

**IN THE NAME OF ALLAH, MOST GRACIOUS, MOST MERCIFUL**



**ANNUAL REPORT**  
**ON**  
**THE COUNCIL OF COMMON INTERESTS**  
**UNDER ARTICLE 153 (4)**  
**OF THE CONSTITUTION OF THE**  
**ISLAMIC REPUBLIC OF PAKISTAN**  
**(2015-2016)**

**INTER PROVINCIAL COORDINATION DIVISION**  
**SECRETARIAT OF COUNCIL OF COMMON INTERESTS**

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## **PREFACE**

I am thankful to Almighty for bestowing upon me the honour to present the sixth Annual Report of the Council of Common Interests for the year 2015-16 before both the houses of the Parliament as required under Article 153 (4) of the Constitution of Islamic Republic of Pakistan.

2. In the wake of 18th Constitutional Amendment, a monumental consensus with far-reaching constructive impact on the subjects enumerated in Federal Legislative List (Part-II) was arrived whereby the Council of Common Interests has become a pivotal forum. In CCI the Federation and Federating Units can deliberate on some very vital issues of national importance and resolve the dispute of Power Sharing between the Federation and Provinces, amicably with consensus. It is an engine for promoting national cohesion and harmony.

3. During the Financial Year 2015-16, two meetings of Council of Common Interests were held on February 29 and March 25, 2016 where 11 items, most of them were of great national importance having enduring effects on the socio-economic development of the country were considered.

4. As approved by the Council of Common Interests, the Annual Report for the year 2015-16 is laid before the Senate and the National Assembly of Pakistan, in terms of Article 153 (4) of the Constitution.

**RAJA MUHAMMAD NADIR ALI  
SECRETARY**

## SUMMARY OF SUBMISSION OF CASES TO CCI

Name of the Ministry / Division / Department	February 29, 2016			March 25, 2016		
	Presented	Approved	Unapproved / Deferred etc	Presented	Approved	Unapproved / Deferred etc
Federal Government Ministries / Divisions	8	7	1	2	1	1
Punjab	-	-	-	-	-	-
Sindh	-	-	-	-	-	-
Khyber Pakhtunkhwa	-	-	-	-	-	-
Balochistan	1	1	-	-	-	-
<b>Total:</b>	<b>9</b>	<b>8</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>

## **Abbreviations:**

CCI	Council of Common Interests
LPG	Liquefied Petroleum Gas
LNG	Liquefied Natural Gas
ECNEC	Executive Committee of National Economic Council
PEEC	Pakistan Energy Efficiency and Energy Conservation
NEC	National Economic Council
GDP	Gross Domestic Product
IRSA	Indus River System Authority
CRBC	Chashma Right Bank Canal
PDWP	Provincial Development Working Party
CDWP	Central Development Working Party
NHP	Net Hydel Profit
IPPs	Individual Power Producers
NFPP	National Flood Protection Plan
OGRA	Oil and Gas Regulatory Authority
SECP	Securities and Exchange Commission of Pakistan
FFC	Federal Flood Commission
FLL	Federal Legislative List
CLL	Concurrent Legislative List

## CHAPTER-1

### **CONSTITUTIONAL PROVISIONS REGARDING COUNCIL OF COMMON INTERESTS**

The Constitutional provisions relating to the Council of Common Interests (CCI) are as under:-

**Article 153**(1) There shall be a Council of Common Interests, in this Chapter referred to as the Council, to be appointed by the President.

(2) The Council shall consist of -

- (a) the Prime Minister who shall be the Chairman of the Council;
- (b) the Chief Ministers of the Provinces; and
- (c) Three members from the Federal Government to be nominated by the Prime Minister from time to time.

(3) [Omitted]

(4) The Council shall be responsible to {Majlis-e-Shoora (Parliament)} and shall submit an Annual Report to both Houses of Majlis-e-Shoora (Parliament).

**Article 154 -Functions and rules of procedure.-** (1) The Council shall formulate and regulate policies in relation to matters in Part II of the Federal Legislative List and shall exercise supervision and control over related institutions.

(2) The Council shall be constituted within thirty days of the Prime Minister taking oath of office.

(3) The Council shall have a permanent Secretariat and shall meet at least once in ninety days:

Provided that the Prime Minister may convene a meeting on the request of a Province on an urgent matter.

(4) The decisions of the Council shall be expressed in terms of the opinion of the majority.

(5) Until [Majlis-e-Shoora (Parliament)] makes provision by law in this behalf, the Council may make its rules of procedure.

(6) [Majlis-e-Shoora (Parliament)] in joint sitting may from time to time by resolution issue directions through the Federal Government to the Council generally or in a particular matter to take action as [Majlis-e-Shoora (Parliament)] may deem just and proper and such directions shall be binding on the Council.

(7) If the Federal Government or a Provincial Government is dissatisfied with a decision of the Council, it may refer the matter to {Majlis-e-

Shoora (Parliament)} in a joint sitting whose decision in this behalf shall be final.

**Article 155 - Complaints as to interference with water supplies.** - (1) If the interests of a Province, the Federal Capital or the Federally Administered Tribal Areas, or any of the inhabitants thereof, in water from any natural source of supply<sup>2</sup>(or reservoir) have been or are likely to be affected prejudicially by-

- (a) any executive act or legislation taken or passed or proposed to be taken or passed; or
- (b) the failure of any authority to exercise any of its powers with respect to the use and distribution or control of water from that source;

the Federal Government or the Provincial Government concerned may make a complaint in writing to the Council

(2) Upon receiving such complaint, the Council shall, after having considered the matter, either give its decision or request the President to appoint a commission consisting of such persons having special knowledge and experience in irrigation, engineering, administration, finance or law as he may think fit, hereinafter referred to as the Commission.

(3) Until [Majlis-e-Shoora (Parliament)] makes provision by law in this behalf, the provisions of the Pakistan Commissions of Inquiry Act, 1956, as in force immediately before the commencing day shall apply to the Council or the Commission as if the Council or the Commission were a commission appointed under that Act to which all the provisions of section 5 thereof applied and upon which the power contemplated by section 10A thereof had been conferred.

(4) After considering the report and supplementary report, if any, of the Commission, the Council shall record its decision on all matters referred to the Commission.

(5) Notwithstanding any law to the contrary, but subject to the provisions of clause (5) of Article 154, it shall be the duty of the Federal Government and the Provincial Government concerned in the matter in issue to give effect to the decision of the Council faithfully according to its terms and tenor.

(6) No proceeding shall lie before any court at the instance of any party to a matter which is or has been in issue before the Council, or of any person whatsoever, in respect of a matter which is actually or has been or might or ought to have been a proper subject of complaint to the Council under this Article.

**Article 157 - Electricity.** (1) The Federal Government may in any Province construct or cause to be constructed hydro-electric or thermal power installations or grid stations for the generation of electricity and lay or cause to be laid inter-Provincial transmission lines.

- (2) The Government of a Province may -
- (a) to the extent electricity is supplied to that Province from the national grid, require supply to be made in bulk for transmission and distribution within the Province;
  - (b) levy tax on consumption of electricity within the Province;
  - (c) construct power houses and grid stations and lay transmission lines for use within the Province; and
  - (d) determine the tariff for distribution of electricity within the Province.

(3) In case of any dispute between the Federal Government and a Provincial Government in respect of any matter under this Article, any of the said Governments may move the Council of Common Interests for resolution of the dispute.

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## CHAPTER - 2

### INSTITUTIONAL HISTORY

The Article 130 of Constitution of 1956 provided for Inter-Provincial Council. The Constitution of 1962 totally ignored the need of any such forum and refrained from the very use of the word 'Federal'. The Constitution of 1973 created the Council of Common Interests (CCI) to 'conform to the spirit of federalism'.

2 In the scheme of Pakistani federalism the Council of Common Interests (CCI) was created in 1973 to harmonize federal-provincial relations and bolster national unity & cohesion. It was a new approach towards addressing Federal-Provincial issues after bitter experiences of One Unit characterized by highly centralized decision making and denial of provincial rights which led to East Pakistan tragedy in 1971. Even after this woeful episode the Pakistani federal experience had been marred by continued conflicts and crisis between the Federation and Provinces for greater autonomy and control over natural resources. It is in this context that the 18th Constitutional Amendment has tried to reform and restructure the CCI to promote a culture of participatory federalism.

3 The 18th Amendment made two major headways: (i) it expanded the scope of Federal Legislative List-II and (ii) it revitalized the composition of the Council of Common Interests (CCI). In the new scenario the Council has emerged as one of the most important forums in the federal institutional framework. It is envisaged to become an effective dispute resolution, economic planning and development forum to further the cause of participatory federalism.

