

**MINUTES OF THE 11TH MEETING OF THE IMPLEMENTATION
COMMITTEE FOR REORGANIZING THE FEDERAL GOVERNMENT
HELD ON 29-10-2019**

The 11th meeting of the Implementation Committee was held on 29-10-2019 at 10:00 am in Institutional Reforms Cell (IRC), the P.M. Office. It was chaired by Dr. Ishrat Husain, Advisor to the Prime Minister on Institutional Reforms and Austerity. The list of the participants is annexed. The agenda of the meeting was to discuss the views / comments of Ministries / Divisions on proposed training, policy support and research institutes as per Annex-6 of the **REPORT ON REORGANIZING THE FEDERAL GOVERNMENT**.

2. The Chair while opening the meeting briefly apprised the participants about the essence of the reorganization in the federal government, its underlying rationale, its relevance in the present context and its future needs so that it could facilitate them in taking the right decisions. He stated that the idea behind this scheme is to pool the wisdom of technical side and that of generalist side. The proposed institutes in which the existing institutes / academies / centres are going to be merged have been conceived on the notion of different clusters like technical cluster, social sector cluster, financial & economic cluster and administrative cluster. Each cluster contains in it a common grouping of Ministries / Divisions. For instance, the Ministries / Divisions like Communications, Railways etc. can be included in technical cluster while the Economic Affairs, Finance etc. can be grouped under financial and economic cluster, Health, Education, Human Rights under social cluster and Establishment Division, Cabinet Division etc. can be clubbed under the general administrative cluster. The purpose of aligning these training institutes on the basis of this blended approach is to meet the emerging future challenges in building our capacity. Such comprehensive trainings will definitely prepare officers for effectively discharging responsibilities not only in a particular Ministry but in a cluster of Ministries / Divisions. The Chair further said that there is no specification of a particular qualification at the time of recruitment which means that the system has to filter these officers at some higher level. These institutes will further synthesize the generalists' skills with those of the professionals and will contribute towards formulation of a comprehensive policy, its effective implementation and result oriented monitoring. He further remarked that we cannot do away with generalists because we need field knowledge as well as individuals who can synthesize various viewpoints -technical, financial, legal, administrative and take decisions. He lamented that in the current scheme of things, the training has become mere formality for promotion having little links with preparedness for next assignments. He urged that training should be geared in such a way that it should prepare officers for shouldering the future responsibilities.

He observed that presently a lot of expenditure is being made on training but still it is not result oriented. He emphasized on introducing elective subjects in training institutes enabling the participants to improve their deficient area of expertise. Another member of the Committee invited the attention of the Committee towards imparting training of soft skills in these institutes. In reply to a query, the chair stated that the word 'merger' has been misconstrued. He explained that even after merger, the core functions of existing training institutes will remain intact. He further mentioned that the purpose is to bring all these institutes under a common governing structure which is currently missing as the Ministries do not have adequate time to spare resources to look after these institutes. These institutes would become constituent colleges of the respective proposed apex bodies. This arrangement will also remove the element of duplication presently prevalent among the different training institutes and at the same time will take care of the inherent weaknesses. The Chair informed the participants about the non-availability of qualified or trained financial analysts in Finance Division and their limited ability in financial reporting and forecasting. He concluded his introductory remarks by stating that we have to think through the whole of government perspective and should not confine ourselves to our respective turfs. In response to the request by the Secretary, M/o Information & Broadcasting that the Ministries may be given the target to propose reforms, one of the member clarified that the Committee is doing the job of inter-Ministerial / Divisions reorganization and as far as the intra Ministries / Divisions reforms are concerned every Ministry / Division is free to take the initiative.

3. After giving the background of the merger, the views / comments of the following Ministries / Divisions were invited for deliberation as under:-

Industries & Production Division

4. The representatives of the Ministry stated that Ministry wanted to maintain the status quo of National Productivity Organization (NPO) instead of merging it with proposed Industry and Trade Policy Institute (ITPI) because NPO is a liaison office of an international organization i.e. Asian Productivity Organization (APO) which is an intergovernmental organization committed to improving productivity in the Asia-Pacific region. Secondly, Pakistan is one of the founding members of APO and is paying obligatory contribution fee annually. Secretary, Industries & production is the ex-officio Director on the APO Governing Body under intergovernmental Convention. Meanwhile NPO benefits from the additional grants allocated by Government of Japan to the APO platform. Thirdly, NPO is leading the Productivity movement in Pakistan. Its role has transformed over years and, presently, works on smart industry, smart agriculture and smart services under APO mandate. Lastly, National

Productivity Master Plan for Pakistan is being developed with the assistance of APO Japan. NPO capacity building is already under way with APO funding and technical assistance.

