## SPECIAL REPORT OF THE FUNCTIONAL COMMITTEE ON DEVOLUTION PROCESS

"Establishment of permanent Secretariat of CCI-a Constitutional requirement"

Report No. 2

## PRESENTED BY

SENATOR MIR KABEER AHMED MUHAMMAD SHAHI CHAIRMAN

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## SENATE SECRETARIAT

## SPECIAL REPORT OF THE FUNCTIONAL COMMITTEE ON DEVOLUTION PROCESS ON "ESTABLISHMENT OF PERMANENT SECRETARIAT OF CCI -- A CONSTITUTIONAL REQUIREMENT"

I, Chairman of the Functional Committee on Devolution Process, have the honour to present a special report on "Establishment of permanent Secretariat of CCI -- a Constitutional requirement". After discussion the matter was referred to the Functional Committee for consideration and report.

2. The composition of the Functional Committee on Devolution Process is as under:-

1.	Senator Mir Kabeer Ahmed Muhammad Shahi	Chairman
2.	Senator Nawabzada Saifullah Magsi	Member
3.	Senator Kamil Ali Agha	Member
4.	Senator Col (R) Syed Tahir Hussain Mashhadi	Member
5.	Senator Nisar Muhammad	Member
6.	Senator Ilyas Ahmad Bilour	Member
7.	Senator Taj Haider	Member
8.	Senator Muhammad Ali Khan Saif	Member
9.	Senator Sardar Muhammad Yaqoob Khan Nasar	Member
10.	Senator Muhammad Usman Khan Kakar	Member
11.	Senator Ayesha Raza Farooq	Member
12.	Senator Chaudhary Tanvir Khan	Member
13.	Senator Liaqat Khan Tarakai	Member
14.	Senator Atta-ur-Rehman	Member
15.	Minister for Inter-Provincial Coordination	Ex-Officio Member

- 3. The Committee considered the matter in its meetings held on  $10^{\rm th}$  November, 2015 and  $19^{\rm th}$  July, 2016.
- 4. Secretary, Ministry of Inter Provincial Coordination (IPC) briefed the Committee on the instant agenda item in the following terms:-



"In March, 2010, the Prime Minister was pleased to designate Inter Provincial Coordination Division as Secretariat of the CCI in place of Cabinet Division till such time a separate Secretariat was established as mandated by the Constitution. The need for a separate Secretariat of the CCI, like the Cabinet and the National Security Council, has been felt for quite some time and has been impressed upon at various for a.

The CCI in its meeting held on March 18, 2015, directed the Ministry of IPC to firm up proposal for strengthening of CCI and establishment of its permanent secretariat. The Governments of Balochistan and Khyber Pakhtunkhwa have also recommended for establishment of a permanent Secretariat of CCI having provincial representation.

The Ministry of IPC submitted a Summary, in this context, for approval of the Prime Minister on 4<sup>th</sup> June, 2015. In response, the Prime Minister's Office vide u.o. dated 10<sup>th</sup> August, 2015 advised to re-formulate the proposal so that if new CCI Secretariat is created, strength of IPC may be reduced correspondingly and the cost of both formulations should remain within allocated budget of IPC Division without recourse to any supplementary budget requirement. Accordingly, the Ministry of IPC submitted a reformulated proposal for approval of the Prime Minister on 1<sup>st</sup> September, 2015.

The Prime Minister's Office, however, returned the Summary with the advice for its re-submission along with clarifications on Para 28/N of the Summary. This Ministry submitted its reply on 18-01-2016 and proposed that the Ministry of IPC may be renamed as "Ministry of IPC and CCI Secretariat" and the subject of all Federal Regulatory Authority may also be transferred to Ministry of IPC.

However, the Prime Minister's Office again returned the Summary and advised this Ministry of resubmit the case, after examining the merits and demerits of all the three options given vide Para 28 (ii) of the Summary and route it through M/o Information and Broadcasting & Cabinet Division in the light of new issue i.e. transfer of Federal Regulatory Authorities.

Accordingly, after examining the merits and demerits of the case, a draft reply has been prepared and is under submission to the Prime Minister's Office through M/o Information and Broadcasting & Cabinet Division.

