

**Government of Pakistan  
Cabinet Secretariat  
Establishment Division**

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**WORKING PAPER FOR 5<sup>th</sup> IC MEETING**  
**TO BE HELD ON 06-9-2019**

Objections/Views received from Ministries / Divisions regarding  
Proposed Executive Departments, Autonomous Bodies and Grant-in-Aid Bodies

In compliance with the decisions taken in the last meeting, Ministry of Foreign Affairs was intimated for giving its views on the feasibility of merging Institute of Regional Studies (IRS) with Institute of Strategic Studies on 30.8.2019. Secondly, the difference between an Attached Department and Executive Department was conveyed to Ministry of Defence Production.

2. In today's meeting, the response from the following three Ministries / Divisions are placed before the Implementation Committee. Out of these, Ministry of Postal Services has submitted its response for the first time. The remaining two Ministry/Division are those who have shown their reservations on the decisions already taken in the previous meetings and have been recorded in the minutes of the meeting. The name of the Ministry/division alongwith gist of its feedback is as under:

| S.# | Ministry/Division           | Gist of Feedback   |
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| 1.  | Ministry of Postal Services | <p>Not agreed with the proposed Autonomous Bodies. It has been stated that PPOD alongwith all its field formations i.e. Postal Circles, G.M. Postal Life Insurance (PLIs), ECO Postal Staff College, Islamabad and Chief Controller Stamps, Karachi constitute integral part of PPOD, therefore, may not be considered for an Autonomous status.</p> <p>Further, Pakistan Post, being a Government Department, is allocated an annual budget by the Ministry of Finance, around 80 % of which is utilized for Pay and Pension of the employees /</p> |

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|    |   | retired employees and the remaining 20% is utilized for operational purposes. Pakistan Post constitutes a chain of command whereby budgetary allocations are made by the headquarters to the aforementioned field formations, being dependant on it.  |
| 2. | Poverty Alleviation and Social Safety Division<br><i>(The Division has commented on two decisions taken in the 2<sup>nd</sup> meeting regarding the Division)</i> | <p><b><u>Decisions at para No.(7) of the minutes of the 2<sup>nd</sup> meeting.</u></b> <i>In presence of the Poverty Alleviation and Social Safety Division, there remains no justification for Poverty Alleviation Coordination Council PACC).</i></p> <p><b><u>Comments by the Ministry</u></b></p> <p>a. The Poverty Alleviation Coordination Council PACC) was established and notified on 08-01-2019 after the approval of the Cabinet.</p> <p>b. While, it is correct that the Poverty Alleviation and Social Safety Division stands established but it does not obviate the need of the Poverty Alleviation Coordination Council due to the following facts:-</p> <p>i. The Poverty Alleviation and Social Safety Division’s work areas require frequent interaction with experts from public &amp; private sector in poverty alleviation, nutrition, disability, orphanages, street children, labour issues, health issues, micro financing, poverty graduation, etc. Hence, the need to retain this body.</p> <p>ii. The PACC stage serves as a country wide “consultative platform” with the built in provision to establish subordinate groups for consultation prior to launching schemes / Programs for poverty alleviation by the PA&amp;SS Division.</p> <p><b><u>Decisions at para No.(8) of the minutes of the 2<sup>nd</sup> meeting.</u></b> <i>TVO be merged with the PPAF since their</i></p> |

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|    |                  | <p><i>functions overlap. This merged entity is to be classified as an Autonomous Body.</i></p> <p><b><u>Comments by the Ministry</u></b></p> <p>a. TVO is the “Trust for Voluntary Organizations” established under charitable endowment Act 1890 and notified vide SRO 171(1)190 of 15<sup>th</sup> February, 1990. The PPAF is a Section ‘42’ Company under the Companies Ordinance 1984, now replaced by, The Companies Act 2017.</p> <p>b. TVO entered into an agreement by signing an MOU with USAID. The guidelines for implementation of the Special Development Fund (SDF) Agreement by the TVO, and to enable USAID to monitor the progress of the SDF, both parties agreed to administer the funds in accordance with the precepts of the SDF agreement and, in doing so, maintain the funds in a non-comingled manner to be utilized only in accordance the purpose of the SDF agreement.</p> <p>c. The SDF agreement was signed between the Islamic Republic of Pakistan and United States of America. The same agreement provides for administration of SDF funds which cannot be altered as stated above and is enshrined in the said MOU as Annual report of the TVO is to be sent to USA Embassy. In the light of this agreement, it is not feasible for TVO to be merged with PPAF.</p> |
| 3. | Textile Division | <p>It has been stated that Implementation Committee in its 2<sup>nd</sup> meeting held on 06-08-2019 considered the objection of this Division regarding the following four entities:-</p> <ol style="list-style-type: none"> <li>i. Karachi Garment City Company (KGCC).</li> <li>ii. Lahore Garment City Company (LGCC).</li> <li>iii. Faisalabad Garment City Company (FGCC).</li> <li>iv. Pakistan Textile City Limited (PTCL), Karachi.</li> </ol>  |

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|  |  | <p>It was clarified by the Chair that these companies placed in category of Autonomous Body but the legal status of these entities will remain unchanged. It has further been stated that contrary to the discussion following words have been inserted in the decision which is out of context “....and to be <b>further considered for liquidation / winding up</b>”.</p> <p>The Ministry is of the view that the liquidation / winding up of these entities are not in the public interest due to the reasons as <b>Annexed</b>.</p> |
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