5. The Committee was not satisfied by the justification given by the representative of the Ministry. It was asked by the committee what contribution NPO had been making in the realm of productivity. Secondly, the Committee was also not satisfied with the justification given by the Ministry regarding the engagement of NPO on small agriculture / green project rather it was termed as a sort of encroachment in the portfolio of other Division. The Committee made it clear that as for the liaison with Asian Productivity Organization (APO) is concerned that will remain intact.

Commerce Division

6. The representative of the Commerce Division stated that though in writing the Division conveyed unwillingness on the merger of Pakistan Institute of Trade and Development (PITAD) into proposed Industry & Trade Policy Institute (ITPI) but after the clarification of the concept of merger, he conveys the consent of the Ministry for it.

M/o Communications

7. The representative of the Ministry stated that the Ministry will beef up the infrastructure and faculty of National Transport Research Centre (NTRC) and revitalize it as per decision of Implementation Committee held on 27-08-2019, as a research wing, till the establishment of IPI.

8. The Committee remarked that throughout the world all modes of communications are parked under one umbrella which is not only cost-effective but also efficient. It was informed that Government is determined to follow the world best practices and wants to bring the various modes of communications / transportations under a unified control. In this way, an inter-modal transport synergy will be achieved.

Finance Division

9. The representatives of the AGP stated that they did not support the proposal of merger of Pakistan Audit & Accounts Academy with the proposed Institute of Fiscal Policy and Financial Management (IFPFM). One of the representatives stated that Audit & Accounts has no relation with financial management. On this, the Chair questioned whether the CF&AOs were not doing financial management in Ministries / Divisions? The representatives further stated that the proposed merger is against the functional autonomy granted to the Auditor General by the Constitution. On this, one of the members remarked that imparting

training to the officers of Audit & Accounts is not interference into the functioning of AGP and therefore it should not be termed as such. It was emphasized by the Committee that the purpose of proposed merger of these training institutes is to make the training more comprehensive instead of confining it to any of a single group, minimizing the cost and achieving synergy. The proposed merger will hardly have any bearing on the existing autonomy of the institute.

10. The representatives of the following Ministries / Divisions were present in the meeting but the agenda could not be discussed and thereby deferred to next meeting:-

- i. M/o Federal Education & Professional Training.
- ii. M/o Interior.
- iii. M/o National Food Security & Research.

11. No representative from the following Ministries/Divisions participated:

- i. M/o National Health Services, Regulations & Coordination.
- ii. M/o Railways.

Decisions

- i. The Committee recommended the merger of National Productivity Organization (NPO), M/o Industries & Production as a constituent unit of the proposed Industry & Trade Policy Institute (ITPI) while maintaining the existing arrangements with APO intact.
- ii. The Committee recommended the merger of Pakistan Institute of Trade and Development (PITAD), M/o Commerce into proposed Industry & Trade Policy Institute (ITPI).
- iii. The Committee recommended the merger of National Transport Research Centre (NTRC), M/o Communications into proposed Infrastructure Policy Institute (IPI).
- iv. Further discussion on the proposed merger of Audit & Accounts Academy into proposed Institute of Fiscal Policy and Financial Management (IFPFM) was deferred to the next meeting. The Committee also desired to invite the Auditor General and Chairman FBR in the next meeting.

**List of participants of the 11th Meeting of Implementation Committee
held on 29-10-2019**

- i. Advisor to the PM on Institutional Reforms & Austerity.
- ii. Minister for Defence.
- iii. The Chairman, Special Committee of the National Assembly on Kashmir.
- iv. Advisor to the PM on Petroleum.
- v. Advisor to the PM on Establishment.
- vi. The Special Secretary, Cabinet Division.
- vii. The Secretary, Petroleum Division.
- viii. The Secretary, Information & Broadcasting Division.
- ix. The Additional Secretary, M/o Federal Education & Professional Training.
- x. The Additional Secretary, M/o National Food Security & Research.
- xi. The Additional Secretary-I, M/o Interior.
- xii. The Senior Joint Secretary (Exp & Plg), Finance Division.
- xiii. The Senior Joint Secretary, M/o Communications.
- xiv. The Joint Secretary, Institutional Reforms Cell (IRC).
- xv. The Joint Secretary, M/o Law & Justice.
- xvi. The Joint Secretary, M/o Industries & Production.
- xvii. The Director General, PITAD, Commerce Division.
- xviii. The Director General (Tech), IR/FBR.
- xix. The Director General(Policy AGP),M/o Finance.
- xx. The Director General (Policy Wing), M/o Finance.
- xxi. The Chief Management, IR/FBR.
- xxii. The Deputy Secretary (Coord), Establishment Division.