4. Since its creation in 1973 the CCI has been a less utilized constitutional body till the passage of 18th Constitutional Amendment in 2010. Before the Constitution and institutions flowing out of it could solve federal-provincial issues, it was held in abeyance in 1977 by imposing martial law, and in 1985 through the 8th Amendment its federal spirit was mutilated. In 1999, it was again put on hold and in 2003 vide the 17th Amendment it was given a quasi-presidential form. As such, in the absence of constitutionality, the CCI remained a dormant body. During 37-year of its existence since its inception in 1973, it could meet only 11

times upto 2010 as follows:-

1 <sup>st</sup> meeting	August 7 – 9, 1975
2 <sup>nd</sup> meeting	December 27–28, 1975
3 <sup>rd</sup> meeting	December 31, 1976
4 <sup>th</sup> meeting	January 12, 1991
5 <sup>th</sup> meeting	March 21, 1991
6 <sup>th</sup> meeting	September 16, 1991
7 <sup>th</sup> meeting	September 12, 1993
8 <sup>th</sup> meeting	May 29, 1997
9 <sup>th</sup> meeting	May 9, 1998
10 <sup>th</sup> meeting	December 22, 1998
11 <sup>th</sup> meeting	August 6, 2006

5. After the 18th Constitutional Amendment in April 2010, the CCI has held 18 meetings, the last being in March 2016, and taken up dozens of issues of federal-provincial importance:-

12 <sup>th</sup> meeting	July 18, 2010
13 <sup>th</sup> meeting	September 6, 2010
14 <sup>th</sup> meeting	November 8, 2010
15 <sup>th</sup> meeting	February 1, 2011
16 <sup>th</sup> meeting	April 28, 2011
17 <sup>th</sup> meeting	June 1, 2011
18 <sup>th</sup> meeting	August 27, 2011
19 <sup>th</sup> meeting	February 9, 2012
20 <sup>th</sup> meeting	August 8, 2012
21 <sup>st</sup> meeting	November 8, 2012
22 <sup>nd</sup> meeting	January 23, 2013
23 <sup>rd</sup> meeting	July 23, 2013
24 <sup>th</sup> meeting	July 31, 2013
25 <sup>th</sup> meeting	February 10, 2014
26 <sup>th</sup> meeting	May 29, 2014
27 <sup>th</sup> meeting	March 18, 2015
28 <sup>th</sup> meeting	February 29, 2016
29 <sup>th</sup> meeting	March 25, 2016

6. The increasing number of meetings and proactive approach after passage of 18th Constitutional Amendment explains the efficacy of the CCI and functionality of the notion of 'shared responsibilities'. The rationale of the CCI is

anchored in the federal concept of Inter-Governmental Relations. In federal dispensation, the methods of such coordination, communication, cooperation and conflict resolution are often described as 'Inter-Governmental Relations (IGR)'.

7. Composition of the CCI has an equal representation of the Federal and four Provinces i.e. Prime Minister with three Federal Ministers nominated as members of CCI by the President from Federal Government and all the four Chief Ministers representing their respective governments. The strengthening the role of the Council was a progressive leap of tremendous proportions.

## CHAPTER - 3

### **RULES OF PROCEDURE OF CCI, 2010**

In exercise of the powers conferred by clause 5 of Article 154 of the Constitution of the Islamic Republic of Pakistan, the Council of Common Interests has made the following Rules of Procedure, namely :-

#### **RULES OF PROCEDURE OF THE COUNCIL OF COMMON INTERESTS**

**1. Short Title and commencement.** – (1) These rules shall be called the Rules of Procedure of the Council of Common Interests, 2010.

(2). These rules shall come into force at once.

**2. Definitions.-** In these rules, unless there is anything repugnant to the subject or context;-

- a) "Article" means an Article of the Constitution;
- b) "Chairman" means the Chairman of the Council of Common Interests;
- c) "Constitution" means the Constitution of the Islamic Republic of Pakistan;
- d) "Council" means the Council of Common Interests constituted under Article 153;
- e) "department" means a department of a Provincial Government;
- f) "Division" means a self-contained administrative unit of the Federal Government responsible for the conduct of its business in a distinct and specified sphere and declared as such by the Federal Government;
- g) "Federal Government" means the Government of Pakistan;
- h) "Provincial Government" means the Government of a Province;
- i) "Secretariat" means the Secretariat of the Council established under rule 3;
- j) "Secretary" means the Secretary of the Council appointed under rule 3; and
- k) "Schedule" means schedules to these rules.

**3. Secretariat of the Council.-** (1) There shall be a permanent Secretariat of the Council. The Federal Government, with the approval of the Chairman, shall appoint Secretary of the Council:

Provided that till such time a separate Secretariat is established, the Inter Provincial Coordination Division of the Federal Government shall act as the Secretariat of the Council and till such time a Secretary of CCI is appointed the Secretary, Inter Provincial Coordination Division shall act as Secretary of the Council.

(2) The Secretary shall be the administrative head of the Secretariat of the Council and shall be responsible for its efficient functioning.

(3) The Secretary shall appoint such other officers and officials for the Secretariat, as he may think appropriate, in accordance with the rules prescribed by the Council:

Provided that appointment to the posts in BS-20 and above shall be made with the approval of the Chairman:

Provided further that representation of all the Provinces and regions in the service of the Council shall be ensured on the basis of provincial and regional quotas.

**4. Functions of the Council.-** The Council shall formulate and regulate policies in respect of matters given in the Schedule I and shall exercise supervision and control over related institutions.

**5. Meetings of the Council.-** (1) The Chairman may summon the meetings of the Council, to meet at such time and place as he thinks fit.

(2) The Council shall meet at least once in ninety days:

Provided that the Chairman may convene a meeting on the request of a Province on an urgent matter.

(3) The meetings of the Council shall be attended by its members.

(4) The Chairman may permit any other Federal Minister, or a Provincial Minister and any official to attend the meeting of the Council by special invitation.

(5) In a meeting of the Council, four members, shall form the quorum; provided that at least two Chief Ministers are present:

Provided further that a matter relating to a Province shall not be discussed unless the Chief Minister of that Province is present in the meeting. .

(6) No case shall be discussed nor any issue be raised in a meeting unless summary relating to it has first been circulated:

Provided that the Chairman may dispense with this requirement in exceptional circumstances.

(7) Notice for the meeting shall ordinarily be issued at least ten working days in advance.

(8) For inclusion in the agenda of a meeting summary relating to the case shall reach the Secretary at least fifteen days in advance of the meeting:

Provided that, if a case is urgent and is required to be taken up at a short notice, the Secretary of Division or Chief Secretary of the concerned Province shall obtain approval of the Chairman for its inclusion in the agenda before it is transmitted to the Secretary.

(9) The Secretary of the Division or Chief Secretary of the Province concerned shall attend the meeting of the Council for the purpose of the case relating to his Division or Province. However, these officers may be asked to withdraw from the meeting before the Council starts discussion on the issue.

(10) The decisions of the Council shall be expressed in terms of the opinion of the majority.

**6. Circulation and confirmation of minutes and decisions.-** The Secretary shall circulate to the members, within seven working days of the meeting, a copy of the minutes and decisions of the Council for perusal. The members shall return the aforesaid copy of the minutes and decisions to the Secretary within fifteen working days of issue. The Secretary shall also supply to the Secretary of the Division or the Chief Secretary of the Province concerned for action, a copy of the relevant decision of the Council, and wherever considered necessary, of the relevant excerpts of the points made during the discussion.

**7. Committees of the Council.-** The Council may constitute its standing committees or special committees laying down their terms of reference and membership.

**8. Procedure regarding Committees of the Council.-** Meetings of a Committee of the Council shall be convened by the chairperson of the Committee concerned who shall also preside over such meetings:

Provided that the procedure for the meetings of the Council shall apply mutatis mutandis for the meetings of the Committees except that the recommendations of the Committee shall be placed before the Council.

**9. Cases to be submitted to the Council.-** The Council shall consider the cases mentioned in Schedule-I of these rules or those notified by the Federal Government from time to time in the Gazette of Pakistan .



