S.No	Agenda	Social Welfare	Production Bonus	Royalty Obligation	Proposed Guide Lines
		Obligations	Obligation		for Production Bonus'
					Utilisation
1.	Framing	Guide lines by DGPC	Guide lines by Energy	Guide lines by	Guide lines by Energy
	period	June 24, 2014	and Power	Government of KP	and Power
	of Guide		Department KP	Finance Department	Department KP
	lines		Government 2012	24 th March 2012	Government May 2014
2.	Area of	- Prepared by E&P	- Prepared by E&P	- Funds to the tune of	- Prepared by E&P
	utility	Companies in	Companies in	10 % of Royalty on oil	Companies in
		consultation with	consultation with	and gas to be utilized in	consultation with the
		the Local	the Local	the respective Districts	Local Administration
		Administration	Administration	(where well heads are	- Electricity, Supply of
		- Health, education,	- Electricity, Supply of	located) shall be	Gas, Education,
		water supply and	Gas, Education,	reflected in the	Technical Education,
		drainage. Cash	Technical Education,	Provincial ADP over and	Water Supply
		donations and	Water Supply	above their respective	Schemes, Roads,
		supplies of	Schemes, Roads,	ADP as well as District	Health Facilities and
		material/medicines	Health Facilities and	Development Funds.	Construction of Small
		shall be	Construction of	- Electricity, Supply of	Dams etc
		discouraged.	Small Dams etc	Gas, Education,	- Minimum size of
			- Minimum size of	Technical Education,	Scheme – Rs One
			Scheme – Rs One	Water Supply Schemes,	Million In and Around
			Million	Roads, Health Facilities	Contract Area.
				and Construction of	

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
				Small Dams & Purchase of land for higher educational Institutions.	
3.	Endorse ment, Monitor	- MNA of the concernedConstituency as	- <u>District's MNA</u> – Chairman (In case	 To monitor and supervise the execution of schemes, 	- <u>District's MNA</u> – Chairman (In case
	ing, Transpa rency	Chairman - MPA of the concerned	more than one MNA is available in the	a District level Committee headed by D.C.O will be	more than one MNA is available in the
	and Account ability	Constituency as Member - DCO/DC of the	respective Districts, the MNA of the	constituted. Respective MPAs will be also be	respective Districts, the MNA of the
		district as Member/ Secretary - E&P Companies as	constituency area from where	represented in the Committee Controlling	constituency area from where maximum
		Member - District Nazim/ Chairman of the	maximum petroleum is produced).	Department – Local Government & Rural Development with P&D	petroleum is produced).
		Member of the as Member - District Council	- MPA of the District/ Tehsil(s) - Co-	Department exercising it's role of monitoring, review and approval.	- MPA of the District/ Tehsil(s) - Co-
		Tehsil Nazim/	Chairman/ Member		Chairman/ Member

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
		Chairman of the Tehsil Council as Member 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	of each E&P Company - Vice Chairman & Member - Representative of the concerned Executive Department in the		- DC of concerned District – Secretary - Two representative of each E&P Company – Vice Chairman & Member - Representative of the concerned Executive Department in the District - Member - AC of the concerned Tehsil – Member - Divisional Monitoring Officer of Monitoring
		particular, may have with regard	Monitoring Officer of		and Evaluation

S.No Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
	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.	Monitoring and Evaluation Directorate, P&D Department or his nominees – Member - A quorum shall include Secretary, Vice Chairman and minimum 51 % members. - Endorsed by concerned MNA within one week after receipt of the schemes from the E&P Companies -Once every sixth		Directorate, P&D Department or his nominees – Member - District Nazim/Tehsil Nazim – Member - Deputy Secretary of E&P Department - Endorsed by concerned MNA within one week after receipt of the schemes from the E&P Companies -Once every sixth months, the DCO shall effect the publication of a notice online and

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
			months, the DCO		in the most widely-
			shall effect the		read newspaper in the
			publication of a		district, announcing a
			notice online and in		public hearing to
			the most widely-		solicit any comments
			read newspaper in		or reservations that
			the district,		the inhabitants of the
			announcing a public		district in general, and
			hearing to solicit any		the purported direct
			comments or		beneficiaries of the
			reservations that the		scheme in particular,
			inhabitants of the		may have with regard
			district in general,		to the schemes
			and the purported		completed, initiated,
			direct beneficiaries		or ongoing during the

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
			of the scheme in		preceding six months.
			particular, may have		A list of all such
			with regard to the		schemes shall be
			schemes completed,		included in the public
			initiated, or ongoing		notice along with
			during the preceding		their location, budget
			six months. A list of		and current status.
			all such schemes		- Such notices for
			shall be included in		public hearings shall
			the public notice		be sent to all district
			along with their		level trade
			location, budget and		organizations,
			current status.		chambers of
			- Such notices for		commerce, Bar
			public hearings shall		Associations and

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
			be sent to all district		other prominent
			level trade		organizations and
			organizations,		social welfare
			chambers of		organizations. Notices
			commerce, Bar		shall also be sent to
			Associations and		the provincial
			other prominent		ombudsmen. Such
			organizations and		public notices of the
			social welfare		public hearings shall
			organizations.		also be promptly
			Notices shall also be		placed on the website
			sent to the provincial		of the district
			ombudsmen. Such		government, if it has
			public notices of the		one in Urdu, English
			public hearings shall		and Regional

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
			also be promptly		languages.
			placed on the		- A report in respect of
			website of the		completed schemes
			district government,		shall be sent to the
			if it has one.		Federal and Provincial
			- The E&P Company		Ombudsmen and to
			will provide an		the Human Rights'
			annual audit		Cell of the Supreme
			certificate from its		Court.
			statutory external		- The E&P Company will
			auditor confirming		provide an annual
			the amount		audit certificate from
			deposited with the		its statutory external
			Provincial		auditor confirming the
			Government with		amount deposited

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
			respect to its		with the Provincial
			Production Bonus		Government with
			Obligation.		respect to its
					Production Bonus
					Obligation.
4.	Rates	- Exploration Stage –	- Production Stage -	- 12.5 % Royalty	- Production Stage -
		30,000/- US \$ per	Cumulative	received by Ministry	Cumulative
		annum	Production from the	of Finance from E&P	Production from the
		- Production Stage -	area (MMBOE)	Companies on	area (MMBOE)
		BOE per day	🖶 On	account of Royalty of	♣ On
		♣ <u>Zone 0 & I</u>	commencement	Oil and Gas	commencement
		Less than	of Commercial	- 10% rendered to	of Commercial
		20000 –	Production -	Finance Department	Production -
		50,000 US\$	600,000/- US \$	of the province	600,000/- US \$
		> 2000-5000 −	∔ 30 - 1,200,000/-	- 10 % of the Royalty is	4 30 - 1,200,000/-
		100,000 US \$	US\$	rendered to the Oil	US \$
		> 5000 − 10,000	4 60 – 2,00,000/-	and Gas producing	♣ 60 − 2,00,000/-
		- 200,000 US	US \$	Districts.	US \$

S.No Agend	a Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation
	\$ > 10,000- 50,000	♣ 80 - 5,000,000/- US \$ ♣ 100 - 7,000,000/- US \$		♣ 80 – 5,000,000/- US \$

S.No	Agenda	Social Welfare Obligations	Production Bonus Obligation	Royalty Obligation	Proposed Guide Lines for Production Bonus' Utilisation