

IN THE NAME OF ALLAH, MOST GRACIOUS, MOST MERCIFULL



ANNUAL REPORT
ON
THE COUNCIL OF COMMON INTERESTS
UNDER ARTICLE 153 (4)
OF THE CONSTITUTION OF THE
ISLAMIC REPUBLIC OF PAKISTAN
(2011-2012)

INTER PROVINCIAL COORDINATION DIVISION
SECRETARIAT OF COUNCIL OF COMMON INTERESTS

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PREFACE

Consequent upon the passage of Eighteenth Constitutional Amendment in April 2010, the Concurrent Legislative List was abolished and Federal Legislative List Part-II was introduced. This expanded the purview and strengthened the role of the Council of Common Interests and introduced the concept of participatory management both by the Federation and the Federating Units through the forum of CCI. This was the major breakthrough in the Constitutional History of Pakistan.

2. The Secretariat of the Council of Common Interests (IPC-Division) circulates decisions and follows up their implementation regularly to ensure its supervision and control over related institutions. Under Article 153 (4), the Council of Common Interests is responsible to {Majlis-e-Shoora (Parliament)} and has to submit an Annual Report to both Houses of Majlis-e-Shoora (Parliament). The objective of this report is to inform both the Houses about the implementation and impact of decisions taken by the Council during its second functional year. The contribution of officials of CCI Secretariat in coordination of CCI meetings and consequently compilation of this report is acknowledged with gratitude.

3. In terms of Article 153 (4) of the Constitution as approved by the Council of Common Interests, the Report for year 2011-12 is laid before the Parliament of Pakistan.

**FARIDULLAH KHAN
SECRETARY**

CHAPTER-1

CONSTITUTIONAL PROVISIONS REGARDING COUNCIL OF COMMON INTERESTS

The Constitutional provisions relating to the Council of Common Interests (CCI) are as under:-

Article 153 (1) There shall be a Council of Common Interests, in this Chapter referred to as the Council, to be appointed by the President.

(2) The Council shall consist of -

- (a) the Prime Minister who shall be the Chairman of the Council;
- (b) the Chief Ministers of the Provinces; and
- (c) three members from the Federal Government to be nominated by the Prime Minister from time to time.

(3) [Omitted]

(4) The Council shall be responsible to {Majlis-e-Shoora (Parliament)} and shall submit an Annual Report to both Houses of Majlis-e-Shoora (Parliament).

Article 154 - Functions and rules of procedure.- (1) The Council shall formulate and regulate policies in relation to matters in Part II of the Federal Legislative List and shall exercise supervision and control over related institutions.

(2) The Council shall be constituted within thirty days of the Prime Minister taking oath of office.

(3) The Council shall have a permanent Secretariat and shall meet at least once in ninety days:

Provided that the Prime Minister may convene a meeting on the request of a Province on an urgent matter.

(4) The decisions of the Council shall be expressed in terms of the opinion of the majority.

(5) Until [Majlis-e-Shoora (Parliament)] makes provision by law in this behalf, the Council may make its rules of procedure.

(6) [Majlis-e-Shoora (Parliament)] in joint sitting may from time to time by resolution issue directions through the Federal Government to the Council generally or in a particular matter to take action as [Majlis-e-Shoora (Parliament)] may deem just and proper and such directions shall be binding on the Council.

(7) If the Federal Government or a Provincial Government is dissatisfied with a decision of the Council, it may refer the matter to {Majlis-e-Shoora (Parliament)} in a joint sitting whose decision in this behalf shall be final.

Articles 155 and 157 authorize the Council to deal with complaints as to interference with water supplies or reservoirs and to resolve disputes with respect to construction of hydro or thermal power stations in any Province and laying of Inter-Provincial transmission lines.