## **SCHEDULE-I**

[See rule 4]

### **CASES TO BE SUBMITTED TO THE COUNCIL**

1. Railways;
2. Mineral oil and natural gas, liquids and substances declared by Federal law to be dangerously inflammable;
3. Development of industries, where development under Federal control is declared by Federal law to be expedient in the public interest; institutions, establishments, bodies and corporations administered or managed by the Federal Government immediately before the commencing day, including Water and Power Development Authority and Pakistan Industrial Development Corporation and all undertakings, projects and schemes of such institutions, establishments, bodies and corporations; industries, projects and undertakings owned wholly or partially by the Federation or by a corporation set up by the Federation;
4. Electricity;
5. Major ports, that is to say, the declaration and delimitation of such ports, and the constitution and powers of port authorities therein;
6. All regulatory authorities established under a Federal law;
7. National planning and national economic coordination including planning and coordination of scientific and technological research;
8. Supervision and management of public debt;
9. Census;
10. Extension of the powers and jurisdiction of members of a police force belonging to any Province to any area in another Province, but not so as to enable the police of one Province to exercise powers and jurisdiction in another Province without the consent of the Government of that Province; extension of the powers and jurisdiction of members of a police force belonging to any Province to railway areas outside that Province;
11. Legal, medical and other professions;
12. Standards in institutions for higher education and research, scientific and technical institutions;
13. Inter-provincial matters and co-ordination;
14. Council of Common Interests;
15. Fees in respect of any of the matters specified in Part-II of the Federal

Legislative List but not including fees taken in any court;

16. Offences against laws with respect to any of matters in Part-II of the Federal Legislative List;
17. Inquiries and statistics for the purposes of any of the matters in Part-II of the Federal Legislative List;
18. Matters incidental or ancillary to any matter enumerated in Part-II of the Federal Legislative List;
19. Complaints as to interference with water supplies (Article 155);
20. Implementation of the directions given by the Parliament for action by the Council under Article 154(6);
21. Submission of Annual Report to both Houses of Parliament (Article 153(4); and
22. Resolution of disputes with respect to construction of Hydro electric station in any Province (Article 157(3)).

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## **SCHEDULE-II**

[See rule 10]

### **MANNER OF SUBMISSION OF CASES TO THE COUNCIL**

1. In respect of all cases to be submitted to the Council, Secretary of the Division or Chief Secretary of the Province concerned, shall transmit to the Secretary a concise, lucid and printed Summary, giving the background and relevant facts, points for decision and recommendations of the Federal Government or Provincial Government concerned, as the case may be.

2. The Summary shall be self-contained as far as possible, not exceeding two printed pages and may include as appendices only such relevant papers as are necessary for proper appreciation of the case.

3. Where a reference is made to a previous decision of the Council, the decision of the Council shall invariably be reproduced in the Summary or annexed to it.

4. Where a case concerns more than one Division or the Province, the Summary shall normally not be submitted to the Council until it has been considered by the Divisions and/or the Provinces concerned. In case of difference of opinion, the point of difference should be stated in the Summary.

5. The Provinces and the Divisions concerned of the Federal Government should furnish their comments or views on the summaries for the Council circulated for the purpose, within two weeks. The requirements of prior consultation may be waived in very exceptional circumstances but the Summary must, in that case, be sent to others concerned with the request to send their views direct to the secretariat of the Council by a given date. The secretariat would circulate the views, if received in time, alongwith or in continuation of the Summary.

6. It shall be the duty of the Secretary to satisfy himself that the summary submitted by the Federal or a Provincial Government is complete and in the prescribed form. He may return a case until the requirements of these rules, have been complied with.

## **SCHEDULE-III**

[See rule 10]

### **PREPARATION OF SUMMARIES AND DOCUMENT**

A Summary for the Council shall include-

- (a) name of the sponsoring Division of the Federal Government or Department of the Provincial Government;
- (b) subject of the case;
- (c) name and designation of the officer submitting the Summary (Secretaries/Additional Secretaries-in-Charge of Divisions concerned in case of Federal Government and Chief Secretaries in case of Provincial Government);
- (d) place and date of submission; and
- (e) serial number.

(2) The words "SUMMARY FOR THE COUNCIL OF COMMON INTERESTS" shall invariably appear at a prominent place, above "Subject". It shall be marked as "SECRET" at the top right corner on first page.

(3) All papers submitted to the Council shall be marked "SECRET" until discussion on them has taken place in the meeting. Thereafter, unless the Council has decided otherwise, the sponsoring Government shall decide the de-classification of these documents under intimation to the secretariat.

- (4) The members shall return to the Secretary -
- (a) the summaries supplied to them for decision by discussion in a meeting of the Council or a Committee of the Council immediately after the discussion has taken place; and
  - (b) minutes and decisions circulated by the Secretary immediately after they have perused them, but not later than fifteen days.

[F.No.1(1)/2010-IPC-III date 19th July, 2010]

## CHAPTER - 4

### **LANDMARK ACHIEVEMENTS / DECISIONS OF THE CCI**

#### **Before 18th Amendment**

- Apportionment of Indus Waters to the Four Provinces (The Water Accord of 1991);
- Privatization of Utilities and Other State Owned Entities; (1993, 1997 and 2006)
- National Water Resources Development Programme (1991 & 1998)

#### **After 18th Amendment**

- Approval of Rules of Procedure of Council of Common Interests, 2010;
- National consensus for construction of DiamerBasha Dam Project;
- Rehabilitation of Flood Affected Areas;
- Financing for the Organizations/Projects transferred to the Provinces;
- Tight Gas (Exploration & Production) Policy, 2011;
- Privatization of Power Sector Entities;
- Clarification of Article 157 of the Constitution lifting bar on provinces regarding power generation;
- Private Power and Infrastructure Board (PPIB) Bill, 2010
- Policy Guidelines for Power Generation through Small Independent Power Projects (SIPPs) below 50 MW Capacity.
- Approval of Securities & Exchange Commission of Pakistan Bill;
- Special Economic Zones Bill, 2011;
- Regulation and Distribution of Zakat;
- Co-financing of Citizens' Damage Compensation Programme-II;
- Public Debt Management and Supervision Policy;
- Annual Report of the Council of Common Interests (CCI) for the Year 2010-11
- Financing for the Population Welfare Programme;
- National Science, Technology & Innovation Policy - 2012;
- Petroleum, Exploration and Production Policy 2012;
- Financial Autonomy of Indus River System Authority;
- Approval of National Mineral Policy – 2012;
- Annual Report of the Council of Common Interests for the year 2011-12
- Constitution of Standing Committee of CCI;
- Working and Functioning of National Electric Power Regulatory Authority (NEPRA)

- Renaming of Ministry of Professional and Technical Training as Ministry of Education and Trainings;
- Equitable Distribution of Electricity;
- Briefing on the Working Of Pakistan Railways;
- Regularization of Lady Health Workers etc
- National Energy (Power) Policy, 2013-2018;
- Legislations pertaining to Offences & Penalties Relating to Electricity & Gas Theft Control.
- Amendment in the Petroleum Policy, 2012;
- Inter-Provincial Transfers and Fiscal Discipline.
- Annual Report of the Council of Common Interests for the year 2012-13
- The Pakistan Engineering Council (Amendment) Bill 2014
- Privatization of Lakhra Power Generation Company Limited - LPGCL (GENCO - IV)
- Mechanism for at source deduction of outstanding power sector payables of Provinces
- Power Sector Reforms i.e. Privatization of Distribution Companies
- Sixth Population and Housing Census
- Public Debt Management & Supervision Policy.
- Pakistan Energy Efficiency & Energy Conservation (PEEC), Bill, 2014.
- Amendment in the Code of Criminal Procedure 1898 for Restoration of Executive Magistracy.
- Framework for Eleventh Five Year Plan (2013-18)
- Pakistan Vision 2025.
- Annual Reports of the CCI for the years 2013-14 & 2014-15
- Power Generation Policy, 2015

## CHAPTER - 5

### INSTITUTIONAL ANALYSIS

The Council of Common Interests (CCI) was created after the promulgation of the 1973 Constitution of Pakistan. Various dimensions of functioning of the Council including its membership and rules of engagement are covered in the said constitution.

2. Article 154 of the Constitution authorized the CCI to formulate and implement policies on matters covered in Part-II of the Federal Legislative List (FLL). The Council also has jurisdiction in the matters pertaining to electricity (entry 34 of erstwhile Concurrent Legislative List) in so far as it relates to the affairs of the Federation.

3. The 1973 Constitution made CCI accountable to the Parliament, simultaneously empowering it to amend any aspect of functioning of the CCI. The Parliament can by law frame rules of procedure for the Council. It can also, in its joint session, issue general or specific directions to the Council. It is also authorized to hear the references of the Federal or the Provincial Governments against the decision of the Council.

4. After a wait of thirty seven years, the federal provisions of the 1973 Constitution were amended when the 18th Amendment came into force in 2010. Prior to the passage of this amendment, only eleven meetings of CCI could be held where forty four items pertaining to center-province relations were discussed. The Council for the first time framed its own Rules of Procedure in 1991 i.e. after fourteen years of its inception.

5. Since the creation of CCI, the Federal or Provincial Governments have never questioned any decision of the CCI by making a reference to the Parliament. After a gap of thirty seven years, significant changes were made to the composition, role and responsibilities of the Council.

