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**SENATE SECRETARIAT**

**REPORT  
OF THE  
SENATE STANDING COMMITTEE  
ON  
STATES AND FRONTIER REGION  
FOR THE VISIT OF KHYBER PAKHTUNKHWA**

**From 11<sup>th</sup> to 12<sup>th</sup> March, 2020**

**Presented by**

**Senator TAJ Muhammad Afridi**

**Chairman, Committee**

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## Preface

I feel great pleasure to present the report of the Standing Committee on States and Frontier Regions of the meeting/visit of Khyber Pakhtunkhwa from 11<sup>th</sup> to 12<sup>th</sup> March, 2020.

In pursuance of Rule 158 of the Rules of Procedure and Conduct of Business in the Senate, 2012, a standing committee is constituted for every federal ministry to look after the affairs of the concerned ministry and any other specific task referred by the House. The standing committees are termed as "eyes, ears, hands and brain of the Parliament". A standing committee plays pivotal role to oversight and to monitor the performance of the ministry. It examines the Bills and other matters referred by the House and after deliberation the reports are submitted to the House for further consideration. The Rules of Procedure and Conduct of Business in the Senate, 2012 and Standing Orders are empowered the standing committees to inspect the expenditure, administration, delegated legislations, public petitions and policies of the ministry, divisions, departments and subordinate offices under it.

The Standing Committee on States and Frontier Regions held a meeting on 11<sup>th</sup> March, 2020 in office of the Commissioner, Peshawar to discuss the issue of establishment of Small Industrial Estate in FR Kohat/ Peshawar announced/ approved by the Governor Khyber Pakhtunkhwa in 2003. After the meeting, the Committee visited the sites at Rahim Abad, Matani and Azadi Mela, Darra Adamkhel and heard the viewpoint of the people gathered in the Jirga. However, on 12<sup>th</sup> March, 2020, the Committee did not reach at Torkhum Border due to blockage of road, heavy rain and bad weather. Therefore, the Committee returned from the midway (Ali Masjid) and decided to defer the scheduled visit/meeting and the same will be held in near future to discuss the issues facing by the local people and business community on Torkham border. The proceedings of the Committee meeting at Peshawar and the visits of the sites and recommendations are included in this report for the perusal and record.

I am thankful to the members of the Committee who participated in the proceeding effectively and made active contribution during the visit. I am also grateful to the respective administration and public representatives who attended and participated in the meeting/Jirga. I appreciate the contributions made by Ch. Salamat Ali, Secretary Committee, Mr. Ayub Khan and Mr. Islam Khan, P.S and other officials who rendered valuable support to the Committee.

(Senator Taj Muhammad Afridi)  
Chairman, Senate Standing Committee

## Agenda of the Meetings

The agenda of the meeting/visit of the Committee was as under:

**i.(a)** Briefing by Secretary M/o SAFRON, Secretary Industries Khyber Pakhtunkhwa, Managing Director, Small Industries Development Board (SIDB), Chief Executive, Merged Areas Development Authority (MADA), Deputy Commissioner, Kohat and Commissioner, Peshawar regarding establishment of Industrial Estate in FR Kohat/ Peshawar announced/ approved by the Governor Khyber Pakhtunkhwa in 2003.

**(b)** **At 2:00 pm on the same day:** A site visit of Members of the Committee and other officials to the site area of Azadi Mela, Darra Adamkhel and Rahim Abad Matani.

**On 12<sup>th</sup> March, 2020 at 11:00 am Meeting at District Administration Office, Torkham Border and site visit,**

**ii.** Briefing by Chief Secretary, Khyber Pakhtunkhwa, Secretary, Home Department, Secretary, Commerce and Secretary, Industries, Khyber Pakhtunkhwa, D.G Custom Khyber Pakhtunkhwa, D.C District Khyber, Director FIA, Khyber Pakhtunkhwa, Chairman PTA, and Chief TESCO on the issues facing by local people and business community on Torkham border specially in respect of custom clearance, border crossing/ visa, internet and supply of electricity, etc. All the members will also be visited to Torkham Border at the same day.

