce vulnerability to the current or expected impacts of the climate change. Climate Supporting Areas are expenditures that indirectly support climate action through policy, institutional, or enabling measures such as capacity building, research, or governance reforms. Whereas climate neutral are those actions which have no impact on climate change.

The share of the total budget that contributes to these objectives should then be estimated in percentage terms. The departments will refer to Climate Budget Actions & Measures Table-1 provided below, select the applicable actions and measures for the cost center and determine the Actions and Measures (CBT) code and assess what percentage of the budget can be dedicated to them. Based on this assessment, in the consolidation phase, each item will be assigned an aggregate category – Primary, Medium, Low, Marginal, or Neutral.

All tagging information must be accurately entered into Forms at annexure III, V, VII & X and submitted to the Finance Department along with the departmental Budget Estimates for FY 2026–27. The Finance Department will review and verify the data before consolidating it into the overall Climate Budget Statement. During this budget cycle and preparation, technical support will be provided to the departments and pre-filled climate budget tagging forms will be provided for review at the level of DDOs and PAOs.

10. Sectoral Reference Examples

The following examples are provided to guide departments in classifying expenditures:

Sector	**Mitigation Examples**	**Adaptation Examples**
Energy	Solar and wind projects, energy-efficient infrastructure	Off-grid solar for water supply in drought-prone areas

[11] https://climatepromise.undp.org/news-and-stories/what-climate-change-mitigation-and-why-it-urgent

DDO SIGNATURE WITH STAMP

Water Resources	Efficient irrigation systems, wastewater recycling	Rainwater harvesting, water storage infrastructure
Agriculture	Climate-smart farming and sustainable land management	Drought-resistant seeds, improved water management
Forestry and Biodiversity	Carbon sequestration, tree planting	Mangrove restoration, biodiversity conservation
Transport	Public transport systems, electric vehicle promotion	Climate-resilient road construction
Health	Energy-efficient hospitals and clinics	Heatwave management, disease surveillance for vector-borne illnesses

11. Reporting and Monitoring

Each department must submit completed forms at annexure III, V, VII, & X with climate-tagged entries and relevant CBT Codes. The Finance Department will compile a comprehensive Climate Budget Statement each year, which will be published alongside the Annual Budget. The statement will summarize all climate-tagged revenues & expenditures by department and sector and present trends in climate-related revenues & spending.

12. Capacity Building and Support

To ensure effective implementation, the Finance Department in collaboration with the Planning & Development Department, will conduct training sessions and orientation workshops for departmental budget and planning officers. These training sessions will emphasize the identification of climate-relevant activities, the proper selection of CBT Codes from the Table Actions and Measures List , and the correct use of Forms at annexure III, V, VII and X. The trainers will also guide participants on the application of tagging classifications. Ongoing technical support will be provided to ensure consistency and enhance the quality of data generated through the tagging process

13. Expected Outputs

The application of these guidelines will produce three main outputs: (i) the Budget Forms III, V, VII and X for departmental tagging, (ii) departmental Climate Budget Summaries showing climate-related allocations, and (iii) the consolidated Government of AJ&K's Climate Budget Statement, which will serve as an official record of climate-responsive public revenues & expenditure in Azad Jammu and Kashmir.

14. Effective Date

These Climate Budget Tagging Guidelines shall come into effect immediately and will be applicable to the Budget Estimates for FY 2026–27 and all future budget cycles. All departments must ensure that climate-relevant revenues and expenditures are accurately identified, tagged, and coded using the prescribed CBT Codes. Departments are further instructed to fully comply with these procedures and integrate climate considerations appropriately within their budget proposals.