6. The CCI is now chaired by the Prime Minister. Previously any of the Federal Ministers could be nominated by the President to be the chairman of the

Council. [Article 153(2), Now omitted].

7. Since its creation, the CCI has been accountable to the Parliament. However, the modalities and operationalization of this accountability are not clearly defined in the Constitution. The 18th Amendment directed the Council to submit annual reports to both houses of Parliament. [Article 153(4)]

8. Earlier, the 1973 Constitution authorized the President to appoint members of CCI without mentioning any time frame. Inordinate delays thus occasioned in setting up of CCI. The 18th Amendment compelled the President to constitute the CCI within thirty days of the Prime Minister's oath of office. [Article 154(2)].

9. Clause 3 of Article 154 provides that the Council shall have a permanent secretariat and hold meetings at least once in ninety days. But prior to the 18th Amendment, none of the above two conditions were there. After the 18th Amendment, the Prime Minister can now convene meetings of the Council on the request of a province on an urgent matter. The jurisdiction of CCI on disputes pertaining to water usage and sharing between provinces has been expanded. Complaints about interference with water supplies as well as supply from 'reservoir' can be brought to the CCI . [Article 155].

10. In case of any dispute between the Federal Government and a Provincial Government in respect of any matter under Article 157 (pertaining to electricity), any of the said Governments can move the Council for resolution of the dispute *ibid.*

11. Previously the CCI had jurisdiction over following matters:

1. Railways;
2. Mineral oil and natural gas ; liquids and substances declared by Federal law to be dangerously inflammable;
3. Development of industries, where development under Federal control, is declared by Federal law to be expedient in the public interest ; institutions, establishments, bodies and corporations administered or managed by the Federal Government immediately before the commencing day, including the West 1[Pakistan Water and Power Development Authority and the West Pakistan Industrial Development Corporation]; all undertakings,

projects and schemes of such institutions, establishments, bodies and corporations, industries, projects and undertakings owned wholly or partially by the Federation or by a corporation set up by the Federation;

4. Council of Common Interests;
  5. Fees in respect of any of the matters in this Part but not including fees taken in any court;
  6. Offences against laws with respect to any of the matters in this Part;
  7. Inquiries and statistics for the purposes of any of the matters in this Part;
  8. Matters incidental or ancillary to any matter enumerated in this Part.
12. Following ten subjects were added to FLL Part-II, thereby enlarging the domain of the Council to formulate and regulate policies on these issues. These include:
- 1) Electricity;
  - 2) The declaration and delimitation of major ports, and the constitution and powers of port authorities therein;
  - 3) All regulatory authorities established under Federal law;
  - 4) National planning and economic coordination including planning for scientific and technological research;
  - 5) Supervision and management of public debt;
  - 6) Census;
  - 7) Extension in powers and jurisdiction of members of a provincial police force to any area in another Province with the consent of the concerned government; extension of the powers and jurisdiction of members of a provincial police force to railway areas outside that Province;
  - 8) Legal, medical and other professions;
  - 9) Standards in institutions for higher education and research including scientific and technical institutions;
  - 10) Inter-provincial matters and co-ordination

13. In the post-18th Amendment phase, eighteen meetings of the Council have been held (between July 2010 and March 2016) where 119 agenda items were discussed by the Council.

14. Changes were required in the Rules of Procedure 1991 due to amendments in various Articles of the Constitution pertaining to its composition, mandate and meetings. The Council approved its new Rules of Procedure in July 2010 in its very first meeting after the passage of the 18th Amendment. The New rules provide for the procedure of meetings, submission of cases, record of proceedings and process for implementation of decisions. It could be argued that the formulation and regulation of policies and exercise of supervision and control over related institutions by the Council has taken away the powers of the Federal Government in the matters falling under the FLL Part-II. But the parliament still has the powers to legislate on all matters falling under the FLL whether these pertain to Part-I or Part-II. In view of this legal position, the executive authority of the Federation extends to all matters covered in FLL, both in Part-I and Part-II. The scope and operationalization of CCI's powers in FLL Part-II is to be decided by the Council itself. No other institution can interfere in this matter. Both the CCI and Federal Government have never raised any concerns about the modalities of sharing of powers between them. As per Rules of Business, the Council may constitute its Standing Committees or Special Committees laying down their terms of references and membership.

CHAPTER-6

Composition of CCI

TO BE PUBLISHED IN THE NEXT ISSUE OF GAZZATE OF PAKISATN,  
EXTRAORDINARY PART-III

GOVERNMENT OF PAKISTAN  
MINISTYR OF INTER PROVINCIAL COORDINATION  
(IPC DIVISION/SECRETARIAT OF COUNCIL OF COMMON INTERESTS)  
\*\*\*\*\*

Islamabad, the June 27, 2013

NOTIFICATION

No. 1(2)/2010-CCI. In exercise of power conferred upon him under Article, 153 of the Constitution, the President of Pakistan, on the advice of the Prime Minister, is pleased to re-constitute the Council of Common Interests, as under, with effect from June 25, 2013 and until further orders:

- |    |   |          |
|----|---|----------|
| 1. | The Prime Minister  | Chairman |
| 2. | The Chief Minister, Balochistan                             | Member   |
| 3. | The Chief Minister, Khyber Pakhtunkhwa                      | Member   |
| 4. | The Chief Minister, Punjab                                  | Member   |
| 5. | The Chief Minister, Sindh                                   | Member   |
| 6. | Pir Syed Sadaruddin Shah Rashidi,<br>Federal Minister       | Member   |
| 7. | Lt. General (Retd.) Abdul Qadir Baluch,<br>Federal Minister | Member   |
| 8. | Sardar Muhammad Yousaf,<br>Federal Minister                 | Member   |

2. This supersedes this Division's Notification of even number dated April 16, 2013.

**Sd/-**  
**(Shahzad Iqbal)**  
**Sr. Joint secretary (CCI)**

The Manager,  
Printing Corporation of Pakistan Press,  
Islamabad

## CHAPTER-7

### 28<sup>th</sup> MEETING OF THE COUNCIL OF COMMON INTERESTS HELD ON FEBRUARY 29, 2016



**PRIME MINISTER MUHAMMAD NAWAZ SHARIF CHAIRING 28TH MEETING OF COUNCIL OF COMMON INTEREST (CCI)  
AT PM OFFICE ON 29TH FEBRUARY 2016.**

#### **7.1 ADDRESS BY THE PRIME MINISTER**

The Prime Minister/Chairman Council of Common Interests welcomed the Chief Ministers, members of the Council and other participants and thanked them for making it convenient to attend the meeting. After this, he asked the Secretary IPC, to take up the formal agenda.

**7.2 AGENDA OF THE 28TH MEETING OF CCI HELD ON 29<sup>th</sup> FEBRUARY, 2016**

<b>Item No.</b>	<b>Subject</b>	<b>Presented By</b>																
1.	Status Review of Important Decisions of the CCI meeting held on March 18, 2015:- <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">(i)</td> <td>Power Generation Policy, 2015</td> </tr> <tr> <td>(ii)</td> <td>Oil and Gas Matters</td> </tr> <tr> <td>(iii)</td> <td>(a) Allocation of Water for Islamabad / Rawalpindi (b) Inquiry into Corruption Charges of Kacchi Kanal</td> </tr> <tr> <td>(iv)</td> <td>Public Debt Management &amp; Supervision Policy.</td> </tr> <tr> <td>(v)</td> <td>Pakistan Energy Efficiency &amp; Energy Conservation (PEEC), Bill, 2014.</td> </tr> <tr> <td>(vi)</td> <td>Matters pertaining to Higher Education and other similar bodies in post-eighteenth amendment scenario</td> </tr> <tr> <td>(vii)</td> <td>Amendment in Indus River System Authority (IRSA) Act, 1992</td> </tr> <tr> <td>(viii)</td> <td>Permanent absorption of Federal Employees transferred to the Provincial Governments in the wake of 18<sup>th</sup> Constitutional Amendment</td> </tr> </table>	(i)	Power Generation Policy, 2015	(ii)	Oil and Gas Matters	(iii)	(a) Allocation of Water for Islamabad / Rawalpindi (b) Inquiry into Corruption Charges of Kacchi Kanal	(iv)	Public Debt Management & Supervision Policy.	(v)	Pakistan Energy Efficiency & Energy Conservation (PEEC), Bill, 2014.	(vi)	Matters pertaining to Higher Education and other similar bodies in post-eighteenth amendment scenario	(vii)	Amendment in Indus River System Authority (IRSA) Act, 1992	(viii)	Permanent absorption of Federal Employees transferred to the Provincial Governments in the wake of 18 <sup>th</sup> Constitutional Amendment	Ministry of IPC (Secretariat of CCI)
(i)	Power Generation Policy, 2015																	
(ii)	Oil and Gas Matters																	
(iii)	(a) Allocation of Water for Islamabad / Rawalpindi (b) Inquiry into Corruption Charges of Kacchi Kanal																	
(iv)	Public Debt Management & Supervision Policy.																	
(v)	Pakistan Energy Efficiency & Energy Conservation (PEEC), Bill, 2014.																	
(vi)	Matters pertaining to Higher Education and other similar bodies in post-eighteenth amendment scenario																	
(vii)	Amendment in Indus River System Authority (IRSA) Act, 1992																	
(viii)	Permanent absorption of Federal Employees transferred to the Provincial Governments in the wake of 18 <sup>th</sup> Constitutional Amendment																	
2.	Sixth Population and Housing Census	Statistics Division																
3.	Approval of Annual Reports of the Council of Common Interests (CCI) for the years 2013-14 and 2014-15	Ministry of IPC																
4.	Briefing by the Minister for Petroleum & NR on "Import of Liquefied Natural Gas (LNG)"	M/o Petroleum & NR																
5.	NEPRA's Annual Report 2013-14 and State of Industry Report 2014	Cabinet Division																
6.	Formulation of National Flood Protection Plan-IV (2015-25)	M/o Water & Power																
7.	Pumping of drainage effluent, rationalization of distribution of water from Hub dam and early completion of RBOD-III	Government of Balochistan																
8.	Liquefied Petroleum Gas Production and Distribution Policy, 2015	M/o Petroleum & NR																
9.	Securities and Exchange Commission of Pakistan (Amendment) Bill, 2016	Finance Division																

