83rd Session

SENATE SECRETARIAT

"QUESTIONS FOR ORAL ANSWERS AND THEIR REPLIES"

to be asked at a sitting of the Senate to be held on

Wednesday, the 11th July, 2012

DEFERRED QUESTIONS

(Questions Nos.36, 37, 39, 44 and 46 were originally set down for answering on 8th May, 2012 (81st Session) but were deferred)

36. ***Begum Najma Hameed:** (Notice received on 13-03-2012 at 15:45 p.m.)

Will the Minister for Industries be pleased to state:

(a) whether it is a fact that the stock of fertilizers is not enough to meet the demand, if so, the steps taken to procure more stocks; and

(b) the steps taken/being taken by the Government for equitable distribution of fertilizers in the country?

Ch. Pervaiz Ellahi: (a) (i) The urea demand of the country for Kharif 2012 as determined in consultation with all the stake holders has been 3.0 million tons, whereas the supply position is as under:

Opening Inventory	0.800 million tons
+Domestic Production	2.290 million tons
+Imported	0.407 million tons
Total	**3.497 million tons**

This will result in an expected ending inventory of urea equal to 0.497 million tons, which shows that urea availability situation in the country is satisfactory for Kharif 2012. The imports of 0.3 million tons had been approved by ECC to cater for unforeseen gas cuts and consequent shortages.

(ii) DAP requirement is estimated to be 0.536 million tons for Kharif 2012 which is to be met as under:

Opening Inventory	0.177 million tons
+Production	0.357 million tons
+ Imports	0.190 million tons
Total	**0.724 million tons**

(ii) DAP imports are undertaken by private sector which are being conducted smoothly according to the requirements of the country. It is expected that there would be a surplus of 0.187 million tons at the end of Kharif 2012 Season.

(b) Distribution of domestically produced fertilizer is monitored by provincial govts. The federal govt monitors distribution of only the imported urea. Following steps have been taken for equitable distribution of imported urea:—

NFML, under Ministry of Industries, supplies Imported UREA to all provinces according to their consumption share. NFML distributes UREA through dealership network consisting of 3000 dealers across the country @ Rs.1600/- per 50 Kg bag. Whereas UREA prices by private manufacturers are Rs.1700/- per 50 Kg bag which is still higher than Imported UREA price supplied by NFML. Further to ensure delivery of UREA at farmers door step, NFML has increased dealership network from 916 to 3000 and enhanced Store network from 29 to 36 in the country.

37. ***Begum Najma Hameed:** (Notice received on 15-03-2012 at 09:25 a.m.)

Will the Minister for Commerce be pleased to state:

(a) the number of persons appointed in the Ministry of Commerce and its attached departments since 15th March, 2008, with grade-wise and province-wise break-up; and

(b) the procedure adopted for the said appointments?

Makhdoom Amin Fahim: (a) The details regarding appointments in the Ministry of Commerce and the only attached department Directorate General of Trade Organization (DGTO) since 15th March, 2008 with grade-wise breakup is as under:—

Ministry of Commerce

(b) The appointments of officials/staff were made in the Ministry of Commerce and its attached department (DGTO) after approval of the Departmental Selection Committee (DSC).

39. ***Begum Najma Hameed:** (Notice received on 16-03-2012 at 09:15 a.m.)

Will the Minister for Production be pleased to state:

(a) the details of steel items produced by Pakistan Steel Mills; and

(b) the steps being taken by the Government to overcome losses of the mills?

Mr. Anwar Ali Cheema: (a) Details of steel items produced by Pakistan Steel Mills are as under:—

(Qty. in Tonnes)

Products 2	010-2011	2011-2012 (July-Feb)
Pig Iron	432,746	175,169
Raw Steel	396,104	148,549
Cast Billets	3,943	1,403
Rolled-Billets	—	—
HR Coils/sheets Plates	357,398	132,571
CR Coils/ Sheets Plates	87,884	20,349
Galvanized Sheets/Coils	2,806	—

(b) STEPS TAKEN TO CONTROL LOSSES

Following steps have been taken to control the losses.

