

**SENATE OF PAKISTAN
HOUSE OF THE FEDERATION**



REPORT NO.4

**REPORT OF THE SENATE SPECIAL COMMITTEE ON THE
PERFORMANCE OF PIA**

ON

**"THE MATTER PERTAINING TO THE AIRCRAFTS OBTAINED BY PIA
ON WET LEASE FROM TURKEY**

PRESENTED BY

**SENATOR MUSHAHID ULLAH KHAN
CONVENER**

SENATE SECRETARIAT

Subject: **REPORT OF THE SENATE SPECIAL COMMITTEE ON THE PERFORMANCE OF PIA "THE MATTER PERTAINING TO THE AIRCRAFTS OBTAINED BY PIA ON WET LEASE FROM TURKEY.**

I Senator Mushahid Ullah Khan, Convener of Special Committee on the Performance of PIA, have the honour to present the report pertaining to the aircrafts obtained by PIA on wet lease from Turkey. The matter was raised by Senator Syed Muzafar Hussain Shah during the Senate sitting dated 15th February, 2017 and the same was referred to the Special Committee by hon'able Chairman Senate with the directions to report back within one month.

2. The composition of the Special Committee is as follows:-

1.	Senator Mushahid Ullah Khan	Convener
2.	Senator Ilyas Ahmad Bilour	Member
3.	Senator Chaudhary Tanvir Khan	Member
4.	Senator Lt. Gen. (R) Abdul Qayyum	Member
5.	Senator Syed Muzaffar Hussain Shah	Member
6.	Senator Dr. Jehanzeb Jamaldini	Member
7.	Senator Muhammad Talha Mehmood	Member
8.	Senator Muhammad Usman Khan Kakar	Member
9.	Senator Dr. Ashok Kumar	Member
10.	Senator Taj Muhammad Afridi	Member
11.	Senator Saeed Ghani	Member
12.	Senator Farhatullah Babar	Member
13.	Senator Sherry Rehman	Member
14.	Senator Col. (R) Syed Tahir Hussain Mashhadi	Member
15.	Senator Nauman Wazir Khattak	Member
16.	Senator Sirajul Haq	Member
17.	Senator Mir Israrullah Khan Zehri	Member
18.	Senator Kamil Ali Agha	Member

3. The Special Committee on the Performance of PIA considered the matter in its meeting held on 1st March, 2017 and attended by following members of the Special Committee:-

1.	Senator Mushahid Ullah Khan	Convener
2.	Senator Ilyas Ahmad Bilour	Member
3.	Senator Lt. Gen. (Retd) Abdul Qayyum	Member
4.	Senator Dr. Ashoke Kumar	Member
5.	Senator Taj Muhammad Afridi	Member
6.	Senator Farhatullah Babar	Member
7.	Senator Col. (Retd) Syed Tahir Hussain Mashhadi	Member
8.	Senator Kamil Ali Agha	Member
9.	Senator Saleem Mandviwala	

4. During the course of meeting, the Committee was informed that PIACL invited the bids to acquire narrow body aircrafts on wet lease as per PPRA Rules, 2004. In response to that, PIA received offers from two companies i.e. M/s Pegasus Airlines and M/s Corendon Airlines.

5. M/s Pegasus Airlines offered four B737-800 (2010/2011 vintage) aircraft, whereas M/s Corendon Airlines offered two B737-800 (2005/2006 vintage) aircrafts. M/s Pegasus Airlines was however evaluated as the lowest bidder amongst two participating companies.

6. The Committee was further informed that the aircrafts which have been acquired on Wet Lease from M/s Pegasus Airlines, Turkey were inducted after completion of all codal formalities including inspection and clearance from Civil Aviation Authority. M/s Pegasus Airlines is also the second largest airline in Turkey and has an extensive network between Turkey and Europe, which is being served with these types of aircrafts.

7. These B737-800 aircrafts have been obtained on short-term wet lease i.e. for January-May 2017 period, as a stopgap arrangement in order to bridge the capacity requirements, the PIA officer further added.

8. The Special Committee on the Performance of PIA after detailed discussions and deliberations unanimously decided to disposed of the matter with following recommendations:-

1. **The aircrafts have been obtained on short term wet lease for five months period as stop-gape arrangement in order to bride the capacity requirements, as such the Committee strongly recommended not to extend the lease period for such type of planes/aircrafts and replace these with a wide body aircrafts preferably on dry lease, in future.**
2. **If easily possible a business class having at-least eight seats may be introduced for the comfort of passengers travelling in these planes.**



(HAFEEZULLAH SHEIKH)
JS/Secretary Committee



(SENATOR MUSHAHID ULLAH KHAN)
Convener of the Special Committee
on the Performance of PIA