

January 2018

NEWS COVERAGE PERIOD FROM JANUARY 22ND TO JANUARY 28 TH 2018

DEVELOPMENT OF 38-KM-LONG MALIR EXPRESSWAY APPROVED BY SINDH CM

Dawn, January 27th, 2018

Habib Khan Ghori

KARACHI: The Sindh government has decided to develop 38-kilometre-long Malir Expressway as the shortest alternative route to connect the motorway with the city centre.

Besides upgrading the existing Safari Park and Theme Park, located in the Safari Park, to a state-of-the-art amusement park, Rani Bagh in Hyderabad would also be turned into a modern recreational facility on the basis of public-private partnership.

Sindh Chief Minister Syed Murad Ali Shah, who gave approval of the projects while presiding over the 24th Public-Private Partnership (PPP) Policy Board meeting here at CM House on Friday, directed the PPP unit to start the process for inviting expression of interest for the Malir Expressway project and send the park projects to the local government's technical committee for assessment and then in the next meeting the matter would be brought in the policy board for discussion.

Earlier addressing the meeting, the chief minister highlighted the necessity of the projects saying that Karachi had potential to accommodate and attract people from all over the country in providing jobs, business opportunities and housing facilities.

“The phenomenal population growth and increase in vehicular traffic has resulted in congestion and traffic jam issues on major roads of the city due to which road users are facing inconvenience, hazards like wastage of time and fuel, different kinds of pollution and accidents,” he said and added that the Sindh government had decided to develop the shortest alternative route to connect motorway with city centre.

It would be a four-lane dual carriageway 38km expressway along Malir River starting from Hino Chowk and ending near Kathore on the Superhighway (M-9).

The chief minister said the main objective of the project was to construct a strategic expressway, which would be required to carry the increased traffic on account of increased economic activities in the North of Karachi and hence would be an asset for the city, which would serve as the Southern alternative route for carrying traffic of the port and industrial areas to main highways.

During discussion on Karachi Theme and Safari Park project, the chief minister was told that the KMC had received an unsolicited proposal for the development of the Karachi Theme and Safari Park at the existing facility of Safari Park.

The project would be started on build-operate-transfer basis which would include the rides area with 25 rides and attractions, family entertainment centre with a food court and additional family rides, including trampoline, kids area and 3D rides, etc.

The Safari park would have a pet farm auditorium in which families can enter and spend quality time and have much needed exposure to non-dangerous animals for kids.

There would also be a splash zone, spectacular safari ride and additional 78 animals would be procured and adequately placed along with the exiting animals in an un-caged environment.

The visitors to the Safari Park would get a lifetime experience of safari, the chief minister was told.

Local Government Minister Jam Khan Shoro said that the Malir Expressway would be launched under public-private partnership mode which would include design, built, operate, maintain and transfer.

Presenting Hyderabad's Rani Bagh project in the policy board, the minister said his department had conceived the project for restructuring, upgrading and redesigning the Rani Bagh by turning it into a modern recreational facility, which would beautify the city landscape and provide its residents with cleaner environment and contemporary entertainment place.

The existing zoo was spread over an area of 5-7 acres, where various animals and bird species were present, but the zoo was not being maintained as per standard operating procedure, he said.

The minister added that the department had a plan to redesign and restructure the facility by introducing gardens, promenades, zoo, recreational areas, open theatre cinema, food outlets and play area for children on PPP mode.

The meeting was attended by Local Government Minister Jam Khan Shoro, chief secretary Rizwan Memon, chairman of planning and development Mohammed Waseem, principal secretary to CM Sohail Rajput and members of the board.

<https://www.dawn.com/news/1385457/development-of-38-km-long-malir-expressway-approved-by-sindh-cm>

NEWS COVERAGE PERIOD FROM JANUARY 1ST TO JANUARY 7TH 2018

PROPOSED PRIVATISATION OF WAPDA REJECTED AMID PROTESTS IN PARTS OF SINDH

Dawn, January 04, 2018

HYDERABAD: In connection with Youm-i-Mutalbat (demands day), protests were held on Wednesday under the banner of All Pakistan Wapda Hydro Electric Workers Union (CBA) in parts of Sindh.

Addressing a big rally in Hyderabad, union president Abdul Latif Nizamani warned that the government would not be allowed to privatise power houses and distribution companies.

The government had again planned to divide, close and privatise power houses and power distribution companies of the country, he said and recalled that the CBA union with the force of labour had already prevented privatisation of the institution twice.

"If the government is determined to privatise them, it (government) would be privatised," he threatened while speaking at a big rally outside the local press club.

Hundreds of workers of the Water and Power Development Authority (Wapda), including Hyderabad Electric Supply Company (Hesco), power houses, water wings and other units, took out a rally from the Labour Hall Hyderabad to the local press club where it was converted into a public meeting.

Carrying banners and placards, they were shouting slogans for their demands.

Mr Nizamani said the top echelons of government institutions were bound to hold parleys with the CBA leaders and fulfil fair demands presented by workers as per the International Labour Organisation (ILO) and Industrial Relations Act (IRA) 2012.

The government must fulfil fair demands of workers, including implementation of son quota, regularisation of contractual workers, payment of bonuses on regular basis etc.

Accusing the government of following an anti-labour policy, he warned that it would never be allowed to deprive workers of their rights.

He stressed the need for an end to corruption in the institutions, power theft and wrong billing.

He pleaded for a fair accountability of all those officials and consumers who were involved in corruption so that the institutions could be strengthened.

CBA provincial secretary Mohammad Iqbal Qaimkhani and other office-bearers of the union also addressed the rally and assured workers of resolving their problems soon. In Larkana, workers affiliated with the All Pakistan Wapda Hydro Electric Workers Union (CBA) staged a lockout and took out a rally against the attempt of the Pakistan Muslim League-Nawaz (PML-N) to privatise power companies.

In the lead of their regional and divisional leaders, including Nisar Ahmed Shaikh, Abdullah Soomro and Hashim Gaad, workers started a march from the office of the superintendent engineer Larkana circle of Sukkur Electricity Power Supply Company (Sepco). Carrying banners and placards, and chanting slogans, they gathered outside Jinnahbagh and staged a sit-in and burnt tyres there.

They alleged that Federal Minister for Power Awaiz Leghari was out to privatise the power companies, but they (workers) would fight with determination against his move.

Expressing concern over the kidnapping of Nizamuddin Khoso, in-charge of Karampur power grid station, they demanded of the government to get him released from the clutches of kidnappers.

Workers of the Hyderabad Electricity Power Supply Company (Hesco) boycotted their duties and took out rallies in Badin, Matli, Talhar and other towns to register their protest against the proposed privatization of Wapda by the federal government.

In Badin, workers also staged a demonstration outside Badin press club. Talking to reporters, protesters' leaders vowed to resist the move of the against government.

Hundreds Wapda/Sepco employees in Sukkur staged a sit-in in front of the local press club against the government attempt. Addressing on the occasion, union leaders said the Nawaz government, instead of bringing improvement in Wapda, wanted to sell it. The move would not only damage the institutions, but also rendered thousands of employees jobless, they added.

They alleged that the federal government had damaged Wapda by committing corruption, otherwise Wapda was a profitable institution.

They vowed that they would not allow privatisation of Wapda at any cost. Wapda employees would hold strong protests if the government tried to privatise it forcibly, they warned.

<https://www.dawn.com/news/1380611/proposed-privatisation-of-wapda-rejected-amid-protests-in-parts-of-sindh>

February 2018

NEWS COVERAGE PERIOD FROM FEBRUARY 26TH TO MARCH 4TH 2018

GOVT ASKED TO REVISIT PRIVATISATION LAW

Abdul Rasheed Azad

ISLAMABAD: The Committee on Delegated Legislation was shocked to learn that there was no legally constituted Privatization Commission (PC). The committee asked the government to revisit the existing Privatization Ordinance 2000, which, it said, is seriously flawed.