(I) **Management Reforms:**

- Board of Directors of PSM has been reconstituted by placing Professionals from private and public sectors.
- The position of Chairman BOD and CEO PSM has been segregated strictly in accordance with Companies Ordinance 1984.
- Frequency of Board meetings has been increased. Four sub-committees of the Board have been constituted for establishing objectivity and effectiveness of the Board. Management Executive Committee headed by the CEO and comprising of heads of key functions is holding weekly meetings with proper agenda.

(II) **Financial Steps:**

- Business Plan for revival of the mills which has been approved by the Govt.
- The Govt. has approved Rs. 6 billion as immediate relief to PSM which has been utilized for purchase of raw material during Jan-March 2012.
- Efforts are under way to implement business plan in totality to sustain the revival process.

(III) **Operations improvements:**

- Steps are being taken to restore raw material supply chain and emphasis is on use of more quantities of indigenous raw material like iron ore in the PSM.

- Emphasis on production and sale of value added products with better product mix.

IV) **Other Steps:**

- Steps are being taken for expansion of PSM up to 1.5 million tons, per annum (MTPY) production in 1st phase and to 3.0 MTPY in 2nd phase.

44. ***Col. (R) Syed Tahir Hussain Mashhadi:** (Notice received on 22-03-2012 at 09:40 a.m.)

Will the Minister for Production be pleased to state:

(a) the number of Schools of Pakistan Steel Mills functioning at present; and

(b) the number of teachers presently working on regular basis in those Schools?

Mr. Anwar Ali Cheema: (a) There are 15 (Schools/Colleges/Institutions) of PSM at present which are functioning and being managed under Hadeed Welfare Trust (Annex-A).

(b) 63 regular teachers of PSM are attached with different educational Institutions in the Education department of Hadeed Welfare Trust (Annex-B)

Annexure "A"

PAKISTAN STEEL
HADEED WELFARE TRUST
EDUCATION DEPARTMENT

LIST OF EDUCATONAL INSTITUTIONS

S. NO.	NAME OF INSTITUTIONS
1.	Agosh Specal Children School /College
2.	Allama Iqbal Girls School/College
3.	Chakar Khan Lower Secondary School
4.	Care vocational Community Centre
5.	Institute of Computer Science
6.	Madre-Millat Degree College
7.	Madre-Millat Education College

8. Madre-Millat Girls College Campus-II
9. 1 Mashal Sccondary School /College
10. Rana Liaquat Secondary School
11. Shah Latif Boys Degree College
12. Shah Latif Boys Secondary School
13. Shah Latif Boys Secondary School (Evening Shift)
14. Sir Syed Primary School (Morning Shift)
15. Sir Syed Lower Secondary School (Evening Shift)

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46. ***Col. (R) Syed Tahir Hussain Mashhadi:** (Notice received on 26-03-2012 at 14:35 p.m.)

Will the Minister for Production be pleased to state:

(a) the names and quantum of products produced by Pakistan Steel during the last three financial years; and

(b) the profit earned by the mills during the same period with year-wise break up?

Mr. Anwar Ali Cheema: (a) Details of steel items produced by Pakistan Steel Mills are as under:

15 . ***Mr. Hamza:** (Notice received on 11-05-2012 at 13:10 p.m.)

Will the Minister for Production be pleased to state:

(a) the number of persons working in Pakistan Steel Mills; and

(b) the production capacity of the Mills with product-wise break-up?

Mr. Anwar Ali Cheema: (a) The number of persons working in Pakistan Steel are as under:

Officers	5272
Workers	10793
Total:	**16065**

(b) The product wise designed capacity of Steel Mill is 1.1 mtpy, as per following breakup:—

i.	Slab Caster =	825,000 T
ii.	Bloom Caster =	275,000 T
	Total	1,100,000 T

16. ***Mr.** ***Saeed Ghani:*** (Notice received on 11-05-2012 at 13:20 p.m.)

Will the Minister for Privatization be pleased to state.