### **7.3 CASES CONSIDERED BY THE COUNCIL OF COMMON INTERESTS AND IMPACT ANALYSIS OF IMPLEMENTATION OF ITS DECISIONS**

The cases considered by the Council in its meeting held on February 29, 2016 in the financial year 2015-16 and the Impact Analysis of Implementation of its decisions is as under:

<b>Case No.CCI. 1/1/2016 Dated 29.02.2016</b>	<b>Status Review of Important Decisions of the CCI meeting held on March 18, 2015</b>
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#### **ITEM # 1(i):POWER GENERATION POLICY, 2015**

The CCI in its meeting held on March 18, 2015 considered a Summary dated 13<sup>th</sup> February 2015 on "Power Generation Policy, 2015" submitted by Ministry of Water and Power and approved the policy in principle subject to satisfaction of all stakeholders. The Council further directed that the IPCC headed by the Federal Minister for IPC will hold meeting with all stakeholders including provinces and will ensure achieving consensus.

The Secretary CCI briefed the Council about three IPCC meetings dated 31<sup>st</sup> March 2015, 06<sup>th</sup> May 2015 and 09<sup>th</sup> December 2015. The Council was also informed that Ministry of Water and Power also convened a meeting on 20<sup>th</sup> November, 2015 on this issue. In the IPCC meeting held on December 09, 2015, the amendments proposed by the provincial governments in "Power Generation Policy 2015" were deliberated and the final draft of the policy was circulated to the provincial governments.

#### **Implementation Status**

Implemented

#### **Impact**

The successful implementation of this policy will result in achievement of the following objectives:-

- Provision of sufficient power generation capacity at the least cost.
- Encourage and ensure exploitation of indigenous resources.
- Ensure that all stakeholders are looked after in the process.
- Ensure environmental safeguards.

<b>Case No.CCI. 1/1/2016 Dated 29.02.2016</b>	<b>Status Review of Important Decisions of the CCI meeting held on March 18, 2015</b>
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**ITEM # 1(ii):OIL AND GAS MATTERS**

In the 27<sup>th</sup> meeting of CCI held on March 18, 2015 the Prime Minister/Chairman CCI directed the Minister for Petroleum and Natural Resources and Minister for IPC to consider the oil and gas matters in IPCC. In compliance thereof, three meetings of IPCC were held and the view point of provinces was discussed in detail. Another meeting was conducted on 24<sup>th</sup> February, 2016 in the Ministry of Petroleum & NR under the Chairmanship of the Minister for Petroleum & NR and the matter was again deliberated upon. However, on the request of the Government of Sindh, the issue of LNG was included as a separate agenda item (Item 4) of the 28<sup>th</sup> CCI meeting.

<b>Case No.CCI. 1/1/2016 Dated 29.02.2016</b>	<b>Status Review of Important Decisions of the CCI meeting held on March 18, 2015</b>
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**ITEM # 1(iii)(a): ALLOCATION OF WATER FOR ISLAMABAD/ RAWALPINDI**

The Council approved allocation of water for Islamabad as per the share agreed by all the provinces which is as under:

- i) 74 Cusecs water from the Province of Sindh
- ii) 74 Cusecs from the Province of the Punjab
- iii) 24 Cusecs from the Province of Balochistan
- iv) 28 Cusecs from the Province of KPK

2. All the Chief Ministers agreed to contribute their share of water to Islamabad/Rawalpindi.

**Implementation Status**

Implemented

**Impact**

The implementation of this decision by CCI will help to resolve the chronic issue of water shortages in twin cities i.e. Rawalpindi/Islamabad.

<b>Case No.CCI. 1/1/2016 Dated 29.02.2016</b>	<b>Status Review of Important Decisions of the CCI meeting held on March 18, 2015</b>
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**ITEM # 1(iii)(b): INQUIRY INTO CORRUPTION CHARGES OF KACCHI CANAL**

In the CCI meeting held on 18<sup>th</sup> March, 2015, the CCI asked the Minister for Planning, Development & Reforms to get the process of inquiry completed on urgent basis as it had already been delayed, and to submit a report to this effect in the next meeting of CCI.

The Secretary, Planning, Development & Reforms informed the CCI that International Consultants engaged for the purpose have submitted their report with the following key findings:-

- i. The project was approved by ECNEC at a cost of Rs.19.766 billion in 2003. The PC-I was revised and approved for Rs.57.562 billion on 31<sup>st</sup> September, 2013. Now the 2<sup>nd</sup> Revised PC-I has been submitted with a cost of Rs.102.00 billion.
- ii. The project was initiated without conducting feasibility study and approval of PC-I.
- iii. The criteria for awarding the contract was also relaxed.

The CCI expressed dissatisfaction over the findings of the Inquiry conducted by the Consultants without proper TORs. Moreover, they have not been able to fix the responsibility in this case.

After detailed deliberations, the CCI decided as under:-

- (i) A Committee, headed by a Retired Judge of Supreme Court of Pakistan with Secretaries Finance, Water & Power and Planning, Development & Reforms Divisions as its members shall be constituted to inquire into the irregularities in this project and fix responsibilities. The Committee shall submit its report within sixty days. The Secretary Water & Power was directed to notify the Committee after approval by the Prime Minister's Office within two days.

(ii) The Council also decided that the project should continue and 2<sup>nd</sup> revised PC-I be submitted to ECNEC for consideration after completion of the Inquiry.

(iii) Full and final payment of the Consultant be made on finalization of Inquiry as discussed.

### **Implementation Status**

Ministry of Water & Power has informed that the Committee has held five meetings and sixth meeting is scheduled to be held soon under the Chairmanship of Mr. Justice (Retd.) Tassaduq Hussain Jilani, at Islamabad. In these meetings, probe Committee called various stakeholders associated with the project to carry out Technical and Financial Audit of the Project. Report of the Committee is awaited.

### **Impact**

A transparent audit/inquiry will have a positive impact on the overall performance of this project. Moreover, it will also strengthen the system of accountability within government organizations.

<b>Case No.CCI. 1/1/2016 Dated 29.02.2016</b>	<b>Status Review of Important Decisions of the CCI meeting held on March 18, 2015</b>
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### **ITEM # I(iv) PAKISTAN ENERGY EFFICIENCY & ENERGY CONSERVATION (PEEC), BILL, 2014**

The Secretary CCI informed the Council that the CCI in its last meeting held on March 18, 2015 reviewed the progress and directed the Ministry of Water & Power to complete the process on urgent basis with the directions to report progress in the next meeting of the CCI. In compliance with the decision, the bill was introduced in the National Assembly on 24<sup>th</sup> February, 2016 after approval of the Standing Committee.

2. The decision stands implemented.

## **Implementation Status**

Implemented

## **Impact**

The "Pakistan Energy Efficiency & Energy Conservation (PEEC), Bill, 2014" will provide a mechanism for reducing carbon emission and lessening other adverse effects of climate change. It will also help in energy conservation which is badly needed to overcome the prevailing energy crises in the country.

