

**MINUTES OF THE 24TH MEETING OF THE IMPLEMENTATION COMMITTEE
FOR REORGANIZING THE FEDERAL GOVERNMENT
HELD ON 13-02-2020**

The 24th meeting of the Implementation Committee was held on 13-02-2020 at 02:00 p.m. 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 at **Annex-I**. The agenda of the meeting was as under: -

- i. Briefing on the status of vacancy positions of heads of Public Sector Entities by Establishment Division.
- ii. Status /update on the recruitment process of vacant positions of heads of Public Sector Entities under M/o Industries & production, M/o National Health Services, Regulations & Coordination and Power Division.
- iii. Briefing on the status of Privatization of KAPCO by WAPDA.
- iv. Views and Comments of Industries & Production Division on status of Pakistan Hunting and Sports Arms Development Co. in consultation with M/o Defence as decided in 8th Meeting of Implementation Committee.
- v. Status update on classification of Constitutional Bodies by Establishment Division.

The meeting started with recitation from Holly Quran.

Agenda Item No.I Briefing on the status of vacancy positions of heads of Public Sector Entities by Establishment Division

2. On the invitation of the Chair, the Special Secretary, Establishment Division started presentation and gave an overall picture of the vacancy position (**Annex-II**), particularly in respect of the following five Ministries / Division where the vacancy position is maximum: -

S. No.	Name of Ministry/ Division	Vacancy position on 19.11.2019	Number of positions filled after 19.11.2019	New vacancies	Latest vacancy position
1.	Power Division	16	-	-	16
2.	Petroleum Division	10	02	03	11
3.	Industries & Production Division	19	04	03	18
4.	NHS,R & Coordination Division	17	05 (as reported by NHR & C)	-	12
5.	Science & Technology Division	09	-	02	11
Total		71	11	08	68

Agenda Item No.II Status update on the Recruitment process of vacant positions of heads of Public Sector Entities under M/o Industries & production, M/o National Health Services, Regulations & Coordination and Power Division

3. The respective representative of the Ministry / Division explained the position as under:

Power Division: Vacant Position

S.No.	Name of Organization	S.No.	Name of Organization
1.	PEPCO	2.	GEPCO
3.	MEPCO	4.	IESCO
5.	LESCO	6.	TESCO
7.	HESCO	8.	PESCO
9.	FESCO	10.	QESCO
11.	SEPCO	12.	National Energy Efficiency and Conservation Authority (NEECA)
13.	National Transmission & Dispatch Company (NTDC)	14.	National Power Parks Management Company Limited (NPPMCL)
15.	Power Holding Private Limited (PHPL)	16.	Central Power Purchasing Agency (CPPAG)

4. The representative stated that in most of the cases, senior engineers are performing the duties of CEO. On the query by the Committee, he stated that rules / regulations for appointment of CEOs are not conspicuously clear.

M/o Petroleum: Vacant Position

S. No.	Name of Organization
1.	Pakistan Mineral Development Corporation (PMDC)
2.	Sui Northern Gas Pipeline Limited(SNGPL)
3.	Sui Southern Gas Company Limited (SSGCL)
4.	Government Holdings Private Limited (GHPL)
5.	Lakhra Coal Development Company Limited (LCDCL)
6.	Pakistan LNG Terminals Limited (PLTL)
7.	Geological Survey of Pakistan (GSP)
8.	Pak-Arab Refinery (PARCO)

9	Pakistan Petroleum Limited (PPL)
10.	Pakistan LNG Limited (PLL)
11.	Hydro Carbon Development Institute of Pakistan (HDIP)

5. The Advisor to the Prime Minister on Petroleum who is also Member of the Committee briefed the forum that the summary for entity at S.No. 1 has been sent to the PM, for S.No.2, the candidates were finalized but due to the issue of dual nationality and NAB inquiry they were rejected and the process has been again started and for entity at S.No.3 the interview has been completed. For the entity at S.No.4, the selection has been completed and summary has been submitted to P.M. Office. For the entity at S.No.5, the post has recently been vacated, however, selection for new CEO is in process. He further stated that the entity at S.No.6 and 10 are to be merged. Regarding the entity at S.No.7, the summary for one-time relaxation in age limit criteria is being submitted to P.M. as the post could not be filled on the current terms and conditions. The short listing is in process for entity at S.No.8. The entity at S.No.9 is a new entry, however, the short listing of applications is in process. The post of CEO for entity at S.No.11 has recently become vacant.