Table 1: Climate Budget Actions & Measures

Climate Budget Tag Code	Actions and Measures
	Agriculture
CBT AG 001	Sustainable climate-resilient farming methods; promote the transition to climate-smart and regenerative agricultural practices that support ecosystem restoration and integrated management of productive landscapes for food security, low-carbon and climate-resilient production.
CBT AG 002	Increase and maintenance of the CO2-binding capacity of soil and vegetation
CBT AG 003	Promoting diversified agricultural production to reduce climate risk (e.g. growing a mix of different crops and different varieties of each crop)
CBT AG 004	Using crop residues for energy generation
CBT AG 005	Promoting heat and drought resistant crops and water saving irrigation methods to withstand climate change
CBT AG 006	Use of energy saving machineries, design of eco-efficient, carbon neutral systems etc.
CBT AG 007	Cultivate and distribute climate-resilient seeds
CBT AG 008	Actions to prevent desertification
CBT AG 009	Soil conservation; implement conservation and rational use and recovery of soils, including measures to prevent degradation and improve soil health.
CBT AG 010	Support fertilizer management and efficient irrigation systems, including biofertilizer production, efficient irrigation (e.g. responsive drip, fertigation) and equipment for timely, efficient fertilizer application.
CBT AG 011	Farmer education and farmer support resources

CBT AG 012	Set up/use of early warning communications system for agricultural purposes (e.g. communications/IT solutions for monitoring crops, precipitation, temperature etc. to avoid crop loss through climate-related stress or disaster)
CBT AG 013	Invest in restoration and ecological regeneration of degraded and degrading lands and agro-landscapes.
CBT AG 014	Support crop rotation through seeds, seedlings, equipment, labour and technical assistance to facilitate rotation in transitional or short-cycle crops.
CBT AG 015	Support conservation of forests, biodiversity and other natural ecosystems linked to agricultural landscapes.
	Autonomous Municipal Bodies
CBT AM 001	Grants to anonymous bodies used in climate mitigation actions (Solar/water etc.)
	Banking & Financial Services
CBT BF 001	Dedicated credit lines to finance renewable energy renewable energy, the support of low-carbon investments, investments
CBT BF 002	Promotion of Micro, Small and Medium Enterprises'
CBT BF 003	Financing mechanisms for adoption of climate action solutions
CBT BF 004	Financing mechanisms for adoption of solar energy solutions
CBT BS 001	Tools to strengthen the capacity of the private sector for climate change
CBT BS 002	Linking initiatives, stakeholders and knowledge for climate resilient livelihood security including vulnerability to climate change
CBT BS 003	Finance measures in the field of climate protection for preparing and supporting private investment on a public-private partnership basis (PPP)
	Construction
CBT CN 001	More robust building regulations and improved enforcement practices when there is a shift in zones affected by climate disasters
CBT CN 002	Promotion of energy-efficient building techniques, development and enforcement of related standards and certification schemes
CBT CN 003	Floods prone area building zoning and regulation especially in the mountaineous areas
CBT CN 004	Programme of activities (PoA) in energy efficiency in the construction sector
CBT CN 005	Building adaptive and resilient housing
CBT CN 006	Actions to reduce heat exposures through design mitigation
CBT CN 007	Actions to stabilize roads against climate induced events
CBT CN 008	Promote renovation of existing buildings that improves energy performance and supports low-carbon operation in line with the taxonomy's thresholds
CBT CN 009	Implement sustainable urban drainage systems in cities that demonstrate retention of runoff water, reducing flood risk and improving water management
CBT CN 010	Support wastewater treatment plants (grey and black) to avoid disposal of wastewater into municipal treatment systems and enable safe reuse or discharge