<b>Case No.CCI. 1/1/2016 Dated 29.02.2016</b>	<b>Status Review of Important Decisions of the CCI meeting held on March 18, 2015</b>
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## **ITEM # 1(v): PUBLIC DEBT MANAGEMENT & SUPERVISION POLICY**

The CCI in its last meeting decided that the Summary prepared by Finance Division may be considered in the NEC meeting and output may be presented in the next meeting of CCI. The Secretary Finance Division briefed the Council that NEC has approved a domestic borrowing limit of 0.5% of GDP (Rs.153 billion) after excluding domestic loans of Rs.44.4 billion owed to the Federal Government which means a net limit of Rs.112.6 billion. This limit will be distributed among the provinces as per their relative share in the divisible pool which is as under:-

<b>Provincial Debt Limit</b>	<b>Rs. in billion</b>				
	Punjab	Sindh	Khyber Pakhtunkhwa	Balochistan	<b>Total</b>
Net Available Limit	61.75	20.05	16.88	13.91	<b>112.59</b>

## **Implementation Status**

Implemented

## **Impact**

As a result of implementation of the CCI decision, provincial debt raising ceilings will be enhanced and they will be in a better position to receive support from development partners and bilateral sources with the assistance of the Federal Government.

Case No.CCI. 1/1/2016 Dated 29.02.2016	Status Review of Important Decisions of the CCI meeting held on March 18, 2015
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**ITEM # 1(vi): MATTERS PERTAINING TO HIGHER EDUCATION AND OTHER SIMILAR BODIES IN POST-EIGHTEENTH AMENDMENT SCENARIO:**

The CCI in its meeting held on March 18, 2015 constituted a committee headed by Federal Minister for Planning, Development and Reforms. It held a series of meetings with all the stakeholders. The Government of Sindh was asked to send their comments in legal terms.

The Council asked the Provinces to expedite the submission of their proposals in legal terms to the Committee already constituted for the purpose. The Committee will update the forum.

**Implementation Status**

The Government of Sindh has informed that they have circulated following two draft Bills for views/comments to Governments of Punjab, KPK and Balochistan which are awaited:-

- i) Amendment in the Higher Education Commission Ordinance, 2002; and
- ii) A fresh legislation for Standards in Higher Education Institutions.

**Impact**

Impact analysis will be done after a final decision is taken.

Case No.CCI. 1/1/2016 Dated 29.02.2016	Status Review of Important Decisions of the CCI meeting held on March 18, 2015
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**ITEM #1(vii): AMENDMENT IN INDUS RIVER SYSTEM AUTHORITY (IRSA) ACT, 1992**

The CCI in its meeting held on March 18, 2015 constituted a committee comprising of Secretary, Water and Power, Secretary, Planning, Development

and Reforms, representatives of the Provincial Governments and IRSA under the chairmanship of Minister for Water and Power to look into the matter and related issues of compensation etc and come forward with a feasible and mutually accepted proposals.

Following decisions were made:-

- i) The CCI gave its concurrence to the MoU signed between Government of Pakistan and Government of Khyber Pakhtunkhwa on 25<sup>th</sup> February 2016 and directed WAPDA to file a Tariff Petition as agreed in the MoU.
- ii) The Government of Khyber Pakhtunkhwa will present the new PC-I of the “Chashma Right-Bank Lift Irrigation Canal” project with 65% and 35% contribution by the Federal Government and Government of Khyber Pakhtunkhwa respectively. The Government of Khyber Pakhtunkhwa will be responsible for the O&M of this project.
- iii) The Government of the Punjab will submit their claim to Ministry of Water and Power for consideration in the light of said MoU.

### **Implementation Status**

- i) Ministry of Water & Power has informed that as per MoU, WAPDA has chalked out a mechanism for payment of arrears amounting to Rs.70.00 billion on account of Net Hydrel Profit to the Government of Khyber Pakhtunkhwa over a period of four years.
- ii) PDWP of Government of Khyber Pakhtunkhwa has approved the submission of PC-I of the “Chashma Right-Bank Lift Irrigation Canal” project on 24.06.2016 with the cost of Rs.119.60 billion to CDWP. The PC-I has been received in the Ministry of Water & Power on 05.08.2016 and is being examined for further processing.
- iii) The Government of Punjab has forwarded their claims regarding Net Hydrel Profit to Ministry of Water & Power on 30.07.2016 as under:-
  - An approximate amount of Rs.9.35 billion per annum after FY 2014-15.
  - Present claim including arrears Rs.83.08 billion.

As per modus operandi, these claims were forwarded to WAPDA for verification on same analogy as adopted for processing of Net Hydel Profit claims of Government of Khyber Pakhtunkhwa. After receipt of reconciled figures/claims, the Federal Government will process it accordingly.

**Impact**

The implementation of this decision will help in redressing the long standing grievances of Government of Khyber Pakhtunkhwa and establishment of harmonious relationship between the Federal Government and the Federating Units.

<b>Case No.CCI. 1/1/2016 Dated 29.02.2016</b>	<b>Status Review of Important Decisions of the CCI meeting held on March 18, 2015</b>
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**ITEM #1(viii): PERMANENT ABSORPTION OF FEDERAL EMPLOYEES TRANSFERRED TO THE PROVINCIAL GOVERNMENTS IN THE WAKE OF 18<sup>TH</sup> CONSTITUTIONAL AMENDMENT**

In the last meeting of CCI, the Provincial Governments were advised to legislate for permanent absorption of Federal Government employees transferred to them in the wake of 18<sup>th</sup> Constitutional Amendment. All the provinces have legislated on the issue.

**Implementation Status**

Implemented.

**Impact**

The decision of the CCI has been helpful in accomplishment of the absorption of federal employees in the Provincial Governments in the wake of 18<sup>th</sup> Constitutional Amendment. This will help the Provincial Governments in better performance of the devolved functions.

<b>Case No.CCI. 2/1/2016 Dated 29<sup>th</sup> Feb.2016</b>	<b>Sixth Population and Housing Census</b>
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The Council of Common Interests (CCI) considered the Statistics Division's Summary dated 28<sup>th</sup> February, 2016 and approved the following

recommendations:

- i. The holding of Census under the supervision of Armed Forces at man to man level is a pre-requisite to ensure credibility, transparency and security of Census operation. Due to non-availability of requisite number of Armed Forces by March / April 2016, Census cannot be held in March/April, 2016 and be postponed.
  - ii. A future Census schedule may be decided in consultation with the Provinces and the Armed Forces. Meanwhile, Pakistan Bureau of Statistics may continue with their preparations for conducting the Census.
2. The Council further decided that the Census will be held on the availability of Armed Forces and directed the Secretary Statistics Division to consult the armed forces about availability of the required human resource and propose a new date for the Census.

<b>Case No.CCI. 3/1/2016 Dated 29<sup>th</sup> Feb.2016</b>	<b>Approval of Annual Reports of the Council of Common Interests (CCI) for the years 2013-14 and 2014-15</b>
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The Council approved the Summary dated 22<sup>nd</sup> February, 2016 submitted by the IPC Division for laying the Annual Reports of CCI for the years 2013-14 and 2014-15 before the houses of the Parliament.

### **Implementation Status**

Implemented

### **Impact**

The constitutional requirement under Article 153(4) has been fulfilled.

<b>Case No.CCI.4/1/2016 Dated 29<sup>th</sup> Feb.2016</b>	<b>Import of Liquefied Natural Gas (LNG)</b>
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The Minister for Petroleum & Natural Resources briefed the forum on the following four issues raised by the Government of Sindh relating to oil and gas:-

- i) Import of Liquefied Natural Gas (LNG) and associated incidental & ancillary matters;
- ii) Presence of supply of gas under Article 158;
- iii) Resolution of post-devolution issues & anomalies;
- iv) Utilization of GIDC receipts, Double Taxation issue related to GIDC.

The CCI decided that all the above issues pertaining to Oil & Gas highlighted by Government of Sindh be referred to the Working Level Technical Committee under the supervision of IPCC and report be submitted to the CCI.

### **Implementation Status**

Ministry of IPC has constituted a Committee under the Chairmanship of Secretary IPC to resolve the issues raised by Government of Sindh.

### **Impact**

Impact analysis will be done after a final decision is taken.

<b>Case No.CCI. 5/1/2016 Dated 29<sup>th</sup> Feb.2016</b>	<b>NEPRA's Annual Report 2013-14 and State of Industry Report 2014</b>
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The Chairman NEPRA under Section 42 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 submitted its Annual Report to the Council. He also highlighted the crux of Report describing Licensing Tariff, Performance Standards, Consumer Affairs, Monitoring and Enforcement.