(a) the year in which process of privatization of public units was started,

(b) the names of public units privatized so far indicating also the name of buyer and price at which the unit was privatized in each case; and

(c) the names of the said units which have been closed down indicating also the reasons for closure in each case?

Mr. Ghous Bux Khan Maher: (a) The process of privatisation of Public Units was started in the year 1991.

(b) Since the inception of privatisation programme in 1991,167 public units have been privatised (wholly / partially) so far. Details of the units indicating their names, names of the buyers and price at which the units were privatised is at **Annex-A.**

(c) Privatisation Commission has no mechanism to monitor the closure of units after privatisation and the reasons thereof.

17. ***Mr. Saeed Ghani:** (Notice received on 11-05-2012 at 13:20 p.m.)

Will the Minister for Privatization be pleased to state whether any post privatization mechanism exists in order to keep a check on privatized units, if so, the details thereof?

Mr. Ghous Bux Khan Maher: No framework/mechanism in the Privatisation Commission exists to keep a check on privatised units.

However, PC through Sale Agreement/Sale Purchase Agreement/Share Purchase Agreement incorporates "lock-in-period/clause", which generally does not exceed more than three (3) years. The "lock-in-period/clause" protects the interest of the stakeholders during the lock in period.

19. ***Mr. Saeed Ghani:** (Notice received on 14-05-2012 at 09:10 a.m.)

Will the Minister for Privatization be pleased to state:

(a) the procedure / policy laid down for privatization of nationalized units at the time of introduction of privatization; and

(b) whether any change was made in the said procedure / policy at later stage, if so, the details thereof?

Mr. Ghous Bux Khan Maher: (a) The procedure/policy laid down for privatisation of nationalized units, at the time of introduction of privatisation in Pakistan, was based on the following principles: —

1. Privatisation will be conducted for the benefit of all, not for the privilege of a few.

2. Privatisation should make our industries and services more efficient and competitive within Pakistan and overseas.

3. Privatisation should be transparent and equitable.

4. No monopolies should be created.

5. Procedures should be transparent.

6. In the case of certain units such as major utilities or banks, there will be a process of pre-qualification.

By 1993, privatisation was only focused on industrial and power sector, however it was extended to Oil & Gas, Transport (Aviation, railways, ports and shipping), Telecommunications, Banking and Insurance sectors, in later stages.

The procedure adopted, at that time involved the use of multiple methods keeping in view the following:—

(a) Widespread dispersal of ownership (incorporating provisions for participation by employees and management) without excluding experienced entrepreneurs especially in sectors where managerial efficiency is of critical importance.

(b) Transparency in the process of sale and transfer.

(c) Thoroughness in preparation of analytical reports, information sheets and bidding documents by utilizing the services of competent outside consultants.

(d) Strong public awareness campaigns in order to build understanding and support among employees, investors and the public.

(b) Yes, the privatisation policy / procedure has been reviewed and updated from time to time, as per requirement. Details are as follows:

A. **Privatisation Policy (1991- 1996)**

(a) Privatisation will be conducted for the benefit of all, not for the privilege of a few.

(b) Privatisation should make our industries and services more efficient and competitive within Pakistan and overseas.

(c) Privatisation should be transparent and equitable.

(d) No monopolies should be created.

(e) Procedures should be transparent.

(f) In the case of certain units such as major utilities or banks, there will be a process of pre-qualification.

B. **Privatisation Policy (1996 – 2009)**

(a) Privatisation is the most effective tool to achieve economic efficiency and to move out of the slow growth mode. Privatisation as one of the pillars of the overall economic reforms agenda of the Government of Pakistan goes hand in hand with the broader policy direction of deregulation and liberalization of the economy. Its scope includes all public assets that can be transferred to or can be managed by the private sector.

(b) Privatization policy is an important feature of the economic liberalization agenda that will lead to improvement of domestic state enterprises, greater private capital investment and economic growth.

(c) Government's privatization program is flexible and keeps adjusting according to ground realities while keeping the overall direction intact. Privatization of public enterprises has continued over the years despite changes in the government. This has ensured continuity of policy with only minor adjustments in the program.