The issue came under discussion on a petition against some regulations of the Privatization Commission Ordinance 2000 as well as examination of the rule about valuation of property taken up by the Senate Committee on Delegated Legislation Tuesday.

The meeting presided over by Senator Taj Haider was attended by Senators Javed Abbasi, Daud Khan Achakzai, Kulsoom Perveen and Farhatullah Babar, besides senior officials.

During discussion on distribution of powers between the Chairman Privatization Commission and the Board, Senator Farhatullah Babar pointed out that there were ambiguities in the Privatization Ordinance as it was silent as to who members of the Commission are and how it was constituted, he said. After some discussion, the committee decided that the Privatization Ordinance 2000 be revisited.

The last agenda item on Rules under the National Command Authority Act was postponed as the defense secretary did not appear before the committee.

Committee Chairman Senator Taj Haider informed that the secretary defense called him and chairman Senate on Monday late night to postpone the meeting as he was busy. Earlier, the defense ministry had requested for in-camera discussion to which both he and the mover had agreed. He then invited the committee members for comments.

Senator Farhatullah Babar said that transparency based on open discussion is a critical function of a parliamentary committee. The NCA Act 2010 was also passed through an open public parliamentary debate. Subordinate legislation, thus, should also be open. The chairman Senate has also given a ruling for regulating procedure to place sensitive information before the Parliament, he said. Even then the committee agreed to in-camera discussion and yet the secretary defense had not come, he said.

Babar said that a senior officer could have been deputed by the secretary defense but the fact is that no one has come to the meeting.

He said that this issue was raised in the Senate Defense Committee for over a year ago but the ministry avoided discussion on it. Now it is avoiding discussion in the Delegated Legislation Committee as well and asked why it is so.

This has created space for unnecessary speculations and must be avoided, he said. The committee decided to defer the matter yet again.

<https://epaper.brecorder.com/2018/02/28/1-page/702264-news.html>

DANYAL AZIZ BRIEFS NA PANEL ON PIA PRIVATISATION
Dawn, March 1st, 2018

ISLAMABAD: Minister for Privatisation Daniyal Aziz on Wednesday briefed the National Assembly Standing Committee on Privatisation on the process of privatising the Pakistan International Airlines (PIA) and said he would share the transaction plan with the committee at its next meeting.

The government plans to complete the transaction by mid-April.

The decision taken by the Cabinet Committee on Privatisation of PIA will be forwarded to a full-fledged meeting of the cabinet for ratification.

Says he will share the transaction plan with the committee at its next meeting

Mr Aziz reiterated that the liabilities along with the management would remain under the control of the government.

No property belonging to the PIA would be put on sale, he said.

All steps regarding sale and purchase of the PIA assets would be treated strictly in accordance with the parameters prescribed under the Pakistan International Airlines Corporation (Conversion) Act, 2016, he told the committee which met under the chairmanship of Syed Imran Ahmad Shah.

Mr Aziz said that privatisation of the PIA was quite different from other transactions wherein 51 per cent shares of the national flag carrier would remain under the control of the government. In this way, the federal government would remain the capital shareholder even after the privatisation.

It was recommended that the committee be briefed in its next meeting about the procedural steps and recommendations made by the Financial Advisory Consortium for privatisation of the PIA.

<https://www.dawn.com/news/1392466/aziz-briefs-na-panel-on-pia-privatisation>

PPP WILL OPPOSE MOVE TO PRIVATISE PIA, STEEL MILLS: BILAWAL

Dawn, March 2nd, 2018

ISLAMABAD: Asserting that the Pakistan Peoples Party (PPP) will form the next government at the Centre, party chairperson Bilawal Bhutto-Zardari said that people did not care about former prime minister Nawaz Sharif's rhetoric of "why he was sent home".

At a press conference held at Zardari House on Thursday, Mr Bhutto-Zardari said that Mr Sharif had ruled the country four times during which he had taken no steps to strengthen parliament. Instead, he added, the former prime minister was only interested in protecting his own rule.

The PPP chairman said that Mr Sharif had placed the entire democratic system at stake for his own political survival. He said the country's economy was rapidly spiralling downwards, while people's problems were not being addressed. The PPP wanted accountability of everyone and was working hard for judicial reform in the country, he said, regretting that the ruling Pakistan Muslim League-Nawaz (PML-N) had not expressed any interest in this throughout their tenure. "The PPP will contest the upcoming general election with a manifesto of resolving people's problems... while Nawaz Sharif has his slogan of mujhe kyun nikala (why was I ousted)."

Party chairman says people's problems are mounting while Nawaz keeps asking why he was ousted

He claimed that Pakistan Tehreek-i-Insaf chairman Imran Khan will contest the polls with help from his friends — the Taliban.

He said the PPP would never let the Pakistan International Airlines (PIA) be privatised, adding that his party would resist any move to this end at every available forum.

During a meeting with 15 PIA employees, led by Hidayatullah Khan of the Peoples Unity, Mr Bhutto-Zardari said the PPP was concerned as they had received compelling evidence that during the past five years, certain faulty policies had been deliberately adopted to make the national flag carrier and the Pakistan Steel Mills incur huge losses running into hundreds of billions of rupees.

“The criminal neglect suffered by these state-run entities shows that it was done by design so that they incurred huge liabilities and thereby a false justification was created for their sale at throwaway prices,” he said.

Recounting various faulty policies, he said the PIA had no business plan and had floated a thoughtless premier service which incurred a loss of nearly Rs3 billion in a few months before the service was discontinued due to severe public criticism.

Mr Bhutto-Zardari said highly expensive lease agreements, open skies policy without consideration of national interest and discontinuation of some profitable international flights had led the PIA down a steep slope.

<https://www.dawn.com/news/1392699/ppp-will-oppose-move-to-privatise-pia-steel-mills-bilawal>

NEWS COVERAGE PERIOD FROM FEBRUARY 19TH TO FEBRUARY 25TH 2018

PPP SEES CONFLICT OF INTEREST BEHIND PLANS FOR PIA, PSM PRIVATISATION

Dawn, February 19, 2018

Bakhtawar Mian

ISLAMABAD: The Pakistan Peoples Party (PPP) sees conflict of interest behind the proposed privatisation of the Pakistan International Airline (PIA) and the Pakistan Steel Mills (PSM) at a time when only four months are left of the Pakistan Muslim League-Nawaz government’s tenure.

“It is a malafide, ill-advised, arbitrary and ill-intentioned move to undertake such a decision at a time when the present government has only four months in its tenure. We believe that the incumbent prime minister and his predecessor have ulterior motives in privatising the two entities. There is a conflict of interest as one of them is an airline tycoon and the other a steel tycoon,” said PPP secretary general Nayyar Bukhari at a press conference here on Sunday. PPP MNA Nafeesa Shah also spoke on the occasion.

The PPP leaders said they would raise the issue in the parliament and use all options to thwart the attempt to privatise the two entities. They said that the government had deliberately created conducive conditions to facilitate privatisation of the PIA and the PSM. “Privatisation of state entities is no solution for stopping losses.”

They recalled that Prime Minister Shahid Khaqan Abbasi had been chairman of the PIA and alleged that he had used that office to establish his own airline.

“The PIA has discontinued the New York operations but Air Blue has launched the operation,” the PPP leaders said.

Similarly, they alleged, Nawaz Sharif led the cartel of private steel industry and the PSM had suffered a downfall (during his tenure as prime minister).

They rejected the privatisation move and accused the government of having made plans to benefit its favourites during the privatisation process.

“It seems that the incumbent prime minister and his predecessor want to dispose of state entities to benefit their cronies, partners, allies, friends and families as has been done in the past,” the PPP leaders alleged. “They want to turn Pakistan into a retail economy with no production and basic industry. This is why exports are at a historical decline and debt and borrowing at historical high.”

The PPP leaders also alleged that the PSM had been deprived of gas supply since 2015, at a time when the production was 65 per cent. “The government has deliberately made the PSM to suffer to pave the way for its privatisation,” Mr Bukhari alleged.