## Constitution of the Committee

|                                              |          |
|----------------------------------------------|----------|
| 1) Senator Taj Muhammad Afridi               | Chairman |
| 2) Senator Haji Momin Khan Afridi            | Member   |
| 3) Senator Aurangzeb Khan                    | Member   |
| 4) Senator Shammim Afridi                    | Member   |
| 5) Senator Muhammad Ayub                     | Member   |
| 6) Senator Sardar Muhammad Yaqoob Khan Nasar | Member   |
| 7) Senator Atta Ur Rehman                    | Member   |
| 8) Senator Hilal-ur-Rehman                   | Member   |
| 9) Senator Mohsin Aziz                       | Member   |
| 10) Senator Hidayat Ullah                    | Member   |
| 11) Senator Rana Mahmood ul Hassan           | Member   |
| 12) Senator Anwar Lal Dean                   | Member   |

## Proceedings and Achievements of the Committee

The meeting of the Committee was held on 11<sup>th</sup> March 2020 at the Commissioner's Office, Peshawar under the Chairmanship of Senator Taj Muhammad Afridi, Chairman of the Committee. The following members of the Committee attended the meeting:

|      |                                           |        |
|------|-------------------------------------------|--------|
| i)   | Senator Aurangzeb Khan                    | Member |
| ii)  | Senator Shamim Afridi                     | Member |
| iii) | Senator Muhammad Ayub                     | Member |
| iv)  | Senator Sardar Muhammad Yaqoob Khan Nasar | Member |
| v)   | Senator Anwar Lal Dean                    | Member |

The meeting started with the recitation from the Holy Quran. Senator Taj Muhammad Afridi, Chairman, Committee welcomed all the participants in the meeting. Thereafter, discussion on the agenda was commenced. The Managing Director, Small Industries Development Board (SIDB) gave a detailed presentation on the establishment of Small Industrial Estate in FR Kohat/ Peshawar announced by the Governor Khyber Pakhtunkhwa in 2003. He said thousands of people directly or indirectly involved with the weapons production at Darra Adam Khel where nearly 120 working units and 245 work places situated. He further said that the annual value of weapons and spare parts approximately of US\$ 5.7 billion but without documentations, no revenue received to Government, without registration, lack of standardization and marketing. According to him, there were serious implications in terms of crimes, terrorism and subversive activities in the area, therefore, it was decided to establish a small industrial estate at Darra Adam Khel to monitor the production and finished products to control the reaching of arms to illegal users. In the absence of legal framework in ex-FATA, the Governor of Khyber Pakhtunkhwa approved the establishment of Small Industrial Estate at Matani in Ex-FR Peshawar on 06-06-2016 and the site of Rahimabad, Mattani was selected in a meeting chaired by Chief Executive FDA on 20-07-2016. Accordingly, PC-1 of such scheme was approved by the Board of Directors of Ex-FATA Development Authority in its meeting held on 15-09-2017. The process of acquisition of land was initiated by FDA and Section-4 of Land Acquisition Act, 1894 was imposed by the D.C. Peshawar. Moreover, funds of PKR 153.948 million were placed at the disposal of D.C Peshawar for disbursement to land owners.

The Committee was apprised that the site at Rahimabad, Matani was objected by locals being outside Darra Adam Khel and decided by the stakeholders to establish the project inside Darra Adamkhel at Azadi Mela, Akhurwal. In this regard fresh consultations were made

jointly by D.C, Kohat and 11<sup>th</sup> Crops with relevant stakeholders in post-merger scenario. A Jirga of the locals convened on 11<sup>th</sup> April, 2019 with D.C, Kohat and 117<sup>th</sup> Brigade HQ, Kohat and consensus was developed on Azadi Mela, Akhurwal as site for establishment of the small industrial estate. He said that FATA Development Authority (FDA) was deactivated, therefore, in post-merger scenario, the scheme was transferred from erstwhile FATA to Small Industrial Development Board (SIDB), Khyber Pakhtunkhwa vide notification dated 27.05-2019.