CHAPTER-2

PRESENT COMPOSITION OF THE COUNCIL OF COMMON INTERESTS

In accordance with Article 153 (2), with the approval of the President of Pakistan, the CCI was re-constituted vide Notification No.1(2)/2010-CCI dated November 21, 2011, with the following composition:

| | | |
|--------|---|----------|
| (i) | The Prime Minister | Chairman |
| (ii) | The Chief Minister, Balochistan | Member |
| (iii) | The Chief Minister, Khyber Pakhtunkhwa | Member |
| (iv) | The Chief Minister, Punjab | Member |
| (v) | The Chief Minister, Sindh | Member |
| (vi) | Mir Changez Khan Jamali, Minister for Science & Technology | Member |
| (vii) | Dr. Arbab Alamgir Khan, Minister for Communications | Member |
| (viii) | Mir Hazar Khan Bijarani, Minister for Inter Provincial Coordination | Member |

2. All Provincial Governments have now equal representation in the forum of Council of Common Interests.

**MEETING OF THE COUNCIL OF COMMON INTERESTS HELD
ON AUGUST 27, 2011**



Prime Minister Syed Yusuf Raza Gilani chairing the meeting of Council of Common Interest (CCI) at Prime Minister's Secretariat, Islamabad on 27th August, 2011

3.1 ADDRESS BY THE PRIME MINISTER

In his address at the Council of Common Interests meeting held at the Prime Minister Secretariat on August 27, 2011, Prime Minister Syed Yusuf Raza Gilani said, "At the very outset, I would welcome all the members of the Council of Common Interests and thank them for attending the meeting during the Holy Month of Ramadan.

2. Let me share with you some themes of my political perspective. I am a great believer in politics of consensus and reconciliation. Actually these are the attributes constituting the essence of democracy. It is, however, a path having pitfalls and obstacles. Achieving consensus requires sacrifice, understanding, patience and commonality of purpose. The political leadership must be equipped with these qualities of mind and heart. This approach to politics has only one basis and that is constitutionalism. The remedies for relief and mechanisms of dispute resolution are all embedded in our constitution. Council of Common Interests is one prominent example. You will be happy to note this is the 7th time we are meeting at this forum after the passage of 18th amendment.

3. I may here, therefore, reaffirm the importance of this august forum of the Council of Common Interests which involves the Provincial Governments in formulation and regulation of policies particularly in relation to matters appearing in Part-II of the Federal Legislative List, which include important subjects like Electricity, Railways, Mineral, Oil and Gas, Regulatory Authorities, supervision and management of public debt and also help in resolving inter-provincial matters through formal as well as informal dialogue.

4. In today's meeting, we are going to discuss important subjects including Distribution of Zakat, Public Debt Management and supervision Policy and imposition of a new levy/cess. We shall also have the opportunity to be briefed about the 6th Housing Census. Privatization of power sector entities will also come in focus in the agenda.

5. I believe it is our collective responsibility to ensure implementation of the decisions taken by this August House in letter and spirit.

6. The Government is striving to strengthen democracy, which is evident from 7th National Finance Commission Award, unanimous passage of 18th Constitutional Amendment and devolution of 17 Federal Ministries in consequence thereof. This is a major structural change in the governance since Independence, and shall strengthen federalism by assigning constitutional role and responsibilities to the Provinces.

7. While we are all engaged in efforts to strengthen democracy, anti-democratic forces, and anti-state elements are also busy in creating situations that are detrimental to economic growth & stability. We need to raise our guard against these disruptive forces so as to move forward unimpeded.

8. Karachi is now our biggest challenge. I take this opportunity, in the presence of all the four Chief Ministers, to urge the nation to support Government of Sindh's operation. It is a provincial initiative which will have full backing of the Federal Government. Solution of Karachi lies within rule of law.

9. With this I conclude and request for start of formal proceedings of the CCI meeting”.

3.2 **CASES CONSIDERED BY THE COUNCIL OF COMMON INTERESTS AND IMPACT ANALYSIS OF IMPLEMENTATION OF ITS DECISIONS**

Cases considered by the Council in its first meeting in the functional year 2011-12 and Impact Analysis of Implementation of its decisions is mentioned hereunder:

| | |
|---|--|
| Case No. CCI. 1/4/2011 Dated August 27, 2011 | Approval of the Council of Common Interests of Pakistan for Special Economic Zones Bill, 2011 |
|---|--|

DECISION

The Council of Common Interests considered the Summary dated July 22, 2011, submitted by Board of Investment on “Approval of the Council of Common Interests of Pakistan for Special Economic Zones Bill, 2011” and noting that it had the support of all provinces and the Government of Gilgit-Baltistan, approved the Special Economic Zones Bill, 2011.