During the PPP rule, former president Asif Ali Zardari had signed a memorandum of understanding with Russia to revive the PSM but the PML-N government did not pursue it, he said.

In reply to a question about large-scale induction of employees in the PIA by the PPP government, Nafeesa Shah said that at present there was a shortage of staff in the airline instead of redundancy. "The narrative of PPP hiring employees is a fake one. Even today, every flight is running with short crew," she said.

Mr Bukhari alleged that the name of German chief executive officer of the PIA, Brend Hildenbrand, was removed from the Exit Control List and he was given safe passage by the then interior minister Chaudhary Nisar Ali Khan at the behest of Mr Abbasi.

The present CEO of the national flag carrier had no experience in aviation management, he said. "He is the fourth CEO to be appointed in the PIA during five years. There are no base managers in Islamabad, Peshawar and Lahore," he added.

Mr Bukhari said that every week, more than 600 flights were being given free access to Pakistan which had reduced the PIA's market share to 25 per cent from 45pc during the last four years, resulting in a loss of market share amounting to \$3 billion per year.

<https://www.dawn.com/news/1390307/ppp-sees-conflict-of-interest-behind-plans-for-pia-psm-privatisation>

SINDH CABINET DECIDES TO RESIST PRIVATISATION OF PIA, PSM

Dawn, February 20th, 2018

Habib Khan Ghori

KARACHI: The Sindh government has opposed the proposed privatisation of Pakistan International Airlines, Pakistan Steel Mills and Lakhra Coal Power Plant and decided to resist the moves.

This was resolved by the Sindh cabinet, which met here on Monday at New Sindh Secretariat with Chief Minister Syed Murad Ali Shah in the chair.

Another important item on the agenda pertained to the draft of the Sindh Police (Transfer, Posting & Tenure) Rules 2017 but as the matter was in the Supreme Court, it was deferred till the court decided the Sindh government's appeal. However, the draft law regarding the public sector universities of Sindh was approved, empowering the chief minister to appoint vice chancellor, deans and pro-vice chancellor while the registrars and controller of examinations would be made by the syndicate on recommendation of the selection committee. The governor, being chancellor of the university, would only confer honorary degrees. The cabinet approved the draft law and decided to send it to the standing committee on higher education.

The other items on the agenda of the cabinet include amendment to the charter of Ziauddin University, Sindh Coal Authority Rules 2017, Sindh Nooriabad Gas Fired Power Project, revised amendment to Sindh Mining Concession Rules 2002, delegation of powers to determine the composition of mines committee, draft legislation regarding the Sindh Ruet-i-Hilal Act 2017, Sindh Quran (Printing, Recording and Disposal of Damaged or Shaheed and Sacred Araqs) Act 2018, Amendment to the Law Officers (Conditions of Service) Rules, the Sindh Tourism Development Corporation Employees (Services) Bye-Laws, 2017; the Sindh Employees Social Security (Amendment) Bill 2017, Regularisation of Contract Veterinary Doctors Under District-Wise Veterinary Service Programme.

CM may get powers to appoint top officials of universities

Taking up the privatisation issue, the chief minister said that the workers of Pakistan Steel Mills were starving because of non-payment of their salaries. The federal government deliberately turned the once profit-making organisation of PSM into a loss-making one. The same has been done with PIA. “We are very much clear that the land of Pakistan Steel Mills would automatically return to the provincial government if it is privatised,” he said and added that the federal government would have to safeguard the interest of the workers of PIA, Pakistan Steel and Lakhra Coal-fired Power Plant. The Sindh government would resist their privatisation, he added.

The cabinet unanimously authorised the chief minister to give a clear message of the cabinet to the federal government. The meeting also approved the amendment to the charter of Ziauddin University and the Rules of Sindh Coal Authority, 2017.

The cabinet was told that the Nooriabad Power Project was operating at its full capacity and it was supplying 100MW of electricity to K-Electric. The cabinet after going through the presentation given by Energy Secretary Agha Wasif approved some amendments to the Gas Supply Agreement of Sindh Nooriabad Power Company PVT Ltd. The amendments were purely technical. These amendments were made to meet the requirements of Ogra authorities.

The cabinet also discussed revised amendment to the Sindh Mining Concession Rules, 2002 and approved it. The presentation to the cabinet was given by Secretary for Mines and Minerals Shams Soomro.

The cabinet was told that the Sindh Mining Concession Rules were framed in 2002, but there was a lack of clarity in the existing definition of the licensing authority. The licensing powers were given to the secretary for mines and mineral and the minister was made appellate authority. The cabinet approved the revised amendment.

Secretary for Zakat, Ushr and Religious Affairs Riaz Soomro briefing the cabinet about legislation on Ruet-i-Hilal said that to maintain unanimity on all religious occasions nationwide and to regulate Ruet-i-Hilal arrangements the federal government had prepared a draft law. They had requested the provincial governments to pass a resolution thereby allowing the federal government to legislate on their behalf for Ruet-i-Hilal.

The other provincial assemblies have already passed such resolutions, therefore, the Sindh Assembly may also pass the same resolution. The cabinet approved the proposal and directed the Zakat and Religious Affairs Department to submit the resolution in the assembly.

<https://www.dawn.com/news/1390439>

WORKERS CONDEMN GOVT PLAN TO PRIVATISE PIA, PAKISTAN STEEL
Dawn, February 25th, 2018

Hasan Mansoor

KARACHI: Representatives of various labour organisations on Saturday asked the government to shun their plan to privatise Pakistan Steel and Pakistan International Airlines (PIA) as that would render thousands of people jobless.

These labour leaders had gathered at the Pakistan Institute of Labour Education and Research (Piler) office to participate in the provincial consultation of the National Labour Council (Sindh).

They condemned the government’s plan vis-à-vis privatisation of the public-sector organisations having paramount public significance.

The consultation meeting was presided over by Haibuddin Junaidi in which labour leaders from across Sindh took part.

They included executive director of Piler Karamat Ali, Nasir Mansoor of National Trade Union Federation, Asad Iqbal Butt of Human Rights Commission of Pakistan, Saeed Baloch of Pakistan Fisherfolk Forum, Liaquat Sahi of Democratic Workers Union of State Bank of Pakistan, Shaikh Majeed, Roshan Kalhoro, Sultan Khan, Farhat Perveen and Mirza Maqsood Ahmed.

They said hundreds of thousands of workers had already lost their jobs as a result of privatisation of several state-owned industrial and commercial institutions since 1990s.

The discussants said privatisation had never provided positive results to the economy, which was why that policy had been internationally discarded and stopped. They referred to certain reputable economists who were unanimous in their views that privatisation had harmed economies of the world.

“We understand that privatisation is not in favour of the country as most of the privatised units are either closed down or still working in losses,” said a resolution passed at the meeting.

The labour leaders said they would launch a resistance movement against privatisation across the country with the objective to inform the general public about its hazards and press the government to refrain from the act that had a history of harming the country.

The trade union representatives underlined the need for compliance with labour standards of the International Labour Organisation (ILO) including the right of association and collective bargaining.

They said all labour-related facilities should be provided to workers universally.

They expressed satisfaction over the fact that the European Union had extended its Generalised System of Preference (GSP)-Plus scheme. If the scheme had been suspended by the EU, they said, there had been a fear that thousands of industries manufacturing export goods could have been closed down stripping hundreds of thousands of workers of their jobs.

A resolution demanded the Sindh government to take practical steps to implement the Sindh Labour Policy announced recently by passing all necessary amendments to the labour laws by the provincial assembly to ensure that it was effectively implemented.

The labour leaders said a majority of workers in industrial and services sectors had been employed through the third-party contract system.

The meeting participants also expressed concern over the existing political crisis in the country saying that the workers fully supported the democratic process and would resist any threat to political institutions.