CBT CN 011	Invest in trees in road easements that provide shade and are easy to maintain, contributing to cooler and more resilient urban landscapes
CBT CN 012	Support recovery of public spaces along urban rivers after sanitation, reclaiming cleaned riverbanks for safe community use
CBT CN 013	Invest in design, construction, extension, rehabilitation and operation of flood-risk prevention and protection infrastructure, including dikes, river embankments, sea defence dikes, storm-surge barriers, seawalls, groynes, breakwaters and buffer basins for flood detention and control
	Communications (IT)
CBT CT 001	Promoting research in satellite information for climate modelling purposes
CBT CT 002	Improvement of the meteorological radar system in order to improve the information on changes to land-use, land cover, forestry, water, etc.
CBT CT 003	Identification of key national data centres at greatest risk of suffering damage from storms or floods, and enhancement of climate resilience of those sites
CBT CT 004	Establishment/rehabilitation of Early warning systems for disaster risk reduction
CBT CT 005	Improvement of the meteorological radar system in order to improve the information on changes to land-use, land cover, forestry, water, etc.
CBT CT 006	Deploy sensor networks and integrated systems to increase efficiency of urban development and optimise infrastructure functioning (energy, mobility, construction) in a "smart city" context
CBT CT 007	Develop intelligent advanced measurement systems that support integrated management of energy, water and transport services
	Education
CBT ED 001	Integration of environmental/climate education into school curriculum
CBT ED 002	Strengthening of quality of higher education on science and technology with a focus on renewable energy
CBT ED 003	Promote awareness-raising programmes on climate change adaptation.
CBT ED 004	Promote awareness-raising programmes on climate change mitigation
CBT ED 005	Adoption of solar energy and other renewables
CBT ED 006	Off grid energy access for schools; sustainable school buildings (i.e. natural cooling etc.)
CBT ED 007	Energy efficient buildings and infrastructure
CBT ED 008	Climate resilient buildings
	Energy Generation, Distribution, and Efficiency
CBT EE 001	Enhancing the capacity and regulatory capabilities of the Regulatory Authority to deal with climate change impacts
CBT EE 002	Regulatory policy reform in the energy sector to take into account climate change mitigation efforts
CBT EE 003	Supporting local authorities to improve security of their energy supply by designing resilient energy infrastructure
CBT EE 004	Retrofit efficiency improvement in the energy sector

CBT EE 005	New hydro-power activity that takes into account the impact of climate change on water resources and uses modern engineering techniques
CBT EE 006	Cogeneration
CBT EE 007	Optimizing hydropower generation and dam safety in the context of climate change vulnerability
CBT EE 008	Clean cook stoves
CBT EE 009	Shift to efficient energy solutions
CBT EE 010	Renewable energy power plant retrofits, improvements in energy efficiency in existing thermal plants
CBT EE 011	Accessing energy through rural electrification
CBT EE 012	Fuel switching from one fuel to a different, less GHG-intensive fuel type qualifies as mitigation if a net emission reduction can be demonstrated taking extensions of capacity and lifetime of the facility into account.
CBT EE 013	Energy efficiency solution and minimizing losses
CBT EE 014	Combined heat and power plants: heat generation can also be associated with energy efficiency if combined with power generation.
CBT EE 015	Clean cooking solutions that are less dependent on traditional biomass are both relevant for mitigation and adaptation (making cooking food less dependent on climate vulnerable biomass resources)
CBT EE 016	Efficiency in new construction (exceeding available standards) and retrofitting of existing buildings, e.g., improving the efficiency of air conditioning of hospitals in hot regions
CBT EE 017	Wind energy, photovoltaic and concentrated solar power (CSP), geothermal, biomass and biogas, ocean tide power score for mitigation
CBT EE 018	Hydropower (storage or run-of-the-river) only if net emission reductions can be demonstrated
CBT EE 019	Support to institutional framework in biofuels
CBT EE 020	Training in renewable energy
CBT EE 021	Activities in which existing power plants switch to lower emitting fuels (e.g., switching from coal to natural gas)
CBT EE 022	Integration of renewable sources into local or national grid, or energy efficiency measures in grid retrofitting:
CBT EE 023	Promote technological interventions, automation and enhanced forecasting capabilities to increase grid flexibility and support integration of low-carbon energy sources.
CBT EE 024	Support production of heat and cooling from waste heat as directly eligible activities.
CBT EE 025	Promote creation of intangible assets and R&D / innovation activities in the energy sector that aim to comply with substantial contribution criteria for climate change mitigation.
CBT EE 026	Promote commercial and residential micro-generation systems from wastewater or waste treatment, such as small-scale energy recovery
	Environmental Protection
CBT EP 001	Development and implementation of adaptation strategies at national level or in the context of de-centralisation programmes