Implementation Status:

Implemented

Impact

The enactment of SEZ will open doors in all Provinces of the Country for the foreign investments and will also attract domestic investment from Pakistani investors to all over the country. The investment projects will create new jobs and will lead to economic development.

| | |
|---|---|
| Case No. CCI. 2/4/2011 Dated August 27, 2011 | Distribution of Zakat Funds to Federal Areas and Provinces and Distribution of Arrears of Unutilised Zakat Funds Claimed by the Provinces |
|---|---|

DECISION

The Council of Common Interests considered the Summary dated August 12, 2011, submitted by the Ministry of Religious Affairs on "Distribution of Zakat Funds to Federal Areas and Provinces and Distribution of Arrears of Unutilised Zakat Funds Claimed by the Provinces" and decided that Zakat being a provincial subject, the provincial governments should hold discussions to evolve a mechanism for collection and distribution of Zakat. It was decided further that the present system of distribution of funds may continue till formulation of a consensual procedure.

Implementation Status:

Implemented

Impact

The decision of the Council of Common Interests provided guidance for resolution of an outstanding issue of "Distribution of Zakat Funds to Federal Areas and Provinces and Distribution of Arrears of Unutilised Zakat Funds Claimed by the Provinces" after Eighteenth Constitutional Amendment.

| | |
|---|--|
| Case No. CCI. 3/4/2011 Dated August 27, 2011 | Co-financing of Citizen's Damage Compensation Programme-II |
|---|--|

DECISION

The Council of Common Interests considered the Summary dated August 18, 2011, submitted by the Finance Division on "Co-financing of Citizens' Damage Compensation Programme-II" and decided that:

- i. The liability of IDA credits of US\$ 125 million shall be shared to the extent of seventy-five percent by the provinces, while the remaining twenty-five percent shall be borne by the Federal Government;
- ii. The share of each province towards the liability from IDA credits would be in proportion to the number of flood affectees in each province;
- iii. The liability on loans from other donors shall be borne entirely by the Federal Government;
- iv. Counterpart funding of US\$ 100 million committed by the Government of Pakistan would be shared equally by the Federal Government and the provinces, and
- v. The share of each province towards the liability from counterpart funding would be in proportion to the number of flood affectees in each province.

Implementation Status:

Under Process

Impact

The decision of the CCI resolved an outstanding issue of co-financing of financial burden by the provinces in accordance with their respective case load. (Proportionate to their number of affectees beneficiaries). The decision facilitated smooth implementation of Citizens' Damage Compensation Programme-II.

| | |
|---|--|
| Case No. CCI. 4/4/2011 Dated August 27, 2011 | Public Debt Management and Supervision Policy |
|---|--|

DECISION

The Council of Common Interests considered the Summary dated August 18, 2011, submitted by the Finance Division on "Public Debt Management and Supervision Policy" and approved the following:

- i. The transactional business of federal government with respect to borrowing from domestic and foreign sources would continue as in the past;
- ii. The overall debt management policy will be approved by the Council of Common Interests within the parameters imposed by Parliament;
- iii. Council of Common Interests will be regularly briefed on the progress of implementation of the approved policy;
- iv. Council of Common Interests will also be briefed regularly on the overall state of public debt and its analysis from the perspectives of debt sustainability, cost of debt, sources of debt and efficient management of debt, and
- v. The policy statement containing objectives, scope, present position of domestic and external debt and medium term macro-economic framework proposed in different borrowing options, subject to consultation with the provinces.

2. It was decided further that Finance Division and the provincial governments shall urgently work out a proposal on the borrowing limits of the provinces for approval by the National Economic Council before it is considered by the Council of Common Interests.

Implementation Status:

Under Process

Impact

The decision of the Council of Common Interests (CCI) related to "Public Debt Management and Supervision Policy" was helpful in managing public debt in multiple ways.