They demanded that the parliament should be made true representative body of all sections of the society including workers and women should have representation in the legislative bodies.

<https://www.dawn.com/news/1391440>

NEWS COVERAGE PERIOD FROM FEBRUARY 12TH TO FEBRUARY 18TH 2018
PRIVATE FINANCING NEEDS TO BE MOBILISED FOR PROJECTS
The Express Tribune, February 12th, 2018.

The recent demise of Carillion, one of the biggest integrated business service providers in the UK, has raised some important questions.

The company was involved in providing support services, construction services to the Middle East and beyond and most importantly, in big Public Private Partnerships (PPP) with the UK government in defence, education, transport and energy.

Considering the breadth and scope of its activities, why was no measure taken to tackle a significant £2.6-billion deficit?

How will the government take into account its own monitoring and decision-making failure when the company gave an initial profit warning last year? And ultimately what does its demise say about public private partnerships in general?

Although there is no one definition of public-private partnerships, it is defined by the World Bank organisation, the PPP Knowledge Lab, as a long-term contract between a party and a government entity for providing a public asset or service in which the private party bears significant risk and management responsibility, and remuneration is linked to its performance.

Normally, utility restructuring, civil works and service contracts, concessions, Build-Operate-Transfer (BOT), Design-Build-Operate fall under the domain of PPP projects. Important examples of BOT projects are that of the private party delivering a service to the public sector in the form of bulk supply such as a water treatment plant or the management of a hospital against a fee.

Besides these projects, other types of agreements might also fall in the domain of a PPP depending on the country's legal and institutional setting. One of the most crucial components of the PPP agreement is the contract itself. The delineation of the terms of the contract is where responsibilities of each party and a clear allocation of risk are outlined.

Pakistan, like most other developing countries, faces a large infrastructure deficit with the need for infrastructure rising with economic growth and burgeoning size of the population.

The country's poor performance on the infrastructure front can be witnessed by the fact that it has a score of 2.71 out of 7 on the Global Competitiveness Index Infrastructure Score. This score is a component of the overall Global Competitiveness Index and covers transport, electricity and telephone infrastructure.

The score compares poorly relative to other South Asian neighbours such as India and Sri Lanka who have scored 3.7 and 4.2, respectively.

The above-mentioned facts make a compelling case for greater mobilisation of private finance to cater to the rising demand. Some efforts have been undertaken to achieve this.

At the state level, the Private Power Infrastructure Board and Infrastructure Project Development Facility exist whereas Sindh and Punjab provinces have their respective PPP cells to deal with PPP projects.

A total of 77 projects have reached financial closure worth \$16.7 billion since 1990. The earliest amongst these was the Hub Power Company which achieved financial closure in 1994 and was built at a cost of \$1.6 billion. This project has been one of the largest PPP project in Pakistan's history.

Currently, 76 projects are active or under construction, while the active investment in these projects is equivalent to \$16.5 million. Most of these projects are energy related with the Engro Thar coal-fired power plant of 660MW, the most expensive being built at a cost of \$1.1 billion.

There are other clean energy projects in Sindh and Punjab in the form of tapping wind energy.

It is imperative to note that at the heart of the PPP arrangement is the government. The government will remain a crucial player in infrastructure finance. The relation between the government and the private sector is at the core of the infrastructure financing problem.

Infrastructure policy lies exclusively in the domain of the government and requires long-term planning regardless of ultimately how it is financed.

<https://tribune.com.pk/story/1632449/2-private-financing-needs-mobilised-projects/>

PUBLIC-PRIVATE PARTNERSHIP PROJECTS TO HELP CREATE JOBS

Business Recorder, 14, February 2018

PESHAWAR: The speakers at a dialogue here on Tuesday emphasized on a strong partnership between public and private sector in order to bring more job opportunities in the field of technical and vocational education and training in Khyber Pakhtunkhwa.

The remarks were made at a dialogue organized at Govt. Advance Technical Training Center by the Khyber Pakhtunkhwa Technical Education and Vocational Training Authority (KP TEVTA) and FATA Development Authority (FATA DA) in collaboration with TVET Sector Support Programme, which is funded by the European Union and governments of Germany and Norway. The event was attended by the representatives of government, allied departments and enterprises as well as stakeholders of TVET sector in the province.

Two Memorandum of Understandings (MoUs) were also signed between FATA DA with All Tribal Contractors Association and KP TEVTA with Pharma Association KP during the ceremony. Those who spoke at the occasion included Malik Niaz, vice president Sarhad Chamber of Commerce and Industry, Ishfaq Piracha, Dr. Maqbool of Pharma Association, FATA DA manager skills Pir Arshad Farooq, Principal of GATC Dr Hazrat Hussain, Monib Khattak, Faiz Mohammed and Adeel Pathan.

They were of the opinion that cooperation between public and private sector is of a critical importance for making delivery of the technical and vocational education and training in line with the market needs. They said that greater participation of the private sector in design and delivery of the TVET is of prime importance which improves the quality of training delivery and ultimately results in better TVET system.

There is a need for launching demand driven courses in order to fill the skills gap in the province of Khyber Pakhtunkhwa for which a strong linkage between public and private sector organization is significant.

Speaking at the occasion, the speakers said that skills are really important for creating better job opportunities for youth and it's our collective responsibility to improve the system. They said that provincial government is paying keen attention for the betterment of TVET sector and inclusion of private sector in all representatives' bodies is a top priority to ensure that trainings are imparted in demand driven trades as per market needs.

<https://epaper.brecorder.com/2018/02/14/5-page/699725-news.html>

ABBASI GIVES GO-AHEAD TO PIA, PSM PRIVATISATION

The Express Tribune, February 16, 2018

Sardar Sikander

Prime Minister Shahid Khaqan Abbasi gave on Friday the formal go-ahead for the privatisation of two major yet loss-making state-run entities — Pakistan International Airlines and the Pakistan Steel Mills — apparently on the pretext of ‘restructuring’.

He granted the related approval while presiding over a meeting of the Cabinet Committee on Privatisation (CCoP) at the Prime Minister’s Office.

The development takes place at a time when the government has expedited the process to privatise state-run entities — including the Civil Aviation Authority (CAA) — a move that has raised eyebrows given that CAA, being the commercial aviation regulator, contributes up to Rs60 billion to the national exchequer annually.

During a recent meeting with a select group of journalists including this correspondent, the prime minister strongly advocated the privatisation of PIA and CAA, saying PIA was incurring a loss of Rs150 million daily to the national kitty.

He also said that CAA lacked the capacity to run ‘modernised and advanced’ airports like the New Islamabad International Airport whose operations needed to be ‘outsourced’ (to the private sector).

“Have a look at the condition of washrooms at our airports, if CAA is not capable of maintaining toilets, what else is it capable of?” he had asked.

An official source said it is ‘unfair’ to compare a loss-making entity like PIA to that of a profitable organisation like CAA. The CAA employees are considering to move court against privatisation plan surfaced recently, he said.

“Nowhere in the world are the profitable state-run entities handed over to the private sector. Let us not reinvent the wheel — only to oblige some business groups that have personal stakes in the aviation industry,” he said.

“After a detailed presentation on PIA and the discussion that followed, the CCoP gave the go-head to the proposal for initiating the restructuring process in PIA,” the press release said.

“It was decided during the meeting to segregate the core and non-core functions of the organisation.”

Minister for Privatisation Daniyal Aziz gave a detailed presentation on various issues, including financial challenges, faced by the two organisations, and the possible way forward for addressing those issues on permanent basis.

The prime minister in his remarks observed that past mismanagement and neglect of the two important organisations had not only resulted in the creation of huge financial liability, on annual basis, for the government but also caused great difficulties for the employees of the organisations.

The meeting discussed in detail various administrative, financial and employees related issues of PSM.

A proposal for PSM entering into a ‘concession’ agreement with investors, on revenue sharing basis, also came under discussion, the statement said.

The prime minister directed that all options should be explored and a comprehensive plan should also be worked out for addressing employees related issues, it added.

