

**MINUTES OF THE 13TH MEETING OF THE IMPLEMENTATION COMMITTEE FOR
REORGANIZING THE FEDERAL GOVERNMENT
HELD ON 26-11-2019**

The 13th meeting of the Implementation Committee was held on 26-11-2019 at 10:00 a.m. in Institutional Reforms Cell (IRC), the P.M. Office. It was chaired by Dr. Ishrat Husain, Advisor to the Prime Minister on Institutional Reforms and Austerity. The list of the participants is annexed. The agenda of the meeting included a presentation by the Ministry of Defence Production on its restructuring and to discuss the views / comments of Ministries / Divisions on proposed Training, Policy Support and Research Institutes as per Annex-6 of the **REPORT ON REORGANIZING THE FEDERAL GOVERNMENT.**

PROPOSED RESTRUCTURING OF M/O DP

2. The meeting started with the presentation by M/o Defence Production (DP) regarding its proposed restructuring. To begin with, the Secretary M/o DP showed his gratitude to the Committee for affording him an opportunity to present the proposed restructuring of the Ministry. He also introduced his team to the Committee which inter alia consisted of the Heads of the Attached Departments / Wings of the Ministry. After this, the presentation started. Major General Khurram Anwar Qadri, DG, Military Vehicles Research and Development Establishment (MVRDE) started with the background of the restructuring plan and also afreshed the mandate of DP as given in the Rules of Business, 1973. He specifically highlighted the mandate of defining Defence Production Policy, carrying out the research and development regarding the defence equipment / stores and coordinating the production activities of all the DP organizations. While explaining the existing organizational structure, he stated that the Ministry has two Attached Departments, namely, Director General Defence Purchase (DGDP) and Director General Munitions Production (DGMP). The latter has further three subordinate offices, namely, Director General Military Vehicles Research and Development Establishment (MVRDE), Armament Research & Development Establishment (ARDE) and Institute of Optronics (IOP). Besides this, other Defence Production Entities like Pakistan Ordnance Factory (POF), Heavy Industries Taxila (HIT), Pakistan Aeronautical Complex (PAC) and two corporations, Karachi Shipyard & Engineering Works Limited (KS&EW) and National Radio and Telecommunication Corporation (NRTC) are also working under MoDP. The representative also explained existing ministerial set up.

3. While commenting on the proposed Executive Departments as mentioned at Sr.No.18 and 19 in the Annex-7 of the Task Force Report, the representative stated the Ministry agreed to the categorization of DGMP (excluding MVRDE, ARDE and IOP) and DGDP as Executive Departments. They proposed that MVRDE, ARDE and IOP will be merged together under one department with the name of "Research & Development Establishment" which will be an Executive Department under Director General.

4. The representative also stated that the Ministry agreed to the categorization of the following entities as proposed Autonomous Bodies except Defence Export Promotion Organization (DEPO), which would be Executive Department, as given in Annex-8 of the Task Force Report: -

- i. Pakistan Ordnance Factories (POFs) Board, Wah Cantt.
- ii. Heavy Industries Taxila (HIT) Board, Taxila.
- iii. Pakistan Aeronautical Complex (PAC) Board, Kamra.
- iv. Karachi Shipyard & Engineering Works (KS&EW), Karachi.
- v. National Radio Telecommunication Corporation (NRTC).

5. The rationale for restructuring / existing structural weaknesses presented by the Ministry is as follows: -

- a. Absence of DP Policy Formulation & Strategic Decision Making.
- b. Lack of Legal and Financial Experts.
- c. Limited Private Sector Interface.

6. In order to address these weaknesses, the Ministry tabled the following proposals:-

- Re-composition of the Boards of Autonomous Bodies (PoFs Wah, HIT and PAC Kamra).
- Creation of new EDs within existing resources
 - a. MVRDE, ARDE & IOP working under DGMP may be reorganized to form a new ED as “Directorate General Research and Development Establishment” under MoDP. Reorganization of MoDP and DGRDE will be done from within available resources.
 - b. DEPO may be re-designated as ED instead of AB with redefined mandate.
- Delegation of power to Secretary, Defence Production for internal transfers / deputation of officers and staff of Executive Departments.
- A new proposed ministerial organogram.
- PAO powers of POF Wah, HIT and PAC, Kamra are exercised by Secretary, Ministry of Defence Production, which needs to be delegated to respective organizational heads.

7. The views, analysis and suggestions of the Ministry were discussed in detail and the Committee appreciated the initiatives taken by the Secretary M/o Defence Production.

REVENUE DIVISION

8. The agenda was to discuss the proposal of merger of Directorate General Training Customs and Directorate General Training Inland Revenue Services into the proposed Institute of Fiscal Policy and Financial Management (IFPFM) as given in Annex-6 of the Task Force Report. The Chair welcomed Chairman FBR and gave introductory remarks. The Chair made it clear that the status of proposed Institute of Fiscal Policy and Financial Management (IFPFM) is that of like a governing body. The status of both the Training Institutes would be like constituent colleges of the proposed IFPFM. It was clarified that the existing training institution will be managed independently by the respective ministries- in the case by FBR, but the oversight and guidelines will be provided by the governing body. The purpose was to have focused attention on delivery of training as the ministries are involved in day to day operations. The governing body would also seek to avoid duplication, overlapping and efficient utilization of resources. The purpose is also to remove duplication from the training courses. The Chair stated that the word ‘merger’ has been a bit misconstrued. Here the word ‘merger’ is not in its traditional sense or in literal connotation rather it simply means reorganization of both the Training Directorates in order to gain synergy. The focus here is on governance. The Chairman FBR gave his consent for the proposed arrangement after this clarification. The Committee

further remarked that the name of these training institutes i.e Directorate General are not self-explanatory and needs renaming to align with the nomenclature of other basic training institutes.