(d) The privatization program has been helpful in liberating the Government from micro-management of the economy. This has freed substantial public funds for social sector investments.

(e) The policy aims to provide a vehicle for potential investors to invest in Pakistan through their participation in the privatization process. In this respect efforts are continuously made to harness the resources of the expatriate Pakistanis and domestic private sector investors.

(f) Safeguards are being introduced to achieve broad based ownership and to prevent the concentration of resources in a few hands, simultaneously promoting privatization through competitive bidding.

(g) Regulations are put in place to safeguard the interests of consumers, especially in respect of affordable price and quality product. Promulgation and strengthening of regulatory frameworks is being ensured to protect the genuine interests of the investors, consumers, taxpayers and the Government.

(h) The process of privatization is constantly reviewed based on experiences to make it manifestly transparent through codification of procedures and processes.

(i) The interests of the employees of enterprises proposed to be privatized are protected through enforcement of agreement between the Privatisation Commission and All Pakistan State Enterprises Workers Action Committee (APSEWAC).

C. Privatisation Policy of 2009, based on Public Private Partnership (PPP)

(a) As a policy, privatisation will be conducted in the PPP mode for 26% of the equity stake. In order to enhance value of GOP shareholding, maximization of profits, modernization and up-gradation of state enterprises, creation of new assets and management and technological transfer benefits will be ensured by identifying business benchmarks and outputs in order to ensure maximum benefit from these transactions.

(b) To carry out a two stage prequalification structure including a contractually binding business plan and provisions with regard to management, default, termination, penalties and dispute resolution will be formulated:

(c) The agreements will have to be restructured on a case to case basis. Additional documentation will have to be carried out for implementation agreements, facilitation agreements, management lease, concession agreements and guarantee agreements etc.

(d) To provide protection to the employees post-privatisation.

(e) The management arrangement will have to be made in such a way that GOP Directors would, through contractual arrangements provide oversight in a joint consultative body comprising strategic investors and GOP nominees.

(f) Exit options for GOP, transfer restrictions and lock in period for strategic investors.

(g) While divesting residual shareholding of the Government in future divestment, the post privatisation performance of the entities and market conditions including approval of relevant regulatory bodies will be considered. It will also be ensured that agreed benchmarks for performance are made by the strategic investors for consideration for further divestment. Where found expedient, the entity will be listed before adoption of the PPP privatisation mode to benefit, from amongst others, capital market price discovery mechanism.

(h) In cases where due process and investor feedback determines that the 26% PPP structure is not a practicable option, the Privatisation Commission will revert back to the CCOP with alternate structures.

D. **Capital Market Transaction Guidelines (2011)**

(a) Capital Market Transaction to be bifurcated in domestic and international markets to add depth to the local capital market and to provide shared ownership to both *retail and institutional investors.*

(b) The local as well as international offerings i.e. IPO/ SPO and GDR respectively is to be launched on case to case basis tailored to the circumstances of each enterprise.

(c) Where found expedient, the entity will be listed before adoption of the PPP privatisation mode to benefit, from amongst others, capital market price discovery mechanism.

23. ***Col. (R) Syed Tahir Hussain Mashhadi:** (Notice received on 16-05-2012 at 14:00 p.m.)

Will the Minister for Industries be pleased to state the steps taken by the Government to control and stabilize the price of sugar in the country?

Ch. Pervaiz Ellahi: 1. As per National Sugar Policy 2009-10, price of sugar is determined by the market forces in view of demand and supply.

2. Currently the retail price of sugar is all time low:

Month	Price (Rs./kg)
June-2010	63.35
June-2011	69.61
June-2012	54.66

There has been a bumper record sugar production of 4.61 million tons in year 2011-12 which has pushed the sugar price down.