The CCI decided as under:-

- i) The NEPRA's Annual Report 2013-14 and State of Industry Report 2014 submitted by the Cabinet Division vide Summary dated 05<sup>th</sup> April, 2015 was approved.
- ii) The Minister for Water & Power shall immediately convene a meeting with the representatives of the provinces and resolve their outstanding issues pertaining to NEPRA, DISCOs, IPPs etc.

### **Implementation Status**

Pursuant to the CCI decision, first meeting to resolve the outstanding

issues pertaining to NEPRA, DISCOs, IPPs etc is scheduled to be held under the chairmanship of Federal Minister for Water and Power on 20<sup>th</sup> September, 2016. Further progress will be conveyed in due course.

The Ministry of Water and Power has further stated that none of the Provincial Government has provided the outstanding issues except Punjab.

### **Impact**

Efficient utilization of hydel, coal and gas resources will help in overcoming the energy shortage which has become an impediment in the revival of the economy of the country. Strict measures with a stringent legal framework and proper implementation carried out with the support of provincial governments will help in checking electricity theft.

<b>Case No.CCI. 6/1/2016 Dated 29<sup>th</sup> Feb.2016</b>	<b>Formulation of National Flood Protection Plan-IV (2015-25)</b>
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The Chairman, Flood Commission briefed the forum on Flood Protection Plan-IV (2015-25).

The CCI decided that the Minister for Climate Change and Minister for Water & Power in collaboration with all the Chief Ministers shall work out a comprehensive National Flood Protection Plan to be presented the same in the next meeting of the CCI scheduled for 25<sup>th</sup> March, 2016.

### **Implementation Status**

The Committee has been notified and started its work.

<b>Case No.CCI. 7/1/2016 Dated 29<sup>th</sup> Feb.2016</b>	<b>Pumping of drainage effluent, rationalization of distribution of water from Hub dam and early completion of RBOD-III</b>
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The Chief Minister Balochistan highlighted the following issues which have resulted in huge losses to economy of the province:-

- i) Pumping of Drainage Effluent into Khirther Canal;
- ii) Early Completion of RBOD-III, closure of Syphons and alignment issues;
- iii) Inequitable distribution of Hub Dam Storage Water.

The CCI directed that the Chief Ministers of Sindh and Balochistan should resolve the issue amicably.

### **Implementation Status**

The Government of Sindh has informed as under:-

- i) The Report of Quality Test of Water of "Garang Regulator at RD 102 of Khirthar Canal" has been forwarded to Secretary Irrigation Govt of Balochistan for taking further necessary action regarding subject decision on 16.08.2016.
- ii) As desired by the Prime Minister of Pakistan, a meeting between Govt of Sindh and Balochistan pertaining to closure of 2<sup>nd</sup> Sypon Saifullah Magsi Crossing was held in his office and it was decided that upto 165 cusecs of drainage water from Balochistan during the non-flood years through the 2<sup>nd</sup> Sypon Saifullah Magasi Crossing with immediate effect which shall be complied by Sindh. Further it has also been decided that Survey from receiving effluent water shall be taken up by WAPDA.
- iii) The main co-sharer of water from Hub Dam are KW&SB and Balochistan Irrigation Department. The issue is between the beneficiaries.

<b>Case No.CCI. 8/1/2016 Dated 29.02.2016</b>	<b>Liquefied Petroleum Gas Production and Distribution Policy, 2015</b>
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The Minister for Petroleum & Natural Resources briefed the house on the Liquefied Petroleum Gas Production and Distribution Policy, 2015 and highlighted the salient features of the Policy.

The CCI decided as under:-

- i) The CCI considered the Summary submitted by the Ministry of Petroleum & Natural Resources dated 25<sup>th</sup> August, 2015 and approved "Liquefied Petroleum Gas Production and Distribution Policy, 2015", in-principle.
- ii) The CCI further directed Minister for Petroleum & NR to amicably resolve the outstanding issues with the Government of Khyber Pakhtunkhwa.

### **Implementation Status**

Directorate General of Liquefied Gas, Ministry of Petroleum and Natural Resources has forwarded the CCI decision to OGRA for its implementation. OGRA has further informed that they have taken up the matter with Cabinet Division for amendments in the LPG Rules, 2001 to be notified at the earliest enabling them to issue LPG price notification in pursuance of LPG Policy, 2016.

### **Impact**

LPG is considered as poor man's fuel, yet the same is being priced at over twenty times higher than natural gas for domestic consumers. The implementation of this Policy will help in devising a framework to regulate the LPG prices both at producers and consumers level.

<b>Case No.CCI. 9/1/2016 Dated 29.02.2016</b>	<b>Securities and Exchange Commission of Pakistan (Amendment) Bill, 2016</b>
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The Minister for Finance laid Securities and Exchange Commission of Pakistan (Amendment) Bill, 2016 before the Council. The Secretary Finance Division briefed the forum on the proposed amendments in the Bill.

The Council of Common Interests considered and approved "Securities and Exchange Commission of Pakistan (Amendment) Bill, 2016".

### **Implementation Status**

The Finance Division has informed that Securities and Exchange Commission of Pakistan (Amendment) Bill, 2016 has been passed by both the Houses of Parliament and being submitted to the President for his assent.

### **Impact**

The proposed amendments will facilitate better superintendence and control over the capital and financial services markets, corporate sector and insurance industry. This will, invariably, bring the Commission at par with its international counterparts in the capital markets of the world.

## **7.4 LIST OF PARTICIPANTS OF 28<sup>th</sup>CCI MEETING HELD ON 29<sup>TH</sup> FEBRUARY, 2016 AT 10:00 HRS IN THE PRIME MINISTER'S OFFICE**

### **CONSTITUTIONAL MEMBERS:**

1. Mian Muhammad Nawaz Sharif,  
The Prime Minister of Pakistan / Chairman CCI

#### **Federation**

2. Pir Syed Sadaruddin Shah Rashidi,  
Federal Minister for Overseas Pakistanis and HRD
3. Lt. General (Retd.) Abdul Qadir Baloch,  
Federal Minister for States and Frontier Regions
4. Sardar Muhammad Yousaf,  
Federal Minister for Religious Affairs and Inter-faith Harmony

#### **Provinces**

5. Mian Muhammad Shahbaz Sharif, Chief Minister Punjab
6. Syed Qaim Ali Shah, Chief Minister Sindh
7. Mr. Pervez Khattak, Chief Minister Khyber Pakhtunkhwa
8. Nawab Sanaullah Khan Zehri, Chief Minister Balochistan

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#### **Secretaries/Chief Secretaries**

9. Mr. Justice (R) Muhammad Raza Khan, Secretary, Law & Justice Division
10. Mr. Khizer Hayat Gondal, Chief Secretary Punjab
11. Mr. Muhammad Siddique Memon, Chief Secretary Sindh
12. Mr. Amjad Ali Khan, Chief Secretary Khyber Pakhtunkhwa
13. Mr. Saifullah Chattha, Chief Secretary Balochistan

### **PARTICIPANTS OF AGENDA ITEMS: By Special Invitation**

1. Mr. Mohammad Ishaq Dar,  
Minister for Finance, Revenue, EAD, Statistics & Privatization
2. Khawaja Mohammad Asif, Minister for Water and Power
3. Mr. Shahid Khaqan Abbasi, Minister for Petroleum and NR
4. Mr. Zahid Hamid, Minister for Climate Change
5. Raja Hasan Abbas, Secretary, Cabinet Division
6. Dr. Waqar Masood Khan, Secretary, Finance Division
7. Mr. Yousaf Naseem Khokhar, Secretary, Planning, Development & Reforms
8. Mr. Mohammad Younus Dagha, Secretary, Water and Power Division
9. Mr. Arshad Mirza, Secretary, Petroleum and NR Division
10. Mr. Shahid Hussain Asad, Secretary, Statistics Division
11. Prof. Dr. Mukhtar Ahmed, Chairman, HEC
12. Mr. Zafar Mehmood, Chairman WAPDA
13. Rao Irshad Ali Khan, Chairman IRSA
14. Brig. (R) Tariq Saddozai, Chairman, NEPRA
15. Mr. Asjad Imtiaz Ali, Chairman Flood Commission
16. Mr. Zafarullah Hijazi, Chairman, SECP
17. Mr. Qazi M. Saleem Siddiqui, D.G. (Gas), P&NR
18. Mr. Muhammad Naseem, Member IRSA (Balochistan)
19. Mr. Asif Bajwa, Chief Statistician
20. Mr. Hussnain Zaigham, Senior Advisor NEPRA

