

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
1.	Framing period of Guide lines	Guide lines by DGPC June 24, 2014	Guide lines by Energy and Power Department KP Government 2012	Guide lines by Government of KP Finance Department 24 <sup>th</sup> March 2012	Guide lines by Energy and Power Department KP Government May 2014
2.	Area of utility	<ul style="list-style-type: none"> <li>- Prepared by E&amp;P Companies in consultation with the Local Administration</li> <li>- Health, education, water supply and drainage. Cash donations and supplies of material/medicines shall be discouraged.</li> </ul>	<ul style="list-style-type: none"> <li>- Prepared by E&amp;P Companies in consultation with the Local Administration</li> <li>- Electricity, Supply of Gas, Education, Technical Education, Water Supply Schemes, Roads, Health Facilities and Construction of Small Dams etc</li> <li>- Minimum size of Scheme – Rs One Million</li> </ul>	<ul style="list-style-type: none"> <li>- Funds to the tune of 10 % of Royalty on oil and gas to be utilized in the respective Districts (where well heads are located) shall be reflected in the Provincial ADP over and above their respective ADP as well as District Development Funds.</li> <li>- Electricity, Supply of Gas, Education, Technical Education, Water Supply Schemes, Roads, Health Facilities and Construction of</li> </ul>	<ul style="list-style-type: none"> <li>- Prepared by E&amp;P Companies in consultation with the Local Administration</li> <li>- Electricity, Supply of Gas, Education, Technical Education, Water Supply Schemes, Roads, Health Facilities and Construction of Small Dams etc</li> <li>- Minimum size of Scheme – Rs One Million In and Around Contract Area.</li> </ul>

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				Small Dams & Purchase of land for higher educational Institutions.	
3.	<b>Endorsement, Monitoring, Transparency and Accountability</b>	<ul style="list-style-type: none"> <li>- MNA of the concerned Constituency as Chairman</li> <li>- MPA of the concerned Constituency as Member</li> <li>- DCO/DC of the district as Member/ Secretary</li> <li>- E&amp;P Companies as Member</li> <li>- District Nazim/ Chairman of the Member of the as Member</li> <li>- District Council Tehsil Nazim/</li> </ul>	<ul style="list-style-type: none"> <li>- <u>District's MNA</u> – Chairman (In case more than one MNA is available in the respective Districts, the MNA of the constituency area from where maximum petroleum is produced).</li> <li>- <u>MPA of the District/ Tehsil(s)</u> – Co-Chairman/ Member</li> </ul>	<ul style="list-style-type: none"> <li>- To monitor and supervise the execution of schemes, a District level Committee headed by D.C.O will be constituted. Respective MPAs will be also be represented in the Committee.</li> <li>- Controlling Department – Local Government &amp; Rural Development with P&amp;D Department exercising it's role of monitoring, review and approval.</li> </ul>	<ul style="list-style-type: none"> <li>- <u>District's MNA</u> – Chairman (In case more than one MNA is available in the respective Districts, the MNA of the constituency area from where maximum petroleum is produced).</li> <li>- <u>MPA of the District/ Tehsil(s)</u> – Co-Chairman/ Member</li> </ul>

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		<p>Chairman of the Tehsil Council as Member</p> <p>- Once every sixth months, the DCO/DC shall effect the publication of a notice online and in the most widely-read newspaper in the district, announcing a public hearing to solicit any comments or reservations that the inhabitants of the district in general, and the purported direct beneficiaries of the scheme in particular, may have with regard</p>	<p>- <u>DC of concerned District – Secretary</u></p> <p>- <u>Two representative of each E&amp;P Company – Vice Chairman &amp; Member</u></p> <p>- <u>Representative of the concerned Executive Department in the District - Member</u></p> <p>- <u>AC of the concerned Tehsil – Member</u></p> <p>- <u>Divisional Monitoring Officer of</u></p>		<p>- <u>DC of concerned District – Secretary</u></p> <p>- <u>Two representative of each E&amp;P Company – Vice Chairman &amp; Member</u></p> <p>- <u>Representative of the concerned Executive Department in the District - Member</u></p> <p>- <u>AC of the concerned Tehsil – Member</u></p> <p>- <u>Divisional Monitoring Officer of Monitoring and Evaluation</u></p>