Meanwhile, the Senate of Pakistan vide its Resolution No. 263 dated 19<sup>th</sup> May, 2016 has also stressed the establishment of a permanent Secretariat of CCI."

5. The Committee noted that despite the Ruling of the Chairman Senate on the instant matter two resolutions passed by the House and efforts of Ministry of IPC, the matter remains unresolved. The members were one voiced as to the need of independent secretariat for CCI and termed it as an effective tool for creating linkages between CCI and provinces.



6. The Committee also took note and made reference to the Constitution making Debate of the National Assembly in 1973, wherein, during debate on article 141, as then it was, the then Law Minister made following submissions on the floor of the House:-

"under the Constitution a new institution has been set up-institution of the Council of Common Interests. In this institution, under the Constitution, equal representation has been given to the Provinces of Pakistan. Each Province is to be represented on this Council by their Chief Ministers and representation equal to the total number of Chief Ministers has been given to the Federal Government also so that a permanent Constitutional institution of the Council of Common Interests comprising the four Chief Ministers and four Federal Minister shall be constantly functioning and this shall have the authority, the exc'usive authority not only in the Federal Cabinet, but apart from outside the Federal cabinet, it shall have the executive authority, over the subjects which form part which are mentioned in the Second Part of the Federal Legislative List and these are all important subjects like heavy industry, oil and gas development, railways, mineral oil and natural gas, liquid and substances declared by the Federal law to be dangerously inflammable, development of industries, where development under Federal Control is declared to be Federal law, expenditure in the public interest and so on and so forth, institutions like the WAPDA, WPIDC and like matters and electricity from the Concurrent List at No. 34. Now decisions shall be taken by the Council of Common interests by majority of the Members present. It shall have the power to frame its rules. This Council of Common Interests has also been given authority to adjudicate upon disputes arising out of the natural waters between the Provinces and between Provinces and Federation and the appellate authority or the revisional authority against the decision of the Council of Common Interests in not the Federal Cabinet, is not the National Assembly of Pakistan, but Parliament of Pakistan comprising the National Assembly as well as the Senate in joint sitting. The Council of Common Interest shall exercise control and supervision over the institutions which are federal or which are autonomous bodies controlled by the Federal Government dealing with such subjects like railways and oil and gas development heavy industries, and so on and so forth, SAPDA and WPIDC. Only Parliament shall have the power to issue, from time to time, directions to Council of Common Interests. In such a way, by this innovation, although it was not possible to hand over these subjects to the Provinces because of contiguity and innumerable Problems which have resulted by handing over subjects like railways to the provinces, every Province has been given representation equal to that of the other Province irrespective of the population of the province. This is truly and genuinely an innovation, an attempt to bring about provincial participation with equal status to every provinces irrespective of size of the province or the population of the province and then this institution under the Constitution has not been subjected to the overall jurisdiction of the executive authority of the federation."

- 7. The Committee also noted with concern that the existing strength of four officials is insufficient to provide meaningful support to CCI and provinces. The Chairman Committee inquired about the number of committees of CCI and output of the same. The Additional Secretary, IPC, informed that only one committee of CCI is working with the mandate to review/examine the agenda to be placed before the CCI, in order to refine the same.
- 8. The Committee was also briefed that the Provinces are not actively participating in providing/contributing agenda items for the meetings of CCI. The Committee took note of the situation and decided to write to the provincial Chief Ministers to use the forum of CCI more effectively. The Committee also took note that Provinces of Khyber Pakhtunkhwa and Sindh have already written for holding the meeting of CCI, however, the same has not been held till date.
- 9. In view of the deliberations, the Committee recommends as under:
  - i. The Government shall establish a permanent and independent secretariat of CCI within a period of two months.
  - ii. The Government shall ensure provincial and regional representation while appointing/placing staff in the said secretariat.
  - iii. The provinces may be asked to play effective role in agenda setting and holding of the meetings of CCI.

J.S/ Secretary Committee

SENATOR MIR KABEER AHMED MUHAMMAD SHAHI)

Chairman