CBT EP 002	Preparation of national inventories of greenhouse gases (emissions by sources and removals by sinks)
CBT EP 003	Supporting the integration of climate change adaptation into national and international policy, plans and programmes
CBT EP 004	Elaboration of climate change-related policy and economic analysis and instruments, including national plans to mitigate climate change
CBT EP 005	Improving regulations and legislation to provide incentives to adapt
CBT EP 006	Climate technology needs' surveys and assessments; institutional capacity building
CBT EP 007	Dedicated budget support to a national or local authorities for climate change adaptation policy implementation
CBT EP 008	Preservation of the CO2 storage capacity of vegetation cover (especially forests) and soil (especially wetlands)
CBT EP 009	Contribution to the preservation of water resources or erosion prevention to adapt to the effects of climate change
CBT EP 010	Protection and enhancement of sinks and reservoirs through sustainable management and conservation of oceans and other marine and coastal ecosystems, wetlands, wilderness areas and other ecosystems
CBT EP 011	Climate resilient conservation measures allowing species to adapt to climate change (e.g., protected eco-corridors for migration)
CBT EP 012	Flood protection measures that reduce the consumption of energy and reduce GHG emissions
CBT EP 013	Ecosystem based adaptation, i.e. the use of ecosystems or ecosystem services to help people to adapt to climate change (e.g. wetland restoration and management to enhance continuity of drinking water supply in drought prone areas)
CBT EP 014	Climate-change-mitigation related research and monitoring. Oceanographic and atmospheric research and monitoring
CBT EP 015	Flood protection measures in areas which are becoming increasingly flood-sensitive (e.g. closing of estuaries, building of dikes and sea defences, restoration of wetlands) – with due consideration for the potential environmental impacts of such measures
CBT EP 016	Education, training and public awareness related to climate change, the causes and impacts of climate change and the role of adaptation
CBT EP 017	Restoring the function of floodplains in combination with sound land-use planning of watersheds and wetlands thereby reducing the exposure to floods and improving water availability in areas affected by increasing water scarcity and/or more variable rainfall patterns (including higher amounts of rain)
CBT EP 018	Adaptation-related climate research including meteorological and hydrological observation and forecasting, impact and vulnerability assessments, etc.
CBT EP 019	Education, training and public awareness related to climate change, the causes and impacts of climate change and the role of mitigation
	Fisheries

CBT FH 001	Promoting changes in fishing practices to adapt to changes in stocks and target species. Introducing flexibility in the gear that is used, the species that are fished, the fishing areas to be managed
CBT FH 002	A project that supports the use of more fuel-efficient boats, made with innovative material and hull shape, and equipped with more efficient engines and storage capacity to reduce the consumption of fuel
CBT FH 003	Mapping changes in the range of fish species and strengthening the monitoring of fish stocks to determine the impacts of climate change
CBT FH 004	Activities that aim at reducing overfishing and excess capacity, including adjusting fleet composition, by supporting small-scale fisheries and discouraging industrial fisheries, especially where fish stocks have been fully or partially overexploited
	Food Security
CBT FS 001	A programme addressing food insecurity which also builds capacity to cope with the impacts of climate change on food production
	Forestry
CBT FT 001	Sustainable management of forest resources
CBT FT 002	Restoration of former forest areas utilising natural seed banks and existing plants, in order to reduce vulnerability of forest ecosystems to the impacts of climate change
CBT FT 003	Promoting sustainable forest management and adopting harvesting techniques that reduce soil erosion and exposure to wildfires, and promote the conservation of biodiversity in order to safeguard forest ecosystems from the impacts of climate change
CBT FT 004	Protection and enhancement of sinks and reservoirs of GHGs through sustainable forest management, afforestation and reforestation, rehabilitation of areas affected by drought and desertification
CBT FT 005	Improving forest fire management
CBT FT 006	Improvements in forestry management and surveillance
CBT FT 007	Implementing incentives to curb deforestation
CBT FT 008	Afforestation in a river basin can contribute to a more stable hydrologic regime and to reduce floods
	Government & Civil Society
CBT GC 001	Programme to build leadership and entrepreneurship for effective local action in health, agriculture and nutrition in a changing climate and environment
CBT GC 002	Development/preparation of low-carbon development strategies
CBT GC 003	Public communication for climate mitigation actions
	Humanitarian Aid
CBT HA 001	Activity to support the early recovery and reconstruction as well as establishment of resilient society / community ("build-back better") in disaster-affected areas
CBT HA 002	Provision of solar lights for use during emergency responses
CBT HA 003	Developing emergency prevention and preparedness measures including insurance schemes to cope with potential climatic disasters such as floods or landslides