2. The current debt management is fragmented and this decision of the CCI will bring cohesiveness in documentation which helps in effective and efficient debt management.
3. The decision will create consensus among all stakeholders resulting in organized approach towards debt management.
4. Parliamentary Supervisory function through the CCI will improve monitoring of Public debt management.
5. Political leadership will be regularly briefed through the CCI keeping them up to date.

| | |
|---|---|
| Case No. CCI. 5/4/2011 Dated August 27, 2011 | Gas Infrastructure Development Levy for laying gas pipelines to import gas through pipelines, LNG and other projects |
|---|---|

DECISION

The Council of Common Interests considered the Summary dated August 20, 2011, submitted by the Ministry of Petroleum & Natural Resources on "Gas Infrastructure Development Levy for laying gas pipelines to import gas through pipelines, LNG and other projects" and allowed withdrawal of the Summary with the direction that the Ministry must first ascertain whether the proposal is within the purview of the Council of Common Interests.

| | |
|---|---|
| Case No. CCI. 6/4/2011 Dated August 27, 2011 | Privatisation of Power Sector Entities |
|---|---|

DECISION

The Council of Common Interests considered the Summary dated August 19, 2011, submitted by the Privatisation Division on "Privatisation of Power Sector Entities" and decided that Chief Secretaries of the provinces shall be members of the Privatisation Board and the Chief Ministers of the provinces shall be members of the Cabinet Committee on Privatisation, in respect of an item relating to privatisation of a power sector entity located in that province.

Implementation Status:

Implemented

Impact

The impact of the CCI decision entails an active involvement of the Provincial Governments, through an appropriate arrangement, in the course of a mutually acceptable privatization program to facilitate turnaround of power sector entities. The decision of the CCI also envisaged that revamping of policies, procedures and rules be undertaken to fetch better financial bid(s) besides attracting professional management, private investment and modern technology to revitalize the power sector through a broad based consultative process with all the stakeholders.

| | |
|---|--|
| Case No. CCI. 7/4/2011 Dated August 27, 2011 | Sixth Population and Housing Census |
|---|--|

DECISION

The Council of Common Interests decided to defer the consideration of the Summary dated August 20, 2011 submitted by Statistics Division on "Sixth Population and Housing Census".

3.3 LIST OF THE PARTICIPANTS OF CCI MEETING HELD ON AUGUST 27, 2011

Federation

1. Mir Changez Khan Jamali,
Minister for Science & Technology
2. Syed Naveed Qamar,
Minister for Water & Power

Provinces

1. Mian Muhammad Shahbaz Sharif, Chief Minister Punjab
2. Syed Qaim Ali Shah, Chief Minister Sindh
3. Mr. Ameer Haider Khan Hoti, Chief Minister Khyber Pakhtunkhwa
4. Nawab Muhammad Aslam Raisani, Chief Minister Balochistan

By Special Invitation

1. Dr. Abdul Hafeez Shaikh, Minister for Finance, EAD & Planning & Development.
2. Dr. Asim Hussain, Minister for Petroleum and Natural Resource
3. Mr. Saleem H. Mandviwalla, Minister of State / Chairman Board of Investment
4. Mrs. Nargis Sethi, Secretary Cabinet Division
5. Dr. Waqar Masood Khan, Secretary Finance Division
6. Mr. Javed Mahmood, Secretary Planning and Development Division
7. Mr. Abdul Wajid Rana, Secretary Economic Affairs Division
8. Mr. Shafqat Hussain Naghmi, Secretary Board of Investment
9. Mr. Muhammad Arshad Bhatti, Additional Secretary Religious Affairs Division
10. Mr. Junaid Iqbal, Secretary Capital Administration and Development Division
11. Mr. Muhammad Ejaz Chaudhry, Secretary Petroleum Division
12. Mr. Shahid Hussain Raja, Secretary Privatisation Division
13. Mr. Asif Bajwa, Secretary Statistics Division
14. Mr. Aziz Ahmad Bilour, Secretary, Industries Division
15. Mr. Salman Siddique, Chairman Federal Board of Revenue