3. Following steps are taken to sustain the price of sugar:

i. Sugar is supplied at discounted rate of Rs.47/- per kg at USC outlets for the low income groups.

ii. Government has built sugar stock equal to 3,75,435 tons through TCP as buffer stocks, A further 0.2 million tons is under procurement.

iii. Sugar export of 0.3 million tons has been allowed to encourage growers to go for sugarcane cultivation.

iv. Provincial governments control hoarding to check artificial shortage of sugar in the country.

v. ECC continuously monitors the stocks position and is briefed on sugar on fortnightly basis.

vi. To stabilize the price of sugar, Government has allowed import of sugar without any duty. Moreover, during the budget 2011-12 Federal Excise Duty @ 2.5 % has also been withdrawn.

4. As the result of above mentioned steps the retail sugar price has decreased from Rs.91/kg in Nov-2010 to an average of Rs.54/kg in June-2012. (Source: PBS)

2 4. ***Mr. Shahi Syed:** (Notice received on 18-05-2012 at 09:20 a.m.)

Will the Minister for Production be pleased to state:

(a) the income and expenditure of Pakistan Steel Mills during the last ten years;

(b) the losses suffered by the mills during the said period with year-wise break up;

(c) the main reasons for the losses; and

(d) the subsidy given to the mills by the Government during the said period?

Mr. Anwar Ali Cheema: (a) The income and expenditure of Pakistan Steel during the last ten years are as under:

(Rs. in million)

Year	Income	Expenditure	
2011		28,735	41,169
2010	23,982	35,548	
2009	34,456	60,982	
2008	43,094	41,012	
Year	Income	Expenditure	
2007	32,422	29,262	
2006	23,985	23,055	
2005	32,422	25,690	
2004	25,950	21,098	
2003	22,918	21,894	
2002	14,951	14,849	

(b) Pakistan Steel has sustained losses during the years 2008-09 to 2010-11. Year wise position of Losses is as under:—

Rs. in Million

	2008-09 (Audited)	2009-10 (Restated)	2010-11 (Draft)
Loss before Taxation	28,960	11,561	13,140
Taxation	(2,434)	5	(706)
Loss after Taxation	26,526	11,566	12,434

(c) As per audited accounts, Pakistan Steel had suffered net loss after tax of Rs. 26.5 Billion during the year 2008-09. The main reasons for huge losses are as under:—

- Decrease in sales
- High prices of imported raw material (Cost & Freight)
- Low capacity utilization (low production)
- Inventory Valuation at NRV

During 2009-10 & 2010-11, the main reasons for losses are severe financial crunch resulting in shortage of raw material as well as low capacity utilization.

(d) GoP has given no subsidy, directly to the Corporation however, only mark-up on Sub-ordinated loan was paid by GoP directly to the banks as approved in Financial Restructuring during 2000 by GoP.

25. ***Col. (R) Syed Tahir Hussain Mashhadi:** (Notice received on 18-05-2012 at 11:00 a.m.)

Will the Minister for Industries be pleased to state:

(a) whether there is any proposal under consideration of the Government to lift ban on the import of re-conditioned vehicles, if so, when; and

(b) the steps being taken by the Government to bring down prices of locally manufactured vehicles?

Ch. Pervaiz Ellahi: (a) There is no proposal under consideration of the Government to lift ban on the import of reconditioned vehicles.

(b) All car/ automobile manufacturers are in the private sector as such prices are governed by market mechanism onlyand government has no role in fixing prices. Government's role is to provide policy framework including tariff and non-tariff policy measures.

26. ***Mr. Muhammad Talha Mahmood:** (Notice received on 21-05-2012 at 09:30 a.m.)

Will the Minister for Commerce be pleased to state:

(a) the volume of exports and imports of the country during the last three years with year-wise break-up; and

(b) the steps being taken by the Government to improve the balance of trade?

Makhdoom Amin Fahim: (a) Exports and Imports of the country amounted to US$ 61.805 billion and US$ 109.946 billion respectively during last three years. The year-wise break-up is as under:—

Value in billion US$

Year	Exports	Imports	Trade Deficit
2008-09	17.688	34.822	17.134
2009-10	19.290	34.710	15.420
2010-11	24.827	40.414	15.587
Total	**61.805**	**109.946**	**48.141**

(b) The Government has taken the following steps to reduce the trade deficit of the country:—

- Incentives have been given to boost exports such as concessionary financing, duty free import of raw material under temporary importation scheme/Duty Tax Remission on Exports (DTRE), duty drawback scheme, concessions in duty/taxes on import of machinery and raw material of priority export sectors, development of export clusters.