<https://tribune.com.pk/story/1636895/1-abbasi-gives-go-ahead-pia-psm-privatisation/>

NEWS COVERAGE PERIOD FROM FEBRUARY 5TH TO FEBRUARY 11TH 2018
PUBLIC-PRIVATE PARTNERSHIPS TAKE ROOT IN SINDH, PUNJAB
Dawn, The Business and Finance Weekly, February 5th, 2018

THE success of initial public-private partnership (PPP) projects in Sindh and Punjab served to remove apprehensions regarding the concept in Pakistan. They paved way for expanding the scope and the coverage of such collaborations in the country to deliver sustainable development efficiently.

The benefits of projects (such as Thar coal mining and power project, Hyderabad-Mirpurkhas dual carriageway, and the southern loop of Ring Road and a railway crossing flyover in Lahore, etc) demonstratively accrued beyond the direct users of these facilities.

They helped sideline the venom-spitting elements on both sides of the public-private divide and strengthened the futuristic current. The clarity on striking the right balance between risk and reward sharing, it appeared, was yet to be achieved in the relevant circles.

“PPPs are all about striking equilibrium between public and private, risk and reward, cost and benefit, particularly in resource-scarce countries with big chunks of population excluded from the economic mainstream,” commented an expert.

A PPP is an arrangement between the government and a private business for the provision of public assets or services through investment and/or management by the private sector for a specified period of time. It entails clearly defined allocation of risk between partners and payments to the private sector linked to pre-determined benchmarked measureable performance standards.

Provincial governments are looking forward to working with private companies under the PPP mode to effectively respond to development needs

Background research found all provincial governments in Pakistan were looking forward to partnering with the private sector under the PPP mode to effectively respond to development needs.

“The red tape has not morphed into red carpet for the private sector, but the bureaucratic mindset to monopolise public service delivery is changing. On the other side, the reluctant private sector has also been discovering the value of government collaboration in megaprojects for both profit and prestige,” commented a senior team member of the public-private partnership cell in Sindh.

The well-equipped cell has been functional in the finance department for a decade now, though the Sindh PPP Act was enacted in 2010.

Punjab created its PPP unit in the planning and development department, which supervises the policy and the projects with PPP modes in 18 line ministries, under the Punjab PPP Act of 2014. Following the lead, the Khyber Pakhtunkhwa PPP Act was enacted in 2014 and the unit was established, but it was facing capacity challenges.

In Balochistan, work in this regard was still in progress. Essa Tahir, an official involved in the exercise in the province, told Dawn from Quetta that the planning department would table the proposed PPP bill in the next provincial cabinet meeting.

“The complex nature of the PPP arrangements necessitated specialised skill set (financial, technical and legal) to handle and implement public interest projects in physical and social infrastructure. Development partners like the

Asian Development Bank and the World Bank have agreed to assist us in this regard for the next two years”, Azhar Khan, KP’s PPP coordinator, told Dawn over the phone from Peshawar.

Agha Waqar Javed, head of Punjab’s PPP cell, said projects have already been awarded in housing, infrastructure, transport, health, food and forestry sectors. “We are now structuring more sustainable and bankable transactions in livestock, tourism and recreational sector as well,” he said in an emailed response.

“I am confident that the coming years will witness a huge surge in public private partnerships, especially against the backdrop of successful and beneficial outcomes for both public and private sectors,” he said.

Talking to Dawn at the PPP cell’s office in Karachi, Sindh’s team narrated the adventurous journey and the milestones achieved. They said they were proud to have taken the lead, and mentioned some projects (like the Thar coal) that predated the enactment of the public-private partnership act in the province.

The cell attributed the success to the team of technical, financial and legal experts hired on merit. They said that except for the transport sector, the experiment succeeded in all other sectors including road infrastructure, power, health and education.

At a recent meeting, the Public Private Partnership Policy Board approved a proposal to create a PPP project support facility to independently manage a viability gap fund of Rs550 million. Presiding over the meeting, Chief Minister Murad Ali Shah summarised Sindh’s position in the following words: “The public-private partnership has assumed an important role in the development of Sindh and we are going to expand its scope for better services to our people”.

It has been learnt that Sindh was actively considering several new projects under the PPP mode, including in the areas of motor vehicle inspection, solar dates dehydration, tourism, and modern markets of vegetable, meat and fish.

In an exclusive conversation some time back, Shamsuddin Ahmed Shaikh, CEO of Sindh Engro Coal Mining Company and Engro Powergen Thar, was all praise for the provincial government that he said delivered diligently on its part of the deal. “There were reservations in my parent company regarding the project, primarily rooted in the perception of the Sindh government in business circles. But the performance, participation and responsiveness of the provincial government was pleasantly surprising,” he said.

The response from members of business bodies and chambers was muted. Ghazanfar Bilour, president of the Federation of Pakistan Chambers of Commerce and Industry, was not available for comments. Zubair Tufail, a former president of the federation, did not sound enthusiastic. He said he was not up to date to articulate the position of the business community on the issue.

Attempts to contact Pakistan Business Council CEO Ehsan Malik were unsuccessful. Razzak Dawood, the first chairman of the council, promised to comment but he could not respond until this report was filed.

<https://www.dawn.com/news/1387435>

March 2018

NEWS COVERAGE PERIOD FROM MARCH 26TH TO MARCH 31ST 2018

K-ELECTRIC’S FATE LANDS IN PM’S OFFICE

The Express Tribune, March 27th, 2018.

Shahbaz Rana

The Privatisation Commission has referred the matter of giving the National Security Clearance Certificate to the Prime Minister's Office for a decision on the Chinese firm's bid for the acquisition of majority stake in K-Electric, said Privatisation Minister Daniyal Aziz.

A summary was sent to the competent authority last week about the status of the National Security Clearance Certificate that was to be issued to Shanghai Electric for successful conclusion of the K-Electric deal, said Aziz while talking to The Express Tribune. "We did our job and it is now up to the competent authority to take a decision on the proposed deal between The Abraaj Group and Shanghai Electric Power," said Aziz.

The matter has remained pending for the last one-and-a-half years due to different legal interpretations of the proposed transaction and delay in settlement of financial liabilities. The summary that the commission sent to the Prime Minister's Office also carried divergent views of the privatisation minister and the privatisation secretary, said an official of the Privatisation Commission.

The views of Prime Minister Shahid Khaqan Abbasi and the privatisation minister are almost similar on the matter.

A delegation of Shanghai Electric Power, led by Shanghai Electric Power Chairperson Wang Yundan also called on PM Abbasi in Islamabad on Monday. The delegation apprised the prime minister of the current status of the acquisition process and sought the government's support in accelerating the process of regulatory approvals.

The prime minister assured the delegation that the government remains committed to supporting Shanghai Electric Power with a view to further liberalising the power generation and distribution sector in the country.

To this extent, he also assured the visiting delegation of the government's commitment to enable the process to move forward subject to completion of all regulatory frameworks.

In August 2016, The Abraaj Group struck a deal to sell KES Power – the offshore entity that controls 66.4% of K-Electric shares – to China-based Shanghai Electric Power for about \$1.77 billion. The deal was contingent upon the settlement of issues between the government and the seller. One of the pending issues was sharing of the Sale Purchase Agreement (SPA) between Abraaj and Shanghai Electric.

The privatisation minister said that there was no need to share the SPA with the Privatisation Commission before the issuance of the National Security Clearance Certificate. He said that the parties can share the SPA with the Securities and Exchange Commission of Pakistan (SECP) after the issuance of the clearance certificate. The minister stressed that the deal was contingent upon the National Security Clearance Certificate and the SPA could be shared afterwards.

But another official of the commission said that the certificate was withheld because of delay in the settlement of financial dues with the Petroleum Division and being unaware of contents of the proposed SPA.