M/o Industries & Production: Vacant Position

S. No.	Name of Organization	S. No.	Name of Organization
1.	Export Processing Zones Authority (EPZA)	2.	Pakistan Steel Mill (PSM)
3.	Furniture Pakistan (FP)	4.	Gujranwala Business Center (GBC)
5.	Pakistan Stone Development Company (PASDEC)	6.	Pakistan Gems & Jewellery Development Company (PG&JDC)
7.	Pakistan Hunting & Sports Arms Development Company (PHSADC)	8.	AikHunarAik Nagar (AHAN)
9.	Agro Food Processing (AFP)	10.	State Engineering Corporation (SEC)
11.	Pakistan Machine Tools Factory (PMTF)	12.	ENAR Petrotech Services Limited (EPSL)
13.	Sindh Engineering (Pvt) Limited (SEL)	14.	National Institute of Engineering & Fertilizer Research (NFC-IEFR)
15.	Industrial Facilitation Centre (IFC)	16.	National Industrial Parks Development Company (NIP)

17.	Department of Explosive (DOE)	18.	National Fertilizer Corporation (NFC)
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6. The representative updated the forum as under: -

- i. **Export Processing Zones Authority (EPZA):** The advertisement was published on 07-07-2019. Summary proposing a panel of three suitable candidates was placed before the Federal Cabinet on 11-02-2020.
- ii. **Pakistan Steel Mill (PSM):** The advertisement was published on 20-08-2019. The BoD could not find a suitable candidate; therefore, the post was re-advertised on 3rd November, 2019. The last date for submission of applications was 18th November, 2019. Interviews were held on 18th December, 2019. The BoD of PSM in its 407th meeting considered the nominations for the post of CEO. Summary for the Prime Minister/Cabinet will be submitted as soon as concrete and complete proposal is received from PSM.
- iii. **Furniture Pakistan (FP):** Mr. Muhammad Alamgir Chaudhry has been notified as CEO, NPO and he relinquished the charge of CEO, FP. The post has therefore fallen vacant. Cabinet Division approved the merger of FP in PIDC vide Cabinet Division's Memorandum No. 4-11/2019-Min-I dated 23rd December, 2019.
- iv. **Gujranwala Business Center (GBC):** Mr. Muhammad Alamgir Chaudhry has been notified as CEO, NPO and he relinquished the charge of CEO, GBC. The post has therefore fallen vacant. The Company is in transition and Mol&P during the process of re-structuring recommends that GBC may be merged with PIDC.
- v. **Pakistan Stone Development Company (PASDEC):** Recommended for privatization by Mol&P. The implementation committee has also recommended the same; therefore Mr. Zahid Mehmood (current CEO) may continue for the time being.
- vi. **Pakistan Gems & Jewellery Development Company (PG&JDC):** Interviews of six shortlisted candidates were held on 14-11-2019. The BoD recommended suitable candidates to Mol&P dated 4th December, 2019. This Ministry has requested PG&JDC to scrutinize their recommendations as per the procedures laid out in Companies Act, 2017 and Public Sector Companies (Corporate Governance Rules), 2013. A Summary for the Prime Minister/Cabinet will be submitted as soon as this process of scrutiny is completed.
- vii. **Pakistan Hunting & Sports Arms Development Company (PHSADC):** Mr. Tahir Nawaz Khattak appointed as CEO on acting basis w.e.f 11-07-2017. Mol&P during the

process of re-structuring recommends that PHSADC may be merged with PIDC. Therefore, a CEO has not been appointed since the future of the company is unclear.

- viii. **AikHunarAik Nagar (AHAN):** Cabinet Division approved Liquidation of AHAN vide Memorandum No. 4-11/2019-Min-I dated 23rdDecember, 2019.
- ix. **Agro Food Processing (AFP):** Summary for the Cabinet for appointing Chief Executive Officer of Agro Food Processing (AFP) Facilities, Multan is under process in consultation with the Finance Division. However, Mr. Zafar Ahmad will continue to serve as CEO, AFP till appointment of his successor.

M/o National Health Services, Regulations & Coordination

7. No representative from M/o National Health Services, Regulations & Coordination participated.

Science & Technology: Vacant Position

S. No.	Name of Organization
1.	Pakistan Council of Scientific & Industrial Research (PCSIR)
2.	Pakistan Council for Science & Technology (PCST)
3.	Pakistan Council of Research in Water Resources (PCRWR)
4.	Council for Works and Housing Research (CWHR)
5.	National Institute of Oceanography (NIO)
6.	Pakistan National Accreditation Council (PNAC)
7.	National Institute of Electronics (NIE)
8.	Pakistan Halal Authority (PHA)
9.	STEDEC Technology Commercialization Corporation on Pakistan (STEDEC)
10.	Pakistan Science Foundation (PSF)
11.	COMSATS University, Islamabad (CUI)

8. The representative stated that they want to fill the vacant positions of headship on MP Scales. On this, the Chair informed that a Committee under the chair of Mr. ShafqatMahmood, Minister for Federal Education & Professional Training and having Secretary Establishment, Finance and Law as its members has already been constituted that will

examine the conversion of posts from Basic Pay Scale to Management Pay Scale. The Committee suggested to the Ministry that first it should fill the posts and then take up the process of restructuring. The Committee further observed that Establishment Division should obtain information from these Ministries / Divisions concerned as to what are the obstacles in the way of appointing CEOs for these Organization. Are there problems in the procedures/ hiring process or the resources of requisite skillset is unavailable?The Committee desired Establishment Division to analyze the data and prepare a working paper for the Committee.