The Committee was further intimated that after the decision made on 19/06/2019 under chairmanship of Chief Secretary, Khyber Pakhtunkhwa, the D.C Kohat was asked to prepare necessary land revenue papers. In this regard a summary was approved by Chief Minister allowing D.C Kohat for acquiring the land. The SIDB wrote a letter on 19<sup>th</sup> August, 2019 to D.C, Peshawar for transfer of Rs.153.948/- million to Finance Department. At the same time the change of site was challenged in PHC, Peshawar; however, the Court dismissed the writ petition on 18<sup>th</sup> September, 2019. The D.C, Peshawar de-notified the site at Rahimabad, Matni on 7<sup>th</sup> October, 2019 and surrendered Rs.153.956 million to Finance Department on 11<sup>th</sup> October, 2019. The D.C Kohat issued Section-4 of Land Acquisition Act, 1894, for acquisition of land of new site on 21<sup>st</sup> October, 2019.

The Chairman, Committee said that the consensus of the people of the area must be done before the establishment of the small industrial estate. He said that the people of the erstwhile FATA always showed willingness to give their land for the welfare programmes, therefore, no need to impose section 4 for acquisition of land. He further said that the main aim of the establishment of small industrial estate to regularize the profession and use of skills of the people properly, therefore, no one against the establishment of the industrial estate. Senator Shamim Afridi said that after inception of Pakistan, there was no issue at Darra Adam Khel and peoples have been attached with weapon production profession for last 200 years but issues raised now. Senator Sardar Yaqoob Khan Nasar suggested that the peoples involved with the weapon production may not be disturbed. Senator Aurangzaib said that the international level ammunition has been produced at Darra Adam Khel and emphasized to involve the said people to decide the site for establishment of the industrial estate. He further said that the development in the erstwhile FATA will only be possible if industrial zones may be established, proper training and facilities may be provided to the people of the area. Senator Muhammad Ayub said that the small industrial estate will be established to regularize and proper use of professional skills of the people of the area.



The D.C Kohat briefed the Committee that the aim to establish the small industrial estate to compact the weapon production at one location to regularize the weapon production, to provide better facilities and to control the law and order after extension of provincial laws in the area after merger. He said presently there was no check and no record available of the production of weapons, therefore, the Government wants to get data for documentation, to use professional skills of the people properly, to provide quality raw material from POF Wah, to give subsidies and uninterrupted electricity and gas. He said that section 4 of Land Acquisition Act, 1894 has imposed to acquire the land for the industrial estate. The Commissioner, Kohat intimated that the provincial government has restored the old system of land acquisition in the erstwhile FATA. He said a facilitation center will be established to provide maximum facilities to the industrial estate. It was informed that amendment in Section 11 has been made and subsection 'c' has added. The Chairman, Committee said that in old system, the land for the roads, hospitals and school was provided free of cost by the owners in the erstwhile FATA. The petitioner and public representative also briefed the Committee regarding their reservations on the change of the site of the industrial estate and requested for early establishment of it.

The M.D, SIDB said that the industrial estate will be established to develop the ammunition production with provision of maximum facilities like uninterrupted supply of electricity, network, roads, quality raw material and technical support from POF Wah. According to him, the site for industrial estate was changed on the mutual consultation by the Joint Committee, however, the peoples of Azadi Mela did not show willingness to give their land for the industrial estate, therefore, section 4 of Land Acquisition Act, 1894 has imposed. The Chairman, Committee remarked that the imposition of Section 4 for acquisition of land at the particular site was unlawful as there was no land settlement exists in Ex-FATA. The viewpoint of the Committee was that the decision in the matter must be taken with the consultation of the peoples of the area and stakeholders.