**MINISTRY OF IPC / CCI'S STAFF CONDUCTING THE CCI MEETING**

1. Mian Riaz Hussain Pirzada, Minister for Inter Provincial Coordination
2. Mr. Muhammad Ali Gardezi, Secretary (IPC & CCI)
3. Mr. Jamal Nasir, Additional Secretary (IPC)
4. Mr. Sohail Qadeer Siddiqui, Sr. Joint Secretary (IPC & CCI)
5. Dr. Qazi Mujtaba Kamal, Deputy Secretary (CCI)
6. Mr. Muhammad Umar, Section Officer (CCI)
7. Syed Mudassar Hussain Shah, Steno typist
8. Mr. Farhan Ahmad Ch., Assistant
9. Mr. Umar Draz Azhar, Attendant / Naib Qasid
10. Mr. Muhammad Khalid, Naib Qasid
11. Mr. Zafar Aftab, Naib Qasid
12. Mr. Ilyas Qureshi, Naib Qasid

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## CHAPTER-8

### 29th MEETING OF THE COUNCIL OF COMMON INTERESTS HELD ON MARCH 25, 2016



**Prime Minister Mian Muhammad Nawaz Sharif addressing the 29<sup>th</sup> meeting of CCI at P.M. Office on March 25, 2016**

#### **8.1 ADDRESS BY THE PRIME MINISTER**

The Prime Minister / Chairman CCI welcomed the participants and thanked them for making it convenient to attend the twenty ninth meeting of CCI. The Chairman CCI thereafter asked the Secretary, Statistics Division, to update the house on Sixth Population and Housing Census.

**8.2 AGENDA OF THE 28TH MEETING OF CCI HELD ON 25<sup>th</sup> MARCH, 2016**

<b>Item No.</b>	<b>Subject</b>	<b>Presented By</b>
1.	Sixth Population and Housing Census	Statistics Division
2.	Formulation of National Flood Protection Plan-IV (2015-2025)	M/o Water and Power

## **8.2 CASES CONSIDERED BY THE COUNCIL OF COMMON INTERESTS AND IMPACT ANALYSIS OF IMPLEMENTATION OF ITS DECISIONS**

Cases considered by the Council in its meeting held on March 25, 2016 in the financial year 2015-16 and Impact Analysis of Implementation of its decisions is mentioned hereunder:

<b>Case No.CCI. 1/2/2016 Dated 25<sup>th</sup> March 2016</b>	<b>Sixth Population and Housing Census</b>
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The Secretary, Statistics Division updated the forum that in pursuance of direction of CCI, consultative meetings were held with the Provincial Governments and Defense Division (*for availability of armed forces*) to carry out the census. He further informed that availability of armed forces for conducting Census cannot be ensured due to pre-occupation of Army in military operations in Shawal and other areas under Zarb-e-Azb.

The CCI decided that efforts should be made to conduct Census in the Calendar Year 2016 subject to availability of required armed forces personnel in order to ensure transparency and credibility. Furthermore, Statistics Division shall remain engaged with all stakeholders including Ministry of Defense for the availability of required armed forces personnel and shall keep the CCI updated on the progress.

### **Implementation Status**

Statistics Division / PBS is in constant touch with Defense Authorities for availability of Army personnel. As soon as the availability of Army personnel is ensured by the concerned quarter, the CCI will be informed accordingly. Meanwhile, the Supreme Court of Pakistan has also taken a Suo Moto Notice regarding delay in conducting the Census and asked the Federal Government to give a definite time frame for this exercise.

### **Impact**

Holding of 6<sup>th</sup> Population and Housing Census will provide correct and reliable database of population for better planning and development. It will also help in improving the standard of social services delivery in the country.

<b>Case No.CCI.2/2/2016 Dated 25<sup>th</sup> March 2016</b>	<b>Formulation of National Flood Protection Plan-IV (2015-25)</b>
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The Chairman, Flood Commission informed the forum that in pursuance of CCI decision dated 29<sup>th</sup> February, 2016, a meeting was held on March 17, 2016 with all relevant stakeholders. The Provincial Governments were, however, of the view that the Federal Government should provide full funding for implementation of the Plan, as was done in the implementation of the previous three plans.

The CCI decided that the Committee established by CCI in its 28<sup>th</sup> meeting should continue consultative process for another month and include the suggestions of the Provincial Governments in the Plan after removing their concerns/bottlenecks and keep CCI updated with the progress.

### **Implementation Status**

Ministry of Water & Power stated that a meeting of Committee constituted by the CCI was held on May 04, 2016, in which following decision was taken:-

“Consultant team accompanied by senior officials of FFC will visit all the provincial headquarters on immediate basis to explore the possibilities of incorporating the schemes highlighted by provinces as essential, in addition to those already included in the draft NFPP-IV”.

**LIST OF PARTICIPANTS OF 29<sup>th</sup>CCI MEETING HELD  
ON 25<sup>th</sup> March, 2016 AT 0930 HRS IN THE PRIME MINISTER'S OFFICE**

**CONSTITUTIONAL MEMBERS:**

1. Mian Muhammad Nawaz Sharif,  
The Prime Minister of Pakistan / Chairman CCI

**Federation**

2. Pir Syed Sadaruddin Shah Rashidi,  
Federal Minister for Overseas Pakistanis and HRD
3. Lt. General (Retd.) Abdul Qadir Baloch,  
Federal Minister for States and Frontier Regions
4. Sardar Muhammad Yousaf,  
Federal Minister for Religious Affairs and Inter-faith Harmony

**Provinces**

5. Syed Qaim Ali Shah, Chief Minister Sindh
6. Mr. Pervez Khattak, Chief Minister Khyber Pakhtunkhwa
7. Nawab Sanaullah Khan Zehri, Chief Minister Balochistan

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**Chief Secretaries**

1. Mr. Khizer Hayat Gondal, Chief Secretary Punjab
2. Mr. Muhammad Siddique Memon, Chief Secretary Sindh
3. Mr. Amjad Ali Khan, Chief Secretary Khyber Pakhtunkhwa
4. Mr. Saifullah Chattha, Chief Secretary Balochistan

**Federal Ministers/Secretaries: By Special Invitation**

1. Mr. Nadeem Hasan Asif, Secretary, Cabinet Division
2. Dr. Waqar Masood Khan, Secretary, Finance Division
3. Mr. Justice (R) Muhammad Raza Khan, Secretary, Law and Justice Division
4. Mr. Yousaf Naseem Khokhar, Secretary, Planning, Development & Reforms

**B). PARTICIPANTS OF AGENDA ITEMS: By Special Invitation**

**Item # 1: Sixth Population and Housing Census**

21. Mr. Mohammad Ishaq Dar, Minister for Finance, Revenue, EAD, Statistics & Privatization
22. Mr. Shahid Hussain Asad, Secretary, Statistics Division
23. Mr. Asif Bajwa, Chief Statistician/Chief Census Commissioner

**Item # 2: Formulation of National Flood Protection Plan-IV (2015-25)**

24. Khawaja Mohammad Asif, Minister for Water and Power
25. Mr. Zahid Hamid, Minister for Climate Change
26. Mr. Mohammad Younus Dagha, Secretary, Water and Power Division
27. Syed Abu Ahmad Akif, Secretary, Climate Change Division
28. Mr. Asjad Imtiaz Ali, Chairman Federal Flood Commission
29. Maj. Gen. Asghar Nawaz, HI(M), Chairman, NDMA
30. Mr. Zafar Mehmood, Chairman WAPDA
31. Dr. Ghulam Rasool, Director General (Met)

**C). FOR ASSISTANCE TO THE MINISTERS / SECRETARIES:**

1. Mr. Habibullah Khattak, Member (Census), Pakistan Bureau of Statistics
2. Syed Muhammad Mehr Ali Shah, Joint Secretary (Water), M/o Water & Power
3. Mr. Yasir Abbas, Principal Engineer, NESPAK (required to operate the hyper-linked technical presentation)

**D). MINISTRY OF IPC / CCI'S STAFF CONDUCTING THE CCI MEETING**

1. Mian Riaz Hussain Pirzada, Minister for Inter Provincial Coordination
2. Mr. Muhammad Ali Gardezi, Secretary IPC & CCI
3. Mr. Sohail Qadeer Siddiqui, Sr. Joint Secretary (CCI & IPC)
4. Dr. Qazi Mujtaba Kamal, Deputy Secretary (CCI)
5. Mr. Muhammad Umar, Section Officer (CCI)
6. Syed Mudassar Hussain Shah, Steno typist
7. Mr. Farhan Ahmad Ch., Assistant
8. Mr. Atiq Ahmed, Assistant
9. Mr. Kaleemullah, Steno typist
10. Mr. Muhammad Khalid, Naib Qasid
11. Mr. Umar Draz Azhar, Supervisor Committee Room

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