- Further Federal Cabinet has already approved complete zero-rating of exports. Through active trade diplomacy, Government is trying to get better market access for the local businesses in international markets by concluding Free Trade Agreements (FTAs) and Preferential Trade Agreements (PTAs) with different countries.

- Trade Development Authority of Pakistan (TDAP) is undertaking various export promotional activities through trade exhibitions and delegations in the new markets viz China, Hong Kong, Russia, Malaysia, Africa region, America and Eastern Europe etc.

27. ***Mr. Shahi Syed:** (Notice received on 21-05-2012 at 09:40 a.m.)

Will the Minister for Production be pleased to state:

(a) the number of persons appointed in Pakistan Steel Mills during the last ten years; and

(b) the procedure adopted far these appointments?

Mr. Anwar Ali Cheema: (a) The total number of persons appointed in Pakistan Steel during the last 10 years is 6108 with the following breakup:

4653 = Daily Wages / Contract basis

1455 = Different Categories (Engineers / Officers / Staff)

(b)
- ➢ The appointments of Engineers / Officers / Staff holding the qualification of BE / BSc Engg. / MBA DAE / Graduates and the Artisan Trainees of various technologies i.e Electrical / Mechanical / Automation / Electronics etc are made on merit-cum-quota basis. The posts are advertised in the Daily Papers of the Country and the selection is done by the Selection Committee as per Service rules and Regulations.

- ➢ The daily wages employees are hired as per requirement.

28. ***Mr. Ilyas Ahmed Bilour:** (Notice received on 22-05-2012 at 12:30 p.m.)

Will the Minister for Industries be pleased to state the steps taken by the Government to safeguard the industrial sector due to continuous loadshedding of electricity in the country?

Ch. Pervaiz Ellahi: I. After devolution the provincial governments have *no bar on adding to their 'electricity and energy resources' to meet the energy crunch .*

II. The following steps have been taken inter alia to safe guard the interests of the industrial sector as a strategy by promoting plugging of energy wastages and encouraging captive power generation from coal in an environmentally friendly manner:

a. Energy efficiency and conservation through *energy audits by NPO* National Productivity Organization.

b. Commercialization/marketing of renewable energy products like solar stoves, solar backup batteries, inverters & reverse meters, bio gas plants, micro hydel plants in collaboration with PCRET-Pakistan Council for Renewable Energy Technologies.

c. Awareness among people to adopt off grid solutions for power generation by switching their industries to alternate energy resources/ captive power generation.

d. Promoting Captive power for industry through surface coal gasifiers that produce coal gas giving cheap energy. Textile and Steel rerolling.

e. Rewarding winners who are tackling energy issues by turning energy 'threats' into 'opportunities' by producing cheaper un-interrupted captive energy. MoI is recognizing two such private sector firms for innovative efforts turning "weaknesses" into strengths:

   i. Mughal Steel lower energy round the clock from coal which is cost.

   ii. DG Cement, Nishat Group. Zero waste concept producing energy from rubbish.

II. PSDP Related Interventions Aimed at Reviving the Industrial Sector:

The objectives targeted in our PSDP (2012-13) aim at rejuvenating the industrial sector through 31 projects worth Rs.3.71 billion with focus on;

a. Innovation and efficiency in industrial sector.

b. Building high skilled human capacity through targeted worker skills development programs.

c. Provision of technology through technological up-gradation; provision of sophisticated machines, equipment, tools & spares in Common Facility Centers and machine pools; CAD/CAM facilities.

d. Research and development in key industrial sectors.

e. Targeted development of small and medium business entities to boost employment and reduce poverty.

f. Industrial infrastructure development through Industrial Parks and development of Industrial Estates.