CBT HA 004	Review and assess the adequacy of current environmental management practices on a range of humanitarian activities
CBT HA 005	Support to Civil Protection Team to improve their information on climate change impacts through the use of satellite-based maps in the preparation of event scenarios and rescue plans after the heavy monsoon rains that caused floods
CBT HA 006	Provision of solar lights in anticipation for a disaster impacted by climate change
CBT HA 007	Developing emergency preparedness plans and disaster risk reduction strategies in order to protect key infrastructure assets from the impacts of climate change; this includes setting up early warning systems, addressing governance issues and promoting awareness
CBT HA 008	Promoting disaster preparedness and the links to climate change adaptation at various levels of government as well as at community level
CBT HA 009	Social protection for climate disasters (for e.g as part of a pre-disaster preparedness programme which seeks to build resilience to potential future climate related disasters having a social protection scheme in place to enable emergency cash transfers to happen when a flood/storm strikes that means poorest people do not need to sell down their assets in the immediate aftermath of a disaster
CBT HA 010	Strengthen emergency health services through temporary field hospitals and medical facilities that treat people affected by climate-related emergencies
CBT HA 011	Support disaster relief operations, including setting up and managing evacuation centres in coordination with local authorities and humanitarian organisations
CBT HA 012	Invest in search and rescue capacities (on land and in water) to locate and rescue people in distress, trapped by flooding or debris, or stranded without evacuation options
CBT HA 013	Strengthen hazardous materials response systems to detect and isolate hazardous substances following climate-related incidents
CBT HA 014	Support firefighting and fire-prevention services, including operation of regular and auxiliary fire brigades dealing with climate-exacerbated fire risks
	Health
CBT HE 001	Health programmes to adapt to climate change, such as the implementation of measures to control heat stress or dengue, malaria, and other vector borne diseases in areas threatened by increased incidence of diseases due to climate change
CBT HE 002	Activities in the health sector that use renewable energy to support improved air quality, such as solar panels to heat water in hospitals
CBT HE 003	Strengthening food safety regulations, notably in terms of microbiological quality, avoidance of contact with pest species, in areas affected by higher temperatures
CBT HE 004	Energy efficient hospital infrastructure that leads to significant savings in energy consumption
CBT HE 005	Energy efficient buildings and infrastructure