M/o Water:

9. The Secretary, Ministry stated that the position of CEO for PCIW could not be filled due to recruitment rules. But now they have submitted summary to the Prime Minister.

Agenda No.III Briefing on the status of Privatization of KAPCO by WAPDA

10. MD KAPCO shared the overview of the company with the Committee. He stated that they were working on different options to ensure that the company remains in business in long term scenario. They were keeping all the three scenarios in view i.e. **a)** the extension of PPA **b)** securing a hybrid extension of agreement, or **c)** the non-extension of PPA. Advisor to PM on Petroleum informed that Government was pursuing a strict policy of non-extension of PPAs on the existing contractual terms i.e. Take or Pay, and as such, there was virtually no chance that KAPCO will get any extension or hybrid extension of the PPA after its expiry in June 2021. Therefore, the Company should focus only on post-PPA scenario and CEO should present the long-term plan so that the Government may take an informed decision about the fate of its 40% equity in it (through WAPDA). MD, KAPCO stated that he was in talks with multiple parties with a view to strike some joint ventures. He sounded optimistic about the future of KAPCOand apprised that a sensitivity analysis of the company is underway, and the details thereof, would be shared with shareholders to make informed decisions.

The Committee desired KAPCO to finalize its plans at the earliest and share with WAPDA. The Committee also directed the WAPDA to complete their study regarding the long-term fate of its investments in KAPCO and finalize its recommendations at the earliest in this regard.

Agenda No.IV Views and Comments of Industries & Production Division on status of Pakistan Hunting and Sports Arms Development Co. and Gujranwala Business Center in consultation with M/o Defence as decided in 8th Meeting of Implementation Committee.

11. The representative stated that the case is in the process for finalization.

Agenda No.V Status update on classification of Constitutional Bodies by Establishment Division

12. The discussion on the matter was deferred.

13. The Committee desired Finance Division to brief the Committee on the proposal of Executive Allowance.

Decisions:

- i. Establishment Division should obtain information from the Ministries / Divisions concerned to determine the obstacles hindering appointments of the CEOs of these Organizations. The Committee also desired Establishment Division to analyze the data, identify generic issues and prepare a working paper for the Committee.
 - ii. The Committee desired KAPCO to finalize its plans at the earliest and share with WAPDA. The Committee also directed the WAPDA to complete their study regarding the long-term fate of its investments in KAPCO and finalize its recommendations at the earliest in this regard.
 - iii. The Committee directed to Industries & Production Division to early finalize the matter of Pakistan Hunting and Sports Arms Development Company in consultation with M/o Defence as per decision taken in 8th Meeting of Implementation Committee. Likewise, the decision regarding future of GBC, Gujranwala may also be decided in consultation with Gujranwala Chamber of Commerce and Industries and other stakeholders.
 - iv. The Committee desired Finance Division to brief the Committee on the proposal of enhancement of salary package.
14. The meeting ended with a vote of thanks to and from the Chair.

List of participants of the 24th Meeting of Implementation Committee held on 13-02-2020

- i. Dr. Ishrat Husain, Advisor to the PM on Institutional Reforms & Austerity, Islamabad.
- ii. Mr. Shafqat Mahmood, Minister for Federal Education & Professional Training, Islamabad.
- iii. Syed Fakhar Imam, Chairman, Special Committee of the National Assembly on Kashmir, Islamabad.
- iv. Mr. Nadeem Babar, Advisor to the PM on Petroleum, Islamabad.
- v. Mr. Mohammad Shehzad Arbab, Advisor to the PM on Establishment, Islamabad.
- vi. Secretary, M/o Water Resources, Islamabad.
- vii. Secretary, M/o National Health Services, Regulations & Coordination, Islamabad.
- viii. Dr. Safdar Sohail, Special Secretary, Cabinet Division.
- ix. Mr. Amir Mehmood, Senior Joint Secretary, Finance Division, Islamabad.
- x. Managing Director, KAPCO, Islamabad.
- xi. Mr. Muhammad Umer Aziz, Joint Secretary, M/o Law & Justice, Islamabad.
- xii. Mr. Sajjad Ahmed, Joint Secretary, Power Division, Islamabad.
- xiii. Mr. Mehr Ali Shah, Joint Secretary, Water Division, Islamabad.
- xiv. Mr. Niaz Mohammad Khan, Joint Secretary, Industries & Production Division, Islamabad.
- xv. Mr. Azhar Amin Chaudhry, Joint Secretary, Industries & Production Division, Islamabad.
- xvi. Mr. Amir Ahmed Khan, Joint Secretary, Finance Division, Islamabad.
- xvii. Mr. Umer Aziz, Joint Secretary, M/o Law & Justice, Islamabad.
- xviii. Mr. Qamar Zaman, Joint Secretary, Institutional Reforms Cell (IRC).
- xix. Ms. Lubna Said Ghias, Deputy Secretary (Coord), Establishment Division, Islamabad.
- xx. The Deputy Secretary, IRC, Prime Minister's Office, Islamabad.