III. Attracting FDI by incentives of 100% ownership; right to repatriate capital; joint public –private ventures. (BOI)

32. ***Col. (R) Syed Tahir Hussain Mashhadi:** (Notice received on 29-05-2012 at 13:00 p.m.)

Will the Minister for Commerce be pleased to state:

(a) the name of the major countries which are importing textile products from Pakistan at present;

(b) the total foreign exchange earned by exporting textile products during the last three years, separately; and

(c) the steps being taken to enhance the export of textile products?

______**Makhdoom Amin Fahim:** (a) The names of major countries which are importing textile products from Pakistan are USA, Canada, UK, Germany, Italy, Belgium, France, Spain, Netherlands, Turkey, Bangladesh and Sri Lanka.

(b) The total foreign exchange earned by exporting of textile products during the last three years is given as under:

(Value in US$ billion)

S.N	YEARS	VALUE
1.	2008-09	9.48
2.	2009-10	10.03

3.	2010-11	13.45
	Total	**32.96**

Source: FBS

(c) The steps taken by the Ministry of Commerce to enhance the export of textile products are as follows:

I. Initiatives for greater market access through local and foreign exhibitions and meaningful participation of national and international buyers and sellers. In this regard:—

- TDAP, Ministry of Commerce participated in 15 international exhibitions of textile in 2010-11 and 14 in 2011-12 and has planned to participate in 16 international exhibitions in 2012-13.

- TDAP, Ministry of Commerce organized an event named "Life Style Pakistan, 2012" at New Dahli, India on 12-15 April, 2012 in which more than 100 firms of textile including fashion designers participated.

- CBI (Center for Promotion of Imports), Netherlands, in collaboration with TDAP organized 08 Workshops at Karachi, Lahore, Faisalabad and Islamabad. The objective of these workshops was to create awareness on market intelligence and research on home-textile and garment market in EU.

- TDAP, Ministry of Commerce organizes the annual event of "Expo Pakistan" where textile importers directly negotiate with the Pakistani exporter and a considerable number of business orders take place every year.

II. Focus on exploring the feasibility of Preferential Trade Agreements (PTAs) and Foreign Trade Agreements (FTAs) to enhance the exports of garment sector. In this connection, the following trade agreements are under process:—

- FTA with Singapore.
- PTA with Indonesia.
- Joint study for FTA with Brunei.

34. ***Mr. Shahi Syed:** (Notice received on 05-06-2012 at 16:45 p.m.)

Will the Minister for Production be pleased to state:

(a) the number of officers/officials of Pakistan Steel Mills who were paid TA/DA, house building advance, house rent ceiling and reimbursement of medical bills during the last ten years with year-wise breakup; and

(b) the amount so paid under each head with year-wise breakup?

Mr. Anwar Ali Cheema: (a) The number of officers/officials of PSM who were paid TA/DA, house building advance, house rent, ceiling and reimbursement of medical bills during the last ten years with year wise breakup:

37. ***Mrs. Nuzhat Sadiq:** (Notice received on 18-06-2012 at 15:00 p.m.)

Will the Minister for Privatization be pleased to state:

(a) the names of entities proposed to be privatized by the incumbent Government indicating also their present status; and

(b) the steps taken by the Government to formulate a comprehensive privatization plan by taking all the stakeholders on board?

Mr. Ghous Bux Khan Maher: (a) The present Government took over in April, 2008 and continued with the privatisation policies and plans already approved by the preceding governments.

Currently, the privatisation of National Power Construction Corporation (NPCC) is at an advanced stage and is expected to be concluded in the near future. Moreover, during 2011-12, two (02) capital market transactions i.e. OGDCL — Exchangeable Bonds (EB) and PPL — Secondary Public Offering (SPO) were also initiated out of which OGDCL — EB didn't mature due to International Financial Crunch whereas PPL — SPO is at an advanced stage.

(b) The incumbent government has reinvigorated the privatisation program by focusing on a policy of "Privatisation for the People" announced in February, 2011. Under this policy there is renewed focus on domestic capital market listings. Privatisation Commission is actively pursuing a capital market road map which will be launched in the near future subject to market conditions.