16. Khawaja Muhammad Siddique Akbar, Secretary Interior Division
17. Mr. Arshad Mirza, Additional Finance Secretary, Finance Division
18. Mr. Amjad Nazir, Additional Secretary, Communication Division
19. Mr. Ali Arshad Hakeem, Chairman NADRA
20. Mr. Masroor Qureshi, Director General (Debt), Finance Division
21. Mr. Tahir Maqsood, Joint Secretary (Zakat), Religious Affairs Division
22. Mr. Abu Adal, Network Administrator, Religious Affairs Division
23. Ms. Tahira Zia, Director General (P&L), Privatisation Division
24. Mr. Shahid Raza, Consultant (Power), Privatisation Division
25. Mr. Saeed Ullah Shah, Director General (Gas), Petroleum & NR Division
26. Mr. Hassan Mahmood, Financial Analyst, Petroleum & NR Division
27. Mr. Imran Ahmad, Deputy Director (Gas), Petroleum & NR Division
28. Mr. Khizar Hayat Khan, Chief Census Commissioner, Population Census Organisation
29. Mr. Habibullah Khattak, Census Commissioner, Population Census Organisation
30. Mr. Muhammad Akram Janjua, Director General, Population Census Organisation

Provinces

1. Mr. Nasir Mahmood Khosa, Chief Secretary Punjab
2. Raja Muhammad Abbas, Chief Secretary Sindh
3. Mr. Ghulam Dastgir Khan, Chief Secretary Khyber Pakhtunkhwa
4. Mr. Ahmad Baksh Lehri, Chief Secretary Balochistan

CCI Secretariat

1. Mr. Muhammad Arif Azim, Secretary, IPC Division
2. Mr. Shahzad Iqbal, Joint Secretary (CCI)
3. Rana Muhammad Yousaf Khan, Deputy Secretary (CCI)

CHAPTER-4

MEETING OF THE COUNCIL OF COMMON INTERESTS HELD ON FEBRUARY 9, 2012



PRIME MINISTER SYED YUSUF RAZA GILANI CHAIRING THE COUNCIL OF COMMON INTEREST MEETING (CCI MEETING)
AT PM'S SECRETARIAT, ISLAMABAD ON FEBRUARY 9, 2012

4.1 ADDRESS BY THE PRIME MINISTER

Addressing to the Council of Common Interests meeting held at the Prime Minister Secretariat on February 9, 2012, the Prime Minister Syed Yusuf Raza Gilani welcomed the Chief Ministers and the Members of the Council of Common Interests for making it convenient to attend the meeting. He said that the Council has completed one and a half years and as per constitutional requirements it has to meet within 90 days. According to this time span, the Council would have met six times, however, after Eighteenth Constitutional Amendment, the Council held seven meetings and today we are meeting for eighth time. He added that, in these meetings, the Council considered forty three issues from federal as well as provincial governments. As report of the council was required to be laid before the Parliament in accordance with Article 153 (4) of the Constitution, today, the Council will consider and approve its first report for laying before the Parliament. The Prime Minister was pleased to inform CCI that the Cabinet has

approved Pakistan's becoming a member of the Forum of Federation, a Non-Governmental Body established at Ottawa, Canada. This membership will provide us an opportunity to benefit from the experiences of other Federations. He expressed that the forum of Council of Common Interests has great importance in the resolution of national issues which are enumerated in Part-II of the Federal Legislative List and today, we have seven important items on the agenda and expected that the Council will have meaningful deliberations on these national matters.

4.2 CASES CONSIDERED BY THE COUNCIL OF COMMON INTERESTS AND IMPACT ANALYSIS OF IMPLEMENTATION OF ITS DECISIONS

Cases considered by the Council in its second meeting in the functional year 2011-12 and Impact Analysis of Implementation of its decisions is mentioned hereunder:

| | |
|--|--|
| Case No. CCI. 1/1/2012 Dated February 9, 2012 | Annual Report of the Council of Common Interests (CCI) for the Year 2010-11 |
|--|--|

DECISION

The Council of Common Interests considered the Summary dated February 2, 2012, submitted by Inter Provincial Coordination Division on "Annual Report of the Council of Common Interests (CCI) for the Year 2010-11" and approved the Report and allowed its laying before both the houses of the Parliament as required under Article 153 (4) of the Constitution.

