

SENATE OF PAKISTAN
HOUSE OF THE FEDERATION



Report No.5

SPECIAL REPORT OF THE SENATE IMPLEMENTATION COMMITTEE

ON

THE MATTER REFERRED BY HON'BLE CHAIRMAN SENATE
REGARDING "STATUS OF IMPLEMENTATION OF THE REPORT OF
SENATE STANDING COMMITTEE ON PETROLEUM ADOPTED BY THE
HOUSE ON 08.11.2017 UNDER RULE 196 OF RPCB, 2012
RAISED BY SENATOR TAJ MUHAMMAD AFRIDI

PRESENTED BY

SENATOR DILAWAR KHAN
Convener Senate Implementation Committee

SENATE SECRETARIAT

Subject: SPECIAL REPORT OF THE SENATE IMPLEMENTATION COMMITTEE ON THE MATTER REFERRED BY HON'BLE CHAIRMAN SENATE REGARDING "STATUS OF IMPLEMENTATION OF THE REPORT OF SENATE STANDING COMMITTEE ON PETROLEUM ADOPTED BY THE HOUSE ON 08.11.2017 UNDER RULE 196 OF RPCB, 2012 RAISED BY SENATOR TAJ MUHAMMAD AFRIDI.

I, Senator Dilawar Khan, Convener Senate Implementation Committee have the honour to present the special report of the Committee on the matter raised by Senator Taj Muhammad Afridi regarding "Status of Implementation of Report of the Senate Standing Committee on Petroleum Adopted by the House on 08.11.2017 under Rule 196 of Rules of Procedure and Conduct of Business in the Senate, 2012 referred by hon'ble Chairman Senate from his Chamber on 19.11.2019.

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

| | | |
|-----|---------------------------------------|-----------------|
| 1. | Senator Dilawar Khan | Convener |
| 2. | Senator Aurangzeb Khan | Member |
| 3. | Senator Chaudhary Tanvir Khan | Member |
| 4. | Senator Molvi Faiz Muhammad | Member |
| 5. | Senator Muahammad Ayub | Member |
| 6. | Senator Naseebullah Bazai | Member |
| 7. | Senator Nighat Mirza | Member |
| 8. | Senator Rana Mahmood ul Hassan | Member |
| 9. | Senator Saleem Zia | Member |
| 10. | Senator Sardar Muhammad Shafiq Tareen | Member |

3. The Senate Implementation Committee considered the matter in its meeting held on 11th December, 2019. All concerned officials including Ministry of Energy (Petroleum Division) were invited in the meeting for their input. The following members of the Committee attended the meeting and taken part in the discussion:-

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|----|---------------------------------------|-----------------|
| 1. | Senator Dilawar Khan | Convener |
| 2. | Senator Aurangzeb Khan | Member |
| 3. | Senator Molvi Faiz Muhammad | Member |
| 4. | Senator Naseebullah Bazai | Member |
| 5. | Senator Nighat Mirza | Member |
| 6. | Senator Saleem Zia | Member |
| 7. | Senator Sardar Muhammad Shafiq Tareen | Member |
| 8. | Senator Taj Muhammad Afridi | Special Invitee |

4. The Hon'ble Senator Dilawar Khan, Convener of the Senate Implementation Committee invited the Mover Senator Taj Muhammad Afridi to apprise the participants on the referred matter in relation to the status of implementation of Report of the Senate Standing Committee on Petroleum adopted by the House on 08.11.2017 under Rule 196 of Rules of Procedure and Conduct of Business in the Senate, 2012.

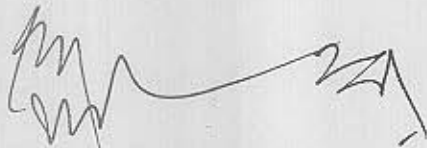
5. Senator Taj Muhammad Afridi while apprising the Committee said that matter in hand was taken by the SSC on Petroleum and Natural Resources in the previous Parliamentary Tenure (2015-18), a Sub-Committee was constituted to know the facts and devise a report alongwith recommendations. The report of the Sub-Committee was considered and approved by the Standing Committee thereafter was adopted by the House as per rules as well. However; unfortunately the recommendations of the Committee have not been implemented by the concerned Ministry / Division / Department in letter & spirit.

6. Senator Taj Muhammad Afridi also mentioned that despite of his efforts to raise the same matter in the current SSC on Petroleum but all in vain, therefore, on his request, the Hon'ble Chairman Senate referred the said matter to the Senate Implementation Committee. He further said that the matter of issuing licence to Oil Marketing Companies (OMCs) by the OGRA without proper scrutiny and thorough checks leading to increase in corruption in the said industry.

7. In response, the Chairperson, OGRA explained before the Committee that currently there are thirty-one (31) Oil Marketing Companies to which licences have been issued by the Authority. The number of these issued licences was increased after Government revised policy in the aftermath of a severe oil shortage in the country, a few years back. The basic purpose of issuing licenses to more OMCs on soft terms; such as easing the requirement of minimum paid up capital etc. was to increase the storage capacity throughout the country in order to prevent acute oil shortage in future. It was further explained by the Chairperson, OGRA that stringent regulatory checks are imposed on OMCs and regular third-party audits are being conducted to ensure standards, number of retail outlets and storage capacity.

8. Chairperson, OGRA further briefed the Committee that recommendations of Committee, as mentioned and raised by Senator Afridi, are generic in nature and are in line with the measures taken by the Authority therefore these may be considered already acted upon.

9. After the detailed discussion and briefing by the concerned officers on the matter, the hon'ble Convener Committee emphasized the need to understand the matter in detail more, therefore he with the consent of Mover recommended that Senator Afridi may hold a consultative meeting with the Chairperson OGRA in order to deliberate in detail on the issues and furnish the progress report to the Committee, so that Committee may take up the issue and scrutinize and finalize it in its meeting if required. The matter was disposed-off.



(HAFEEZULLAH SHEIKH)
AS/Secretary Committee



(SENATOR DILAWAR KHAN)
Convener Senate Implementation
Committee