CBT HE 006	Energy-efficient water pumping systems, and/or pumping systems powered by renewable energies
CBT HE 007	Climate resilient buildings
CBT HE 008	Promote awareness-raising programmes on climate change adaptation
	Industry
CBT IN 001	Retrofitting of industrial facilities to enhance resilience to climate-related risks
CBT IN 002	Promotion of adoption of energy-efficiency standards and other environmental standards expected to reduce GHG emissions as part of trade-related assistance
CBT IN 003	Switching to less water consuming production technologies reduces vulnerability against water shortage
CBT IN 004	Adoption of pollution reduction solutions
CBT IN 005	Actions to minimize industrial waste seapage in water bodies
CBT IN 006	Actions to minimize industrial waste seapage into soil
	Livestock
CBT LS 001	Assessing options for implementation of adaptation measures on livestock farms.
CBT LS 002	Livestock projects that reduce methane or other GHG emissions (manure management with biodigestors, etc.)
CBT LS 003	Promote rational grazing
CBT LS 004	Promoting low-emission, climate-resilient livestock systems that also protect rural livelihoods.
	Mineral Resources & Mining
CBT MM 001	Analytical studies or capacity building to improve climate resilience of mining industries
CBT MM 002	Improvement of energy efficiency measures in mining process
CBT MM 003	Efficient practices in mining activities
CBT MM 004	Changes in the design of open pit mines to adapt to flooding due to increased precipitation
	Other Multisector
CBT OM 001	Support to development of climate action plans with vulnerability assessments in cities
CBT OM 002	Energy efficiency planning in cities
CBT OM 003	Sustainable agriculture for adaptation to climate change in vulnerable regions, sustainable regional development in rural drought areas
CBT OM 004	Securing land and use rights in order to avoid changes in land use that could lead to increased emissions of GHG, contribution to sustainable long-term land-use planning, reducing emissions from land use and changes in land use
CBT OM 005	Rural infrastructure for climate mitigation
CBT OM 006	Rural tree plantation
	Social infrastructure & Services
CBT SS 001	Support of vulnerable people including women and children in areas vulnerable to the effects of climate change through promotion of climate resilient agriculture, food security and basic services

CBT SS 002	Implementation of Nationally Appropriated Mitigation Actions in low-carbon housing
	Transversal
CBT TN 001	Implement sustainable production and consumption programmes and strategies
CBT TN 002	Strengthening public and private capacities and institutions on climate change
	Trade
CBT TR 001	Assessment of climate change impacts and damages on trade and economic growth
CBT TR 002	Development of carbon market mechanisms for developing countries in the context of climate conventions
CBT TR 003	Measures to achieve compliance with international standards required for exports
	Transport & Storage
CBT TS 001	Inclusion of climate change considerations in transport planning (e.g. climate proofing of road construction to account for climate change impacts and variability)
CBT TS 002	Non-motorised transportation planning to reduce GHG emissions (cycling and walking) from transport
CBT TS 003	Adopting infrastructure designs to allow water percolation
CBT TS 004	New infrastructure, capacity building and/or improvements to existing systems (integrated traffic management systems, driver training, etc.) that lead to significant reductions in GHG emissions
CBT TS 005	Actions to recharge groundwater
CBT TS 006	A transit-oriented development, a mixed-use residential and commercial area designed to maximize access to public transport, can contribute significantly to GHG reduction
CBT TS 007	Improved access to roads all year round for population vulnerable to climate change impact
CBT TS 008	Public transport with an objective to reduce GHG emissions (subway, light rail, bus rapid transit, trams, etc.)
CBT TS 009	A measure to shift from road to rail or water transportation can significantly reduce GHGs
CBT TS 010	Optimisation of conventional and conversion to alternative engine technologies: energy efficiency and fuel switching has expected reduction of GHG emissions as some of the main objectives
CBT TS 011	Switching to electric mobility, hydrogen power, liquified natural gas, and hybrid engines
CBT TS 012	Development and expansion of public transport to minimize vehiclar usage
CBT TS 013	Environmental taxes especially in large urban areas of high congestion
	Tourism
CBT TU 001	Diversification of tourist attractions to encompass areas less prone to the risks and impacts of climate change
CBT TU 002	Sustainable tourism development by introducing zero-carbon business solutions, e.g. zero-carbon resorts, touristic products etc.