After the meeting, the Committee visited the sites at Rahimabad, Matani and Azadi Mela, Darra Adamkhel to know the view point of the peoples of the area. At Rahimabad, Mattani, the Committee heard the views of the people gathered in the Jirga. The Petitioner argued that there was huge difference in estimated cost of land (Rs.1,400,000/- against Rs.10,000,000/- per jareeb). He said that the site was approved earlier by the apex joint committee of PASDEC, FDA, SMEDA and other stakeholders. He further said that the site is suitable for the industrial estate as it is leveled and above the main road. According to him, the

land for the approach road will be provided by their owners free of cost. The M.D, SIDB, said that the rate of the land will be determined at the time of land acquisition and the land is not plain as there is required filling/cutting. Moreover, no one will give land free of cost at the time of acquisition. Later on the Committee visited the site at Azadi Mela, Darra Adamkhel and heard the views of the people gathered there in the Jirga. The peoples did not show willingness to give their land for the industrial estate.

After detailed discussion and deliberation during the meetings/ visits and attending the Jirga at both proposed sites, the Committee concluded that in absence of legal framework in Ex-FATA, the Governor of Khyber Pakhtunkhwa approved establishment of Small Industrial Estate at Mattani on 06-06-2016 and the site was selected at Rahimabad with consultation of all stakeholders and with consensus of the local people. The Committee further observed that the PC-1 of the scheme was approved by the Board of Directors of Ex-FATA Development Authority on 15-09-2017. The Committee decided that the Industrial Estate should be established at Rahimabad, Mattani as the site was approved before the merger of Ex-FATA with Khyber Pakhtunkhwa. Moreover, Section 4 of Land Acquisition Act 1894 imposed for land acquisition is unlawful as there was no land settlement exists in ex-FATA.

On the 12<sup>th</sup> March, 2020, the following members of the Committee attended the visit towards Torkham Border but did not reach at the venue of the meeting:

|       |                                           |        |
|-------|-------------------------------------------|--------|
| i)    | Senator Haji Momin Khan Afridi            | Member |
| ii)   | Senator Aurangzeb Khan                    | Member |
| iii)  | Senator Shamim Afridi                     | Member |
| iv)   | Senator Muhammad Ayub                     | Member |
| v)    | Senator Sardar Muhammad Yaqoob Khan Nasar | Member |
| vi)   | Senator Hidayat Ullah                     | Member |
| vii)  | Senator Rana Mahmood ul Hassan            | Member |
| viii) | Senator Anwar Lal Dean                    | Member |

The Committee deferred the agenda item-ii as the Committee did not reach at the Torkham Border due to blockage of road, heavy rain and bad weather. Therefore, the Committee returned from the midway (Ali Masjid) and decided to defer the scheduled visit/ meeting and the same will be held later on to discuss the issues facing by local people and business community on Torkham border especially in respect of custom clearance, border crossing/ visa, internet and supply of electricity.



## Important Recommendations of the Committee

After detailed discussion and deliberation during the meetings/ visits and attending the Jirga at both proposed sites, Rahim Abad, Matani and Azadi Mela, Darra Adamkhel, the Committee concluded that in absence of legal framework in Ex-FATA, the Governor of Khyber Pakhtunkhwa approved establishment of Small Industrial Estate at Mattani on 06-06-2016 and the site was selected at Rahimabad with consultation of all stakeholders and with consensus of the local people. The Committee further observed that the PC-1 of the scheme was approved by the Board of Directors of Ex-FATA Development Authority on 15-09-2017. The Committee decided that the Industrial Estate should be established at Rahimabad, Mattani as the site was approved before the merger of Ex-FATA with Khyber Pakhtunkhwa. Moreover, Section 4 of Land Acquisition Act 1894 imposed for land acquisition is unlawful as there was no land settlement exists in ex-FATA and recently the provincial government has also restored the old system of land acquisition in the erstwhile FATA.

  
(CH. SALAMAT ALI)  
D.S./Secretary Committee

  
(SENATOR TAJ MUHAMMAD AFRIDI)  
Chairman, Committee