In addition, the present Government has taken the following steps to formulate a comprehensive privatisation plan:

i. In February, 2009, the Cabinet Committee on Privatisation (CCoP) approved the following 23 entities to be privatised via Public Private Partnership (PPP) mode which was later ratified by the Cabinet in January, 2010:

Sr. #	Transaction
1.	SME Bank Limited
2.	National Power Construction Company (NPCC)
3.	Faisalabad Electric Supply Co. Ltd
4.	Jamshoro Power Co. (GENCO)
5.	5 KOT ADDU Power Company Thru GDR
6.	Heavy Electrical Complex

7. Pakistan Post (Financial Services)
8. Pakistan Machine Tool Factory
9. Printing Corporation of Pakistan
10. PTDC Motels and Restaurants
11. Pakistan Mineral Development Corporation (PMDC)
12. Morafco Industries Limited
13. Sind Engineering Limited
14. Republic Motors
15. Services International Hotel
16. Peshawar Electrical Supply Company (PESCO)
17. Quetta Electrical Supply Company (QESCO)
18. Hyderabad Electrical Supply Company (HESCO)
19. Pakistan Railways
20. National Insurance Company
21. Pakistan Reinsurance Company
22. State Life Insurance Company
23. Utility Stores Corporation and Stores

ii. Furthermore; in February, 2011, the CCoP directed Privatisation Commission to pursue capital market transactions to boost the stock markets and help mobilize domestic saving. Therefore, the following Capital Market Roadmap was approved:—

Sr.	Name	Sector	Type of Listing
1	OGDCL	Oil & Gas	E/B
2	PPL	Oil & Gas	SPO
3	PARCO	Oil & Gas	IPO
4	GHPL	Oil & Gas	IPO
5	KAPCO	Power	GDR
6	IESCO	Power	IPO
Sr.	Name	Sector	Type of Listing
7	FESCO	Power	IPO
8	HBL	Banking	SPO
9	HBL	Banking	GDR
10	NBP	Banking	GDR
11	NICL	Insurance	IPO
12	SLIC	Insurance	IPO

As regards, the stakeholder's involvement in privatisation process, the incumbent Government has taken all the relevant stakeholders on board in the process of formulating, the privatisation policies and plans. The stakeholder's involvement is ensured through the following process:—

(a) **Privatisation Commission / PC Board**

i. The activities of the PC are overseen by its ‘ Board, which includes stakeholders from public sector, private sector, civil society etc. (copy of composition of the Board of PC is attached at **Annex-A)**.

ii. PC consults all the stakeholders at every step in the process of privatisation.

iii. The Commission recommends privatisation policy guidelines to the Cabinet.

iv. The Commission plans, manages, implements and controls the privatisation program approved by the Cabinet.

v. The Commission facilitates or initiates legislation as approved by the Cabinet by or on behalf of concerned Ministry in connection with the privatisation programme.

(b) **Cabinet Committee on Privatisation (CCoP)**

i. CCoP includes a wide range of stakeholders and its composition is at **Annex-B.**

ii. To formulate the Privatisation Policy for approval of the Government/ Cabinet.

iii. To approve the State Owned Enterprises to be privatised on the recommendation of the PC or otherwise.

iv. To take policy decisions on inter-ministerial issues relating to the privatisation process.

v. To review and monitor the progress of privatisation.

vi. To take policy decisions on matters pertaining to privatisation, restructuring, deregulation, regulatory bodies.

(c) **Council of Common Interests (CCI)**

The CCI is headed by the Prime Minister and comprises of Chief Ministers of the Provinces and an equal number of members from the Federal Government. The Council formulates and regulates policies in relation to matters in Part II of the Federal Legislative List and exercises supervision and control over related institutions. The units to be privatised are approved by the Council of Common Interests (CCI).

ISLAMABAD :
The 10th July, 2012.

IFTIKHAR ULLAH BABAR,
Secretary.

PCPPI—744 (12) Senate—10-07-2012—275.