CBT TU 003	Contain negative impacts on tourist areas and restore degraded tourist areas
CBT TU 004	Contributing to conservation of tourist attractions that reduce GHG emissions, e.g. forests, national parks
CBT TU 005	Promotion of eco-tourism as part of a strategy to maintain the resilience of natural ecosystems while diversifying rural livelihoods
CBT TU 006	Support investments under the Protected Area Initiative and similar programmes that increase protected areas, strengthen conservation and promote ecotourism in national parks and high-value natural areas
CBT TU 007	Promote passenger transport for tourism that meets the transport-sector criteria (e.g. zero-emission vehicles, multimodal transport, micromobility) to reduce GHG emissions and air pollution from tourist travel
CBT TU 008	Promote low-carbon energy solutions for tourism, in line with energy-sector criteria (e.g. renewable generation or systems compliant with the energy emissions threshold)
CBT TU 009	Support ICT infrastructure for timely extreme weather forecasts for tourists, using mobile and internet channels to reduce climate-related risks in tourist areas
	Waste
CBT WA 001	Raising public awareness on recycling and waste recovery
CBT WA 002	To use and manage urban solid waste in an integrated way
CBT WA 003	Using hybrid vehicles for waste collection
CBT WA 004	Recycle waste electrical and electronic equipment, paper, metal, plastic, among others
CBT WA 005	Formalising the activity of waste picker
CBT WA 006	Optimise urban waste management by including in building designs, waste rooms for adequate waste separation and storage
CBT WA 007	Producing fuel material from municipal solid waste and co-processing
CBT WA 008	Create demand and strengthen the market for recoverable waste
CBT WA 009	Promote biowaste composting systems that use segregated organic waste and are well aerated to avoid methane-generating anaerobic zones
CBT WA 010	Support biowaste anaerobic digestion systems that treat organic waste and produce biogas in line with taxonomy criteria
CBT WA 011	Invest in landfill gas capture and use for electricity and heat generation, biomethane injection into the gas grid, fuel for vehicles, or use as a raw material in industry, with control and monitoring of methane emissions and leaks.
CBT WA 012	Support research, development and professional services in the waste sector that create intangible assets and innovation to promote compliance with substantial contribution criteria.
	Water & Sanitation
CBT WS 001	Promoting water conservation in areas subject to increased water stress due to climate change
CBT WS 002	Introduction of energy-efficient pumps in the sewage system of a city

CBT WS 003	Improving the climate resilience of the water supply and increasing storage to ensure access where climate change adaptation is a main objective or part of broader initiatives to supply clean drinking water, which will also increase the resilience of the population to the effects of climate change
CBT WS 004	Biogas production and reuse of energy produced by wastewater facilities
CBT WS 005	Measures to design and deliver water and sanitation services which reduce vulnerability to floods of affected water and sanitation infrastructure
CBT WS 006	Project to reduce risks of urban flooding of water systems due to climate change and causing contamination though sewage overflow
CBT WS 008	Treatment of water resources with the introduction of recycled water
CBT WS 009	Protect lagoons, which are highly vulnerable to climate change, from salt-water intrusion and contamination
CBT WS 010	Wastewater management systems, or systems designed to protect the quality and quantity of existing water resources in the face of climate change, e.g. through the recycling of wastewater
CBT WS 011	Protection and/or rehabilitation of water bodies, swamps and wetlands as CO2 storage, related studies or research, e.g. limnology
CBT WS 012	Developing or enhancing systems for monitoring drinking water, in areas affected by higher temperatures, floods and rising sea level as a consequence of climate change
CBT WS 013	Capturing and flaring methane in domestic and industrial wastewater treatment plants
CBT WS 014	Use and exploit alternative water sources (such as groundwater harvesting and groundwater protection, rainwater harvesting for irrigation)
CBT WS 015	Water basin management involving forest protection / reforestation for the purpose of reducing the severity of floods while increasing carbon uptake
CBT WS 016	Promote and implement water efficiency programmes in the context of climate change
CBT WS 017	Water basin management involving forest protection / reforestation for the purpose of reducing the severity of floods while increasing carbon uptake
CBT WS 018	Actions to promote efficient use of surface water
CBT WS 019	Water reservoir maintenance and watershed management
CBT WS 020	Flood mitigation and control measures
CBT WS 021	Measures to minimize losses in water courses; Invest in water distribution and supply systems that meet structural leakage benchmarks (e.g. Infrastructure Leakage Index threshold) and apply technical standards to reduce physical losses.
CBT WS 022	Support desalination plants where energy used meets the taxonomy's emissions threshold (e.g. 100 gCO_2e/kWh) or consumption per m^3 is within specified limits.
CBT WS 023	Upgrade existing abstraction and water treatment plants to reduce average energy consumption in line with taxonomy requirements (e.g. ≥20% reduction vs a three-year reference).