Implementation Status:

Implemented

Impact

The decision of the Council is evident of its significance, strengthening federalism and functioning after Eighteenth Constitutional Amendment. The decision facilitated laying of first Annual Report of the Council before the Parliament.

| | |
|--|--|
| Case No. CCI. 2/1/2012 Dated February 9, 2012 | Report on implementation of Council of Common Interests (CCI) Decisions |
|--|--|

The latest reported implementation status was presented before the Council and the present position was explained by the concerned Secretaries. The Council after due discussion on each of the pending cases gave following directions:

- (I). **CCI.3/1/2010 dated July 18, 2010
NEPRA's Annual Report, 2008-09 and State of
Industry Report 2009**

The Cabinet Secretary informed that the sub-committee of the CCI constituted under the Chairmanship of Syed Naveed Qamar, Minister for Water and Power has submitted its report on working and functioning of NEPRA within Constitution. The same is being processed in the Cabinet Division and shall be placed before the Council of Common Interests in its next meeting.

Implementation Status:

Implemented

- (II). **Case No. CCI. 4/1/2010 dated 18th July, 2010
Intellectual Property Organization of Pakistan
(IPO-Pakistan)'s issues.**

The Cabinet Secretary informed the Council that stakeholders' consultations including the provincial governments have been completed and presently the matter is with Law and Justice Division for their views. As soon as views of Law and Justice Division are received the Summary will be submitted for consideration of the CCI.

Implementation Status:

Implemented

Non-Agenda Items

- (III). Ministry of Water & Power should develop a scheme with foreign funding for development of infrastructure, to support the early completion of Tharcoal Project

The following actions for implementation were decided to be taken:-

- i. Adviser for Finance to hold meetings with all concerned for early completion of laying of transmission lines, water supply and removal of other hindrances;

Implementation Status:

Under Process

- ii. Adviser for Finance to hold meeting with the Sugar Mills Association for providing support for electricity generation from baggass by the Sugar Mills.

Implementation Status:

Under Process

- iii. Adviser for Finance to arrange energy conference to be chaired by the Prime Minister;

Implementation Status:

Implemented

- iv. Planning and Development Division and Economic Affairs Division to provide full support in resolving the issues relating to Tharcoal project and approval of two projects of Government of Khyber Pakhtunkhwa i.e Swat, and Chitral Hydal Generation projects by the ECNEC.

Implementation Status:

Under Process

- (IV). **Ministry of Railways to give a detailed briefing on their working, in the next meeting of the Council.**

The Secretary Railways informed the Council that the briefing has been prepared and shall be given in the next meeting of the CCI.

Implementation Status:

Under Process

- (V). **Case No. CCI. 2/3/2010 dated 8th November, 2010
Implementation Mechanism and Post-Flood
Reconstruction**

The Secretary Finance informed the meeting that review of Power Companies receivable is undertaken regularly as an ongoing process. The Chairman advised him to keep the CCI Secretariat posted of the progress.

Implementation Status:

Under Process

- (VI). **Case No. CCI. 1/3/2011 dated June 1, 2011
Harmonisation of Agriculture Income Tax Policy
in the Provinces**

The Secretary Finance informed the Council that meetings are regularly being held to take further steps and in this regard the data of income tax payers who have claimed exemption on the pre-text of payment of Agricultural income tax has been shared by the FBR with the provincial Governments.

Implementation Status:

Under Process

Impact

The decision of the CCI is instrumental for the progress made so far.

**(VII). Case No. CCI. 5/3/2011 dated June 1, 2011
Allocation of Water for Islamabad / Rawalpindi**

The Chief Minister Sindh reiterated his earlier stance and mentioned that it is not possible for them to agree to provide their share of water for Islamabad in accordance with Water Apportionment Accord, 1991 as the province of Sindh is already facing acute shortage of irrigation water especially in the tail areas of interior Sindh. The Prime Minister decided that he will separately hold the meeting with Chief Minister Sindh to resolve the issue.

Implementation Status:

Under Process

**(VIII) Case No. CCI. 2/4/2011 dated August 27, 2011
Distribution of Zakat Funds to Federal Areas and Provinces and Distribution of Arrears of Unutilised Zakat Funds Claimed by the Provinces**

The Council was informed that in accordance with its decision, the Zakat fund for the current financial year has been distributed among the provinces on the basis of existing formula. However, for future collection and distribution of arrears a meeting of Chief Secretaries was held at Lahore and next meeting is proposed at Karachi where the future modalities shall be worked out. The Council desired that the Provincial Governments may come up with new mechanism as soon as possible as after Eighteenth Constitutional Amendment, the subject of Zakat has been transferred to the Provinces.