M/o Railways

9. The agenda was to discuss the proposal of merging Pakistan Railways Academy, Walton into the proposed Infrastructure Policy Institute (IPI). The Chair briefly explained the misconception arising out from the word 'merger' and stated that it was a sort of reorganization of the academy in which the structure, functions and management of the academy would remain intact. After this, the Chair invited the Secretary of the Railway Board to share his views with the Committee on the subject. To begin with the Secretary stated that the academy has been conducting almost 130 training programmes for all of the railway staff. He further stated that the academy has been giving specific trainings in the discipline of Civil, Mechanical, Electrical / Electronic Engineering and Signaling Telecommunication etc. On this, the Chair remarked that the academy would keep on imparting all these trainings which the academy has presently been conducting. The purpose is to help improve the performance and oversight.

Decisions

- i. The categorization of DGMP (excluding MVRDE, ARDE & IOP) and DGDP as Executive Departments of M/o Defence Production was approved.
 - ii. The status of following entities of the M/o Defence Production as Autonomous Bodies was agreed:-
 - a. Pakistan Ordnance Factories (POFs) Board, Wah Cantt.
 - b. Heavy Industries Taxila (HIT) Board, Taxila.
 - c. Pakistan Aeronautical Complex (PAC) Board, Kamra
 - d. Karachi Shipyard & Engineering Works (KS&EW), Karachi
 - e. National Radio Telecommunication Corporation (NRTC)
 - iii. The reorganization of MVRDE, ARDE & IOP (subordinate offices of DGMP) as an Executive Department named as DGDP (Directorate General Research & Development Establishment) was agreed.
 - iv. The Committee was agreed with the proposal of M/o Defence Production to re-designate Defence Export Promotion Organization (DEPO) as Executive Department.
 - v. The Committee seconded the proposal of formulation of a policy and desired that the Secretary should take initiative.
 - vi. The Committee agreed in principle with the proposals of restructuring of the M/o Defence Production. However, it advised the Ministry to move summary for its formal approval after the issuance of minutes of the meeting.
 - vii. The cases of internal transfers / deputation be dealt by the Secretary, Ministry of Defence Production as per policy in vogue.
 - viii. The Ministry of Defence Production will ensure zero financial impact for the instant restructuring.
 - ix. The Committee recommended the placement of Directorate General Training Customs and Directorate General Training Inland Revenue Services into the proposed Institute of Fiscal Policy and Financial Management (IFPFM).
 - x. The Committee recommended renaming Directorate General Training Customs as Customs Training Academy and Directorate General Training Inland Revenue Services as Inland Revenue Training Academy.
 - xi. The Committee approved the merger of Pakistan Railways Academy, Walton, into the proposed Infrastructure Policy Institute.
10. The meeting ended with a vote of thanks to and from the Chair.

List of participants of the 13th Meeting of Implementation Committee

held on 26-11-2019

- i. Dr. Ishrat Husain, Advisor to the PM on Institutional Reforms & Austerity.
- ii. Mr. Shafqat Mahmood, Minister for Federal Education & Professional Training.
- iii. Syed Fakhar Imam, Chairman, Special Committee of the National Assembly on Kashmir.
- iv. Mr. Nadeem Babar, Advisor to the PM on Petroleum.
- v. Mr. Mohammad Shehzad Arbab, Advisor to the PM on Establishment.
- vi. Dr. Ijaz Munir, Secretary, Establishment Division.
- vii. Syed Shabbar Zaidi, Chairman, Federal Board of Revenue
- viii. Syed Mazhar Ali Shah, Secretary, Railway Board, M/o Railways
- ix. Lt Gen (Retd) Dr Muhammad Zahid Latif, HI(M), Secretary, M/o Defence Production, Rawalpindi.
- x. Dr. Arshad Mahmood, Additional Finance Secretary, Finance Division.
- xi. Maj General Khurram Anwar Qadri, Director General, MVRDE, M/o Defence Production, Rawalpindi.
- xii. Major General Akif Iqbal, Additional Secretary, M/o Defence Production, Rawalpindi.
- xiii. AVM, Muhammad Qaiser Janjua, Director General MP, M/o Defence Production, Rawalpindi.
- xiv. Rear Admiral Javed Iqbal (SI), Director General DP, M/o Defence Production, Rawalpindi.
- xv. Cdre Muhammad Irsalan Khan, Deputy Director General MVRDE, M/o Defence Production, Rawalpindi.
- xvi. Mr. Umar Aziz Khan, Joint Secretary, M/o Law & Justice.
- xvii. The Joint Secretary, M/o National Food Security & Research.
- xviii. Mr. Qamar Zaman, Joint Secretary, Institutional Reforms Cell (IRC).