The minister made the statement on a day Shanghai Electric in a tactical move informed the Pakistan Stock Exchange (PSX) about its decision to withdraw the Public Announcement Intention to acquire 66.4% ordinary share capital of K-Electric Power. The company made the announcement on the last day of the expiry of its intention.

A notice sent to the PSX underlined that the "acquirer continues to be fully committed to consummate the transaction pending receipt of regulatory and other approvals". Shanghai Electric will now make a fresh public announcement of intention in accordance with the prescribed formalities immediately with effect from the expiry date, March 26, it added.

The summary that the Privatisation Commission sent to PM's Office contained that the proposed SPA should be shared with the government before issuance of the certificate. The Petroleum Division's liabilities should be settled and The Abraaj Group should give a commitment for the liabilities, said a senior Privatisation Commission official.

The Power Division has already informed the privatisation ministry that it was separately looking at the issue of Rs60 billion worth of dues K-Electric owed the National Transmission and Despatch Company (NTDC) on account of electricity supply cost.

The summary also seeks the federal cabinet's approval for the National Security Clearance Certificate.

However, the privatisation minister did not agree to these recommendations and his views are separately recorded in the summary by the secretary, said Privatisation Commission officials.

The privatisation minister said that the acquisition deal has already been delayed and its early conclusion was very critical for Karachi's future. He said Shanghai Electric has given a firm commitment to invest \$9 billion to expand the power generation, supply and distribution network.

The minister said that the National Electric Power Regulatory Authority (Nepra) has also given No Objection Certificate (NoC) for the deal after the due diligence process.

Aziz said that Shanghai Electric has given an undertaking that it will be responsible for all the outstanding liabilities of the K-Electric at the time of acquisition. The minister said that giving a clearance certificate should not be an issue, as Shanghai Electric has already invested in a nuclear power plant.

<https://tribune.com.pk/story/1669946/2-k-electrics-fate-lands-pms-office/>

SINDH GOVT FOCUSED ON PUBLIC-PRIVATE PARTNERSHIP, REGIONAL DEVELOPMENT: CM
Dawn, March 29th, 2018

KARACHI: Sindh Chief Minister Syed Murad Ali Shah has said that after overcoming the challenges of law and order his government was now focusing on energy, public-private partnership, regional development and reducing inequality.

He said this while speaking at the concluding session of the Sindh Development Forum 2018 organised by the provincial planning and development department at a local hotel on Wednesday.

The chief minister said that his government fully realised that parallel efforts to improve business climate were vital in addition to bringing improvement in law and order.

"We know that we have resource gaps, we have capacity issues, we have planning challenges and we have prioritisation needs, and this is the very reason for holding the forum," he said.

Terming the last decade of the Pakistan Peoples Party government at the federal and provincial levels "an era of peace, progress and prosperity", the CM said: "We faced enormous challenges of law and order, rising inequality and poverty, and weakening federation."

'We know that we have resource gaps, capacity issues'

He said the biggest contributor to this feeling was the precarious law and order situation which fuelled uncertainty and caused capital flight. The key to breaking this cycle was to overcome terrorism, sectarian violence, and organised crime, he added.

“We feel pride in saying that since 2013 the extent of these incidences has been brought down tremendously, as a result, confidence of business community and foreign investors has improved which is witnessed by generally improving economic conditions and keen Chinese interest in special economic zones from Sindh.

“Yet another testimony is the jubilant final of PSL [the Pakistan Super League] in which whole Pakistan was the winner,” he said.

Talking about other challenges, Mr Shah said one major challenge was the commodity price shock of mid-2000s which pushed many people below the poverty line, especially poor farmers.

He added that the right response was to come up with a social safety net and that’s what we did. “It is no secret that the Benazir Income Support Programme (BISP) is the flagship safety net in Pakistan, starting from a social safety net, BISP has now grown into comprehensive social protection programme.”

Mr Shah said: “We are leveraging upon the investment, we have been doing since 2009 and using the resulting social capital for launching a poverty reduction programme,” he said, adding that in the next budget the government was starting with rural growth centres as a mean to achieve poverty reduction.

“We believe in strong federation but we are also clear that strength between federating units lies in fairness of resource distribution” he said, adding: “If there is inequality in resource distribution then federation weakens. Realising this, it was only the PPP government which pushed the devolution of resources and the push was done against all odds from those who wanted to perpetuate the concentration of resources and unfairness.”

He said that the current provincial regime was leveraging on the foundation established in the last tenure.

He said the focus of his government was now more on energy, public-private partnership, regional development, and reducing inequality.

He said that our approach focuses on regional sources of growth, strengthening social and economic equity, adopting fiscal measures for resource generation and finally, using public-private partnership

Talking about Thar coal, Mr Shah said it was almost a forsaken project and his government had brought it to life.

“The premise of energy sovereignty of Pakistan is based on Thar coal deposits. The whole idea of energy-related CPEC investment would not have found firm ground if Thar coalfields were not developed,” he said.

The CM said that his government has been working hard on resource availability from various sources, particularly working for increasing own resources, using public-private partnership, improving projects’ bankability, etc.

“The Sindh government has already taken a pioneering role in PPP [public-private partnership] mode, projects like road leading to Thar field, Jherruk Mullah Katiar bridge on River Indus, Hyderabad-Mirpurkhas dual carriageway, PPHI, Sindh Education Foundation, and grants to philanthropic health are all symbol of expanding and deepening basis of PPP in Sindh,” he said.

The programme was attended by EU Ambassador Jean Francois Cautain, acting US Consul General John Warner, USAID Mission Director Jerry P. Bisson, World Bank official Melinda Good, Asian Development Bank’s Country

Director Xiaohong Yan, Unesco representative Vibke Jensen, UN resident coordinator Neil Buhne and chief executive of Lucky Cement Muhammad Ali Tabba.

Earlier, Planning and Development Minister Saeed Ghani welcomed the participants of the programme at the forum.

P&D Chairman Mohammad Waseem spoke about the purpose of hosting the development forum and said that it was an initiative towards thriving and prosperous Sindh.

<https://www.dawn.com/news/1398138>

LABOUR UNIONS OPPOSE PRIVATISATION OF PIA AND PSM

Civil society organisations and labour unions demanded on Thursday that the government close down the Privatisation Commission and abandon its plans to privatise state enterprises including Pakistan International Airlines (PIA) and Pakistan Steel Mills (PSM).

They also demanded that the terms of the agreement signed between Pakistan and the International Monetary Fund in 1988 regarding the privatisation of state enterprises be made public, and then annulled through Parliament.

These demands were made at an event convened by the Pakistan Institute of Labour Education and Research (Piler) at the Arts Council of Pakistan, Karachi to discuss strategy of workers to deal with the plans to privatise PIA and PSM. The event was presided over by Senator Mian Raza Rabbani and was attended by representatives of the unions of PIA and PSM, civil society and labour rights organisations.

A resolution was passed on the occasion, which asked the government to withdraw its recent plan to privatise state owned enterprises, especially PIA and PSM. The resolution urged the government to appoint competent and honest heads for the state-owned enterprises to make them operational and profitable.

According to the resolution, nepotism was the main cause of PIA and PSM's financial losses, and therefore, the government should appoint honest and competent people on merit in the two organisations.

In his presidential address, Rabbani asked all the PIA unions to make it a single point agenda of their campaigns that the privatisation or restructuring plan of PIA was unacceptable to all employees.

The senator asked all the labour and civil society organisations to express solidarity with the employees of PIA and PSM who were facing economic hardships due to mismanagement in their organisations. "Initiating a movement against privatisation is quite ambitious. We should first mobilise the unions in the respective organisations," he said.

He did not agree with the idea of approaching the courts for the solution of workers' problems. Such issues should not be taken to courts, he said, adding that approaching the judiciary should be the last resort.

Regarding the privatisation of PSM, Rabbani said so far no financial adviser had been appointment for its privatisation. Assets and liabilities of the PSM were yet to be assessed because fresh assessment is required for privatisation, he added.