Implementation Status:

Implemented

Impact

The decision of the Council of Common Interests provided guidance for resolution of an outstanding issue of "Distribution of Zakat Funds to Federal Areas and Provinces and Distribution of Arrears of Unutilised Zakat Funds Claimed by the Provinces" after Eighteenth Constitutional Amendment.

**(IX). Case No. CCI. 3/4/2011 dated August 27, 2011
Co-financing of Citizens' Damage Compensation
Programme-II**

It was informed by the Secretary Finance that the decision of the Council regarding provision of funds is strictly being followed and funds are being released on the basis of requirement, the Cabinet Division are monitoring the implementation of the programme. The Chairman directed that regular periodic reports may be submitted to the CCI Secretariat for updating the record of the Council. The Secretary Finance promised that in future, progress report will be submitted to the CCI.

Implementation Status:

Under Process

Impact

The decision of CCI resolved an outstanding issue of co-financing of financial burden by the provinces in accordance with their respective case load. (Proportionate to their number of affectees beneficiaries). The decision facilitated smooth implementation of Citizens' Damage Compensation Programme-II.

| | |
|--|--|
| Case No. CCI. 3/1/2012 Dated February 9, 2012 | Amendments in PPRA Ordinance, 2002 through Public Procurement Regulatory Authority (Amendment) Bill, 2011 |
|--|--|

DECISION

The Council of Common Interests while taking up the Summary dated November 16, 2011, submitted by the Cabinet Division on "Amendments in PPRA Ordinance, 2002 through Public Procurement Regulatory Authority (Amendment) Bill, 2011" on the request of the Secretary Cabinet Division allowed withdrawal of the Summary.

| | |
|--|---|
| Case No. CCI. 4/1/2012 Dated February 9, 2012 | Financial Crunch faced by Population Welfare Department, Punjab |
|--|---|

DECISION

The Council of Common Interests considered the Summary dated December 9, 2011, submitted by Government of the Punjab on "Financial Crunch faced by Population Welfare Department, Punjab" and decided that Federal Government shall provide funding to the provinces for Population Welfare Programme upto the end of current NFC Award, i.e. June, 2015.

Implementation Status:

Implemented

Impact

The decision of CCI played a very important role in the settlement of post devolution issues like the issue of funding for "Population Welfare Programme".

| | |
|---|--|
| Case No. CCI.5/1/2012 Dated February 9, 2012 | National Science, Technology & Innovation Policy - 2012 |
|---|--|

DECISION

The Council of Common Interests considered the Summary dated 26th January, 2012, submitted by Ministry of Science and Technology on "National Science, Technology & Innovation Policy - 2012" and approved the Policy in principle subject to incorporation of suggestions / observations raised during the meeting. The Council agreed that a committee be constituted by Minister for Inter Provincial Coordination for consultation and incorporation of the suggestions.

Implementation Status:

Implemented

| | |
|---|---|
| Case No. CCI.6/1/2012 Dated February 9, 2012 | Approval of Petroleum Exploration and Production Policy 2012 |
|---|---|

DECISION

The Council of Common Interests considered the Summary dated February 3 2012, submitted by Ministry of Petroleum and Natural Resources on "Approval of Petroleum Exploration and Production Policy 2012" and approved the Policy in principle subject to development of consensus on the issues of Zoning, Royalty, Mode of Royalty, and Production Bonuses by holding a meeting of Provincial Governments' representatives early next week to address concerns of the provinces.

Implementation Status:

Implemented

| | |
|---|---|
| Case No. CCI.7/1/2012 Dated February 9, 2012 | Financial Autonomy of Indus River System Authority |
|---|---|

DECISION

The Council of Common Interests considered the Summary dated February 8, 2012, submitted by Ministry of Water and Power

on "Financial Autonomy of Indus River System Authority" and approved amendment in its earlier decision in Case No. CCI.6/3/2011 dated June 1, 2011, as under:

- i. Paisa 30 per acre foot of water released for irrigation from provinces.
- ii. paisa 0.5 per Kwh for managing water for hydro power generation and cooling water needs of nuclear power generation to be paid by WAPDA and PAEC.