Annexure XII Gender Budget Tagging Guidelines

Gender Budget Tagging (GDT) is a public financial management tool that identifies, classifies, and tracks budgetary allocations and expenditures that contribute to gender equality outcomes. To mainstream gender considerations across all sectors, Gender Budget Tagging has been introduced as part of the integrated budgeting framework. The design of the Gender Budget Tagging framework draws upon the best international practices. The Organisation for Economic Co-operation and Development (OECD) themes on gender budgeting were reviewed and compared with the themes developed under the Sub-National Governance (SNG) programme. Based on this comparative analysis, gender budgeting themes have been adopted from the OECD framework, while corresponding actions and measures have been contextualized to align with Pakistan's national and provincial priorities.

Instructions

1. Gender budgeting will be a regular feature of the BCC. Departments are required to fill the relevant form specifying gender-wise budget estimates and expenditure during each financial year.

2. Review departmental programs, projects, or budget lines to identify any activity that has a direct or indirect gender impact (e.g., women's education, maternal health, gender-based violence prevention, economic empowerment initiatives, or women's participation in governance).

3. Refer to Table 2: Gender-Related Actions and Measures in the GDT Guidelines Table-2.
4. Identify the **most appropriate GDT code** that aligns with your activity or expenditure.
5. Each GDT code corresponds to a specific gender-responsive action or measure.
6. Enter the **selected GDT code** in the "Gender Budget Tagging Code" column of the relevant budget form.
7. Assign a **quantitative weightage (0–100%)** based on the proportion of the budget item that contributes to gender objectives.

- *Example:* If 50% of a project's activities target women's empowerment, record 50% as the weightage.

8. Provide a brief justification in the remarks or explanatory memo section explaining how the activity contributes to gender outcomes.

9. Include any gender-disaggregated data, where available.

Table 2: Gender Budget Tagging Actions & Measures List

Gender Tagging Codes	Action and Measures
	Education and Skills Development
GDT ES001	Expand access and retention of girls in schools and colleges, higher education
GDTES002	Support women's participation in TVET, STEM, and digital literacy.
GDTES003	Improve gender-responsive learning environments.
	Health and Reproductive Care
GDTHC001	Improve maternal and neonatal services.
GDTHC002	Expand access to reproductive healthcare and awareness including family planning facilities
GDTHC003	Integrates gender into health policies, staffing, and access.
	Economic Empowerment and Employment
GDTEC001	Promote women-owned enterprises and startups. Incubations, accelerators
GDTEC002	Enhance opportunities for employment and fair workplace practices.
GDTEC003	Expand women's access to credit, savings, and digital finance.
	Social Protection and Gender-Based Violence Response
GDTSP001	Provide cash transfers, pensions, or support for vulnerable women. Poverty red
GDTSP002	Recognize and support unpaid care work.
GDTSP003	Address GBV through services, justice, and awareness including TFGBV
	Governance, Participation, and Leadership
GDTGL001	Increase women's representation in leadership and decision-making.
GDTGL002	Integrate gender into policy, planning, and budgeting.
GDTGL003	Improve gender data, transparency, and accountability.
	Climate Resilience, Environment, and Infrastructure
GDTCR001	Engage women in climate resilience, resource management, action and sustainability.

GDTCR002	Ensure safety and accessibility in urban and rural infrastructure.
GDTCR003	Promote green skills and awareness for women.

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