Piler Executive Director Karamat Ali claimed privatisation had failed all over the world. In England, the government had privatised water, which created havoc and the decision had to be reverted, he said.

<https://tribune.com.pk/story/1672841/1-labour-unions-oppose-privatisation-pia-psm/>

NEWS COVERAGE PERIOD FROM MARCH 19TH TO MARCH 25TH 2018

PUBLIC-PRIVATE PARTNERSHIP PLAN: PAC DIRECTS MINISTRY TO SUBMIT PROPOSAL IN TWO WEEKS

Abdul Rasheed Azad

Business Recorder, March 21st, 2018

The Public Accounts Committee Tuesday directed Ministry of Postal Services to submit a proposal of public-private partnership plan with PAC within two weeks before going into any joint collaboration. The PAC meeting held here under the chairmanship of Syed Khursheed Shah to take up the issues pertaining to Pakistan Post services and expressed serious reservations over the ongoing situation of the organization. The panel said the organization is facing serious financial challenges while the relevant quarters have not yet taken appropriate steps to revive the entity.

Briefing the participants, Secretary Ministry of Postal Services Saqib Aziz said Pakistan Post is still selling the postal ticket at Rs 8 which costs Rs 17, adding that more and more financial burden is accumulating on the organization in shape of pension payments and salaries. The secretary said if the postal ticket price is increased to Rs 40 from Rs 8 per ticket, it will help reduce financial crisis by 50 percent. The panel asked the officials why postal services tickets are being sold at more than half price, adding they should be fully charged as it is not a charity organization.

The committee examined the proposal and gave approval keeping in view the interest of people and the country. Secretary Ministry of Postal Services Saqib Aziz and other senior officials briefed the committee regarding privatization of Pakistan Post. The official said there is no such advertisement published in the press for privatization of Pakistan Post, adding there are public-private partnership projects under reform agenda of Pakistan Post principally approved by competent authority for which advertisements were floated separately for obtaining expression of interests.

The committee was informed that total budget of Pakistan Post for 2017-18 was Rs 17.56 billion, adding Pakistan Post remained self-supporting entity from 1998-99 to 2008-09. The officials said the main reason of deficit has been increase in pays, allowances and pension benefits by government to employees from time to time since year 2009-10 onwards, adding that postal tariff was last revised on 02-11-2009. They added the increase in prices of commodities and services during the last few years is also a main reason of deficit. The secretary informed the panel that Rs 2 billion loan from a Korean company is being taken for the revival of the entity.

The chairman committee said that loans from foreign company will have certain conditions and, therefore, such loans must be avoided. Saqib Aziz said if the Ministry of Finance provides the amount to Pakistan Postal Services, the organization will not seek foreign loan.

The meeting was also attended by MNAs including Dr Arif Alvi, Mahmood Khan Achakzai, Maulana Abdul Ghafoor Haidri, Dr Azra Fazal, Shafqat Mahmood, Syed Ghulam Mutafa Shah, Raja Muhammad Javed Ikhlas, Syed Kazim Ali Shah, Shahida Akhtar Ali, Rana Afzal Hussain, Abdul Rasheed Godil and Parvaiz Elahi.

NEWS COVERAGE PERIOD FROM MARCH 12TH TO MARCH 18TH 2018

OPPOSITION REJECTS PLAN TO PRIVATISE PAKISTAN POST

Dawn, 16 March 2018

Syed Irfan Raza

ISLAMABAD: The opposition in the National Assembly on Thursday rejected the proposed privatisation of Pakistan Post when the five-year tenure of the government is to end soon.

Verbal clashes were witnessed between treasury and opposition benches on the issue of electricity loadshedding and proposed privatisation of Pakistan Post, followed by a walkout staged by members of the Pakistan Tehreek-i-Insaf (PTI) and Pakistan Peoples Party (PPP) against the closure of Pakistan Steel Mills (PSM).

Through a calling attention notice, PTI leaders Dr Arif Alvi, Dr Shireen Mazari, Munaza Hassan, Lal Chand Malhi and Sajida Begum raised the issue of privatisation of Pakistan Post. They said an advertisement had been published in national dailies for public-private partnership to hastily private huge government assets, causing grave concern among the public.

“We want to know why the government is in a hurry to sell assets worth billions of rupees of the state-run Pakistan Post, which is giving huge revenue to the national exchequer,” Dr Alvi said.
PTI, PPP members stage walkout against the closure of Pakistan Steel Mills

He said the government wanted to privatise Pakistan Post within a month without meeting legal and technical prerequisites. “Even the financial audit of hundreds of properties of Pakistan Post across the country cannot be conducted in a month,” he added.

The PTI leader urged Deputy Speaker Murtaza Javed Abbasi, who was presiding over the session, to forward the issue to the relevant standing committee for debate.

Sajida Begum said it was quite ironic that the Pakistan International Airlines, which had established Emirates, was in doldrums. “Similarly, negotiations are under way with a Chinese firm to sell billions of rupees assets of Pakistan Post,” she added.

Parliamentary Secretary Javed Ikhlas Abbasi said not the whole of Pakistan Post but three of its components — mobile service, parcel and logistics and infrastructure — were being privatised.

He said the government would bind the successful bidder to make a commitment that it will ensure generation of more revenue than the present Rs7.5 billion annually. He said Pakistan Post was causing a loss of Rs7 to 8bn every year because it had more than 97,000 employees.

Retired Capt Safdar and Abdul Mannan of the Pakistan Muslim League-Nawaz and PTI leaders Arif Alvi and Shehryar Afridi exchanged harsh words after the former said the disqualification of Nawaz Sharif was the root cause of all problems confronting the country.

The issue of loadshedding also caused pandemonium in the house as Minister of State for Power Abid Sher Ali and PTI and PPP leaders exchanged barbs.

The minister claimed that loadshedding was being conducted only in those areas where line losses were more than 30 per cent. “Loadshedding will continue in the areas of heavy line losses,” he added.

Naveed Qamar of the PPP said loadshedding was mostly being conducted in Sindh and Khyber Pakhtunkhwa.

Members from the PPP, Muttahida Qaumi Movement (MQM) and PTI staged a walkout in protest against the downfall of PSM and problems being faced by its employees.

Dr Fauzia of the MQM said the government had discontinued transportation facility for PSM employees a few days ago. Pakhtunkhwa Milli Awami Party leader Mehmood Khan Achakzai sought details of the recent visit of Iranian Foreign Minister Jawad Zarif to Pakistan.

Capt Safdar demanded that the recent verdict of Justice Shaukat Aziz of the Islamabad High Court on Khatm-i-Nubuwwat should be made part of the Constitution. Parliamentary leader of the Jamaat-i-Islami Tariq Ullah supported the demand.

<https://www.dawn.com/news/1395533/opposition-rejects-plan-to-privatise-pakistan-post>

April 2018

NEWS COVERAGE PERIOD FROM APRIL 16TH TO APRIL 22ND 2018

REGULATION: 'PRIVATISATION SHOULD BE TOP PRIORITY'

The Express Tribune, April 17th, 2018.

Privatisation should be at the top of the agenda of all political parties' manifestos for the forthcoming general elections, said Adviser to Prime Minister on Finance, Revenue and Economic Affairs Dr Miftah Ismail.

Speaking at a high-level pre-budget symposium 2018 organised by the Sustainable Development Policy Institute, he said that whoever is elected to power should have the mandate to freely implement privatisation reforms agenda without unnecessary opposition.

Ismail said that to fight poverty significantly, Pakistan has to grow at 8%. "For that we have to change the way we have been doing things in the past," he said, adding that the current governance model is not measuring up to the expectation of the people, which requires change.

Under the tax amnesty scheme, we are giving tax evaders a chance to declare their undeclared wealth," said the adviser, adding, "With the help of NADRA, we have identified and prepared a list of tax evaders, especially in the real estate sector and hope to have a large number of evaders into the tax net."

"We are enabling a system in which only those can buy properties or plot who are tax filers."