Implementation Status:

Implemented

Impact

As per CCI decision, Provinces, WAPDA and Pakistan Atomic Energy Commission are making payment to IRSA.

4.3 LIST OF THE PARTICIPANTS OF THE CCI MEETING HELD ON FEBRUARY 9, 2012

Federation

1. Dr. Arbab Alamgir Khan,
Minister for Communications
2. Mir Changez Khan Jamali,
Minister for Science & Technology
3. Mir Hazar Khan Bijarani,
Minister for Inter Provincial Coordination

Provinces

1. Mian Muhammad Shahbaz Sharif, Chief Minister Punjab
2. Syed Qaim Ali Shah, Chief Minister Sindh
3. Mr. Ameer Haider Khan Hoti, Chief Minister Khyber
Pakhtunkhwa

By Special Invitation

1. Syed Naveed Qamar, Minister for Water and Power
2. Dr. Asim Hussain, Special Assistant to Prime Minister on
Petroleum and NR
3. Dr. Abdul Hafeez Shaikh, Adviser to the Prime Minister on
Finance, EAD, and P&D
4. Mr. Khushnood Akhtar Lashari, PSPM / Secretary
Establishment Division
5. Mrs. Nargis Sethi, Secretary Cabinet Division
6. Dr. Waqar Masood Khan, Secretary Finance Division
7. Mr. Asif Bajwa, Secretary Planning and Development
Division
8. Mr. Muhammad Masood Chishti, Secretary Law and Justice
Division
9. Mr. Akhlaq Ahmad Tarar, Secretary Science & Technology
Division
10. Mr. Muhammad Ejaz Chaudhry, Secretary Petroleum & NR
Division
11. Mr. Imtiaz Kazi, Secretary, Water and Power Division
12. Mr. Abdul Wajid Rana, Secretary Economic Affairs Division

13. Mr. Shaukat Hayat Durrani, Secretary Religious Affairs Division.
14. Mr. Arif Azim, Secretary Railways Division

Provinces

1. Mr. Nasir Mahmood Khosa, Chief Secretary Punjab
2. Raja Muhammad Abbas, Chief Secretary Sindh
3. Mr. Ghulam Dastgir Khan, Chief Secretary Khyber Pakhtunkhwa
4. Mr. Ahmad Baksh Lehri, Chief Secretary Balochistan

CCI Secretariat

1. Mr. Anisul Hasnain Musavi, Secretary, IPC Division
2. Mr. Shahzad Iqbal, Sr. Joint Secretary (CCI)
3. Dr. Qazi Mujtaba Kamal, Deputy Secretary (CCI)
4. Mr. Mulazim Hussain Mujahid, Deputy Education Adviser

ANALYSIS OF SUBMISSION OF CASES TO THE COUNCIL OF COMMON INTERESTS

| Name of the Ministry / Division / Department | CCI meeting held on August 27, 2011 | | | CCI meeting held on February 9, 2012 | | |
|---|--|----------|-------------------------------|---|----------|-------------------------------|
| | Presented | Approved | Rejected / Deferred etc | Presented | Approved | Rejected / Deferred etc |
| Federal Government Ministries / Divisions | 7 | 5 | 2 | 6 | 5 | 1 |
| Punjab | - | - | - | 1 | 1 | - |
| Sindh | - | - | - | - | - | - |
| Khyber Pakhtunkhwa | - | - | - | - | - | - |
| Balochistan | - | - | - | - | - | - |

Abbreviations :

| | |
|-------|--|
| CCI | Council of Common Interests |
| ECNEC | Executive Committee of National Economic Council |
| FBR | Federal Board of Revenue |
| IDA | International Development Association |
| IRSA | Indus River System Authority |
| LNG | Liquefied Natural Gas |
| NEPRA | National Electric Power Regulatory Authority |
| NFC | National Finance Commission |
| PAEC | Pakistan Atomic Energy Commission |
| SEZ | Special Economic Zones |
| WAPDA | Water and Power Development Authority |