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		<p>to the schemes completed, initiated, or ongoing during the preceding six months. A list of all such schemes shall be included in the public notice along with their location, budget and current status. This shall be strictly monitored by the provincial governments.</p>	<p><u>Monitoring and Evaluation</u>  <u>Directorate, P&amp;D Department or his nominees</u> –Member</p> <p>- A quorum shall include Secretary, Vice Chairman and minimum 51 % members.</p> <p>- Endorsed by concerned MNA within one week after receipt of the schemes from the E&amp;P Companies</p> <p>- Once every sixth</p>		<p><u>Directorate, P&amp;D Department or his nominees</u> –Member</p> <p>- <u>District Nazim/Tehsil Nazim – Member</u></p> <p>- <u>Deputy Secretary of E&amp;P Department</u></p> <p>- Endorsed by concerned MNA within one week after receipt of the schemes from the E&amp;P Companies</p> <p>- Once every sixth months, the DCO shall effect the publication of a notice online and</p>

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			<p>months, the DCO shall effect the publication of a notice online and in the most widely-read newspaper in the district, announcing a public hearing to solicit any comments or reservations that the inhabitants of the district in general, and the purported direct beneficiaries</p>		<p>in the most widely-read newspaper in the district, announcing a public hearing to solicit any comments or reservations that the inhabitants of the district in general, and the purported direct beneficiaries of the scheme in particular, may have with regard to the schemes completed, initiated, or ongoing during the</p>

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			<p>of the scheme in particular, may have with regard to the schemes completed, initiated, or ongoing during the preceding six months. A list of all such schemes shall be included in the public notice along with their location, budget and current status.</p> <p>- Such notices for public hearings shall</p>		<p>preceding six months. A list of all such schemes shall be included in the public notice along with their location, budget and current status.</p> <p>- Such notices for public hearings shall be sent to all district level trade organizations, chambers of commerce, Bar Associations and</p>

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			<p>be sent to all district level trade organizations, chambers of commerce, Bar Associations and other prominent organizations and social welfare organizations.</p> <p>Notices shall also be sent to the provincial ombudsmen. Such public notices of the public hearings shall</p>		<p>other prominent organizations and social welfare organizations. Notices shall also be sent to the provincial ombudsmen. Such public notices of the public hearings shall also be promptly placed on the website of the district government, if it has one in Urdu, English and Regional</p>

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			<p>also be promptly placed on the website of the district government, if it has one.</p> <p>- The E&amp;P Company will provide an annual audit certificate from its statutory external auditor confirming the amount deposited with the Provincial Government with</p>		<p>languages.</p> <p>- A report in respect of completed schemes shall be sent to the Federal and Provincial Ombudsmen and to the Human Rights' Cell of the Supreme Court.</p> <p>- The E&amp;P Company will provide an annual audit certificate from its statutory external auditor confirming the amount deposited</p>



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			respect to its Production Bonus Obligation.		with the Provincial Government with respect to its Production Bonus Obligation.
4.	<b>Rates</b>	<ul style="list-style-type: none"> <li>- <b>Exploration Stage</b> – 30,000/- US \$ per annum</li> <li>- <b>Production Stage</b> - BOE per day</li> <li>  + <b>Zone 0 &amp; I</b> <ul style="list-style-type: none"> <li>➤ Less than 20000 – 50,000 US\$</li> <li>➤ 2000-5000 – 100,000 US \$</li> <li>➤ 5000 – 10,000 – 200,000 US</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- <b>Production Stage</b> - Cumulative Production from the area (MMBOE)</li> <li>  + On commencement of Commercial Production - 600,000/- US \$</li> <li>  + 30 - 1,200,000/- US \$</li> <li>  + 60 – 2,00,000/- US \$</li> </ul>	<ul style="list-style-type: none"> <li>- 12.5 % Royalty received by Ministry of Finance from E&amp;P Companies on account of Royalty of Oil and Gas</li> <li>- 10% rendered to Finance Department of the province</li> <li>- 10 % of the Royalty is rendered to the Oil and Gas producing Districts.</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Production Stage</b> - Cumulative Production from the area (MMBOE)</li> <li>  + On commencement of Commercial Production - 600,000/- US \$</li> <li>  + 30 - 1,200,000/- US \$</li> <li>  + 60 – 2,00,000/- US \$</li> </ul>

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		<p>\$</p> <ul style="list-style-type: none"> <li>➤ 10,000-50,000 – 400,000 US \$</li> <li>➤ More than 50,000 – 700,000 US\$</li> </ul> <p><b>✚ <u>Zone II &amp; III</u></b></p> <ul style="list-style-type: none"> <li>➤ Less than 20000 – 37,500 US\$</li> <li>➤ 2000-5000 – 75,000 US \$</li> <li>➤ 5000 – 10,000 – 150,000 US \$</li> <li>➤ 10,000-50,000 – 300,000 US \$</li> <li>➤ More than 50,000 – 525,000 US\$</li> </ul>	<p>✚ 80 – 5,000,000/- US \$</p> <p>✚ 100 – 7,000,000/- US \$</p>		<p>✚ 80 – 5,000,000/- US \$</p> <p>✚ 100 – 7,000,000/- US \$</p>

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