Speaking on the occasion, Planning Commission, Deputy Chairman Sartaj Aziz said, "Due to CPEC-related activities, improved energy security and law and order situation, we are hoping to have more than 6% growth rate this year."

"We have increased the development budget portfolio by three times in the last five years."

SDPI Executive Director Dr Abid Qayyum Suleri said at the moment when the growth rate is sustainable and growing, there is a dire need for depoliticising Pakistan's economy.

"Instead of criticising, the opposition political parties should come up with alternative budget proposals," he said, adding that all political parties should have consensus on major economic issues.

<https://tribune.com.pk/story/1687196/2-regulation-privatisation-top-priority/>

NEWS COVERAGE PERIOD FROM APRIL 1ST TO APRIL 8TH 2018

GOVT ASKED WHETHER IT'S MULLING PRIVATISING PIA

Business Recorder, 1 April 2018

KARACHI: The Supreme Court on Saturday asked the federal government whether there was any plan to privatise the Pakistan International Airlines (PIA).

The Chief Justice of Pakistan Mian Saqib Nisar was hearing a miscellaneous application filed against the planned privatization of the national airline. Justice Faisal Arab was the other member of the apex court's bench that was hearing a case at its Karachi registry.

The court issued notices to PIA Chairman, ministry of defense directing them to submit their respective replies that was there any intention to privatize the PIA. "Whether certain profitable routes of the PIA have been given to other airlines, including Airblue," the court's order sheet read.

The court directed the federal government and PIA Chairman to ensure submission of their reports within one week and fixed the matter at the Principal Seat for hearing in the second week of April.

<https://epaper.brecorder.com/2018/04/01/1-page/708130-news.html>

SC ASKS FOR PIA FINANCIAL STATEMENTS OF LAST 10 YEARS

Dawn, April 7th, 2018

Nasir Iqbal

ISLAMABAD: In the wake of the government's decision to privatise the loss-making national flag carrier, the Supreme Court on Friday ordered Pakistan International Airlines Managing Director Musharraf Rasool Cyan to furnish audited financial statements of the corporation for the last ten years.

Chief Justice of Pakistan Mian Saqib Nisar also summoned the head of the airline to appear in court on April 12 along with all financial records.

The court also ordered all MDs who had at some point over the last ten years held office in the PIA to appear before the bench next Thursday.

Almost two months ago, Prime Minister Shahid Khaqan Abbasi had given the green light to privatise the PIA. The decision has been heavily criticised by opposition parties, especially the Pakistan Peoples Party. Earlier in 2012, the then chief justice of Pakistan Iftikhar Muhammed Chaudhry had summoned the then chairman PIA and MDs over Transparency International Pakistan's (TI) apprehensions about the performance of the airline.

Orders former MDs of loss-making national flag carrier to appear in court on 12th

The TI had asked the court to take legal action over the many scandals in the PIA that included allegations of corruption and incompetence on the part of the management. The TI had pointed out, among other issues, the practice of purchasing aircraft at exorbitant lease payments and the decision to cancel 1,200 flights that had contributed to a financial lose of Rs410 million.

Similar petitions had also sought a declaration from the court to order probes into the management affairs of the airline to scrutinise allegations of corruption, gross negligence, and inefficiency.

During the proceedings, the court was told then that the total accumulating losses of the airlines had swollen to Rs140 billion in 2012 compared to Rs100bn at the end of 2011.

Meanwhile, the Supreme Court bench asked two representatives of 18 major political parties of the country to attend a presentation prepared by the National Database and Registration Authority (Nadra) on the right of vote to overseas Pakistan.

In pursuance of earlier court directions, the presentation will be held in the auditorium of the Supreme Court on April 12 at 3.30pm. Secretaries of the cabinet division, representatives of the ministries of information technology, law and justice, parliamentary affairs, overseas Pakistanis and human resource development, interior and foreign affairs will also attend the presentation.

Chief Election Commissioner retired Justice Sardar Muhammad Raza and the four members of the Election Commission of Pakistan have also been invited.

For third-party evaluation purposes, information technology experts from the Lahore University of Management Sciences (LUMS), National University of Science and Technology (NUST), Institute of Business Administration Karachi (IBA) and all provincial Information Technology Boards, as well as other experts or officers the ECP deems appropriate will also attend.

Personnel of print and electronic media as well as senior counsel Bilal Hassan Minto has also been asked to attend the briefing.

<https://www.dawn.com/news/1400101/sc-asks-for-pia-financial-statements-of-last-10-years>

December 2018

NEWS COVERAGE PERIOD FROM NOVEMBER 3RD TO DECEMBER 9TH 2018

GOVERNMENT SEEKS TO PRIVATISE EIGHT ENTITIES

RECORDER REPORT | DEC 5TH, 2018 | ISLAMABAD

Delisting litigated and labour-intensive state-owned enterprises (SOEs) from the privatisation list, the government has desired to privatise eight entities, including two power plants and two banks, in the first phase. This was stated by a senior official of Privatisation Commission during a meeting of Senate Standing Committee on Privatisation. The Senate committee met here Tuesday with Senator Mir Muhammad Yousaf Badini in the chair.

On the privatisation plan of the PTI government, the committee was told that two aspects were in mind while finalising the privatisation plan – entities with litigation as well as labour-intensive entities – and the government wants their restructuring with partnership and injecting equity.

There were 61 entities on the privatisation list of the previous government and the present government asked for preparing new privatisation plan in consultation with relevant entities. The officials of Privatisation Ministry stated that no study was conducted to determine the value of the assets of PIA as PIA and other 14 entities have been withdrawn from the list.

In the first phase, privatisation of First Women Bank, two RLNG power plants including Haveli Bhadar Shah and Balloki, government's 18.5 percent shares in Mari Petroleum Company Limited through stock exchange, Lakhra Coal Mines and well as Services International Hotel Lahore and Jinnah Convention Centre Islamabad will be made.

Privatisation of 41 PSEs is planned in phase-II with 14 power generation and distribution companies as well as 14 industrial units including National Insurance Company Limited, House Building Finance Corporation and Pakistan Mineral Corporation.

The chairman of the committee wanted employees must be taken care of while privatising these institutions so that their fate should not be like that of employees of PTCL who are still suffering.

Senator Farooq H Naek opposed the privatisation of First Women Bank and argued that its privatisation is against the rights of the women while the committee suggested the Privatisation Commission to take the decision regarding privatisation to the cabinet and convey them committee's recommendations that two RLNG power plants should be run on public-private partnership. The committee suggested the government to have public-private partnership in the RLNG power plants instead of handing them to the private sector.

Minister for Privatisation Muhammad Mian Soomro warned if RLNG-based power plants are privatised, they will start creating circular debt. They are being privatised because at this stage the government can get good management and price of these projects due to their higher efficiency, which will be eroded in the next one-and-a-half-year.

The committee was also given a briefing on the latest situation of Karachi Electric Supply (KES) whose privatisation was undertaken in 2005 while Abraaj Company was included in 2008 with the approval of Economic Coordination Committee (ECC) of the cabinet. Abraaj was required to invest \$361 million investment in infrastructure of KE in three years and agreement to this effect was done by Ministry of Water and Power in 2009 and a high-powered committee was also constituted to oversee the implementation of the agreement.

The meeting was further told that in 2016 Abraaj decided to sell its 66 percent shares of KE to Shanghai Power and applied to Privatisation Commission for national security certificate. The PC forwarded their request to all the institutions and some of them wanted to make it conditional.

The issue of national security certificate has been pending for the last two years and the certificate has not been issued because dues of Petroleum Ministry, Power Division and Federal Board of Revenue (FBR) were against KES and they wanted their dues to be settled. KES also raised the issue of dues against the government departments.

The ECC also constituted a committee under the chairmanship of Adviser to Prime Minister for Commerce, Textile, Industries, Production and Investment Abdul Razzak Dawood to find a way out on KES issue.

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