

SENATE SECRETARIAT

“QUESTIONS FOR ORAL ANSWERS AND THEIR REPLIES”

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

Thursday, the 5th December, 2013

(Question No. 114 originally set down for answering on 5th November, 2013 (98th Session))

@44. ***Mr. Muhammad Talha Mehmood:** (Notice received on 04-09-2013 at 09:30 am)

Will the Minister Incharge of the Cabinet Division be pleased to state whether there is any proposal under consideration of the Government to make the Abbottabad Commission's Report public, if so, when?

Minister Incharge of the Cabinet Division: The question regarding make the Commission's report public does not fall within the purview of the Cabinet Division.

114. ***Sardar Muhammad Yaqoob Khan Nasir:** (Notice received on 30-08-2013 at 04:00 pm)

Will the Minister Incharge of the Aviation Division be pleased to state:

- (a) whether it is a fact that Jumbo, A.P, B.F. W (B-747) aeroplane of PIA has recently been auctioned, if so, the price at which the same was purchased and the price at which it has been sold / auctioned;*
- (b) the procedure adopted for auctioning of the said aeroplane;*
- (c) whether there is any proposal under consideration of the Government to auction more PIA aeroplanes, if so, the number thereof; and*

@Transferred from Interior and Narcotics Control Division.

- (d) whether there is any proposal under consideration of the Government to purchase new aircrafts for PIA, if so, the number thereof?*

Minister Incharge of the Aviation Division: (a) Yes, the said aircraft was auctioned after proper cannibalization of serviceable components, “as is where is” basis through publication of advertisement in print/electronic media. The same was purchased at the price of USD 10 (ten) million (import value) in the year, 2002 and sold against the reserve price of 6.8 million.

- (b) Open public auction through Government Auctioneer.
- (c) Presently, no proposal for the auction of more PIA aeroplane is under consideration.
- (d) There is no proposal under consideration of PIA to purchase/acquire new aircraft.

14. ***Mr. Karim Ahmed Khawaja:** (Notice received on 08-11-2013 at 01:00 pm)

Will the Minister Incharge of the Cabinet Division be pleased to state the details of units working to control cyber crimes in the country with province-wise break-up indicating also the details of equipments provided to each unit for that purpose?

Reply not received.

15. ***Mr. Karim Ahmed Khawaja:** (Notice received on 08-11-2013 at 01:00 pm)

Will the Minister Incharge of the Cabinet Division be pleased to state:

- (a) *whether there is any proposal under consideration of the Government to formulate a policy to control cyber terrorism / crimes in the country, if so, its details; and*
- (b) *whether it is a fact that a special unit was established to control the said crimes, if so, the details thereof?*

Reply not received.

16. ***Syeda Sughra Imam:** (Notice received on 11-11-2013 at 11:40 am)

Will the Minister Incharge of the Cabinet Division be pleased to state:

- (a) *the estimated loss being suffered by the Government annually due to grey trafficking; and*
- (b) *the steps taken / being taken by the Government to control the said trafficking?*

Minister Incharge of the Cabinet Division: (a) The estimated loss of grey traffic cannot be predicted. Since 2009, PTA conducted 121 raids, with the assistance of FIA, which led to a saving of over **5.78 Million US dollars** to the Universal Service Fund (USF). Year wise summary is attached as **Annexure A**.

(b) To curb Grey traffic, a Technical System has been deployed for monitoring and reconciliation of International Telephone Traffic with the funding of Long Distance & International (LDI) operators in the light of International Clearing House (ICH) Policy Directive issued by Ministry of IT on 12th August, 2012.

The System, called Grey Traffic Mitigation System (GTMS), became operational on 1st October, 2013. The system is capable to automatically block those Internet Protocol (IP) addresses which are not in the authorized White List.

In order to educate and involve the public to report any international calls received with local Caller Line Identification (CLI), PTA advertised it in newspapers and is also initiating a media campaign through Cellular Mobile Operators.

PTA has also established a 24/7 Call Center for general public to report international calls received showing local numbers to PTA. The Call Center can be approached through following access points:

- a. Toll free: 080055055
- b. Short code: 8866
- c. Phone No. 0519207059
- d. Fax No. 0512878127
- e. Email: complaint@pta.gov.pk

17 . ***Mr. Shahi Syed:** (Notice received on 12-11-2013 at 10:10 am)

Will the Minister Incharge of the Cabinet Division be pleased to state:

- (a) the difference in jurisdiction of authority of the Prime Minister and the Cabinet according to the Constitution and Rules of Business 1973;*
- (b) the details of the distribution of business / subjects between those two offices; and*
- (c) whether the Prime Minister has the authority to reduce or change the jurisdiction of Cabinet at his own?*

Minister Incharge of the Cabinet Division: (a) In terms of Article 90 of the Constitution the executive authority of the Federation shall be exercised in the name of the President by the Federal Government, consisting of the Prime Minister and the Federal Ministers. The Prime Minister is the chief executive of the Federation. Further, in terms of rule 3(4) of the Rules of Business, 1973, the Prime Minister shall allocate amongst his Ministers the business of the Government by assigning the several Divisions specified in Schedule I of the Rules *ibid*. Rule 5(1) stipulates that no important policy decision shall be taken except with the approval of the Prime Minister. Under rule 5(5) of the said Rules, the Minister shall be responsible for policy concerning his Division. Under rule 5(8) of the said Rules, the business of the Division shall be disposed of by or under the authority of the Minister-in-charge.

(b) (i) details of cases to be submitted to the Prime Minister for his orders have been provided in rule 15 and Schedule V-A of the Rules of Business, 1973 (**Annex-I &II**) respectively.

(ii) cases to be submitted to the Cabinet have been given in rule 16(1) of the Rules of Business, 1973 (**Annex-III**).

(c) In terms of rule 16(2) of the Rules of Business, 1973, the Prime Minister may in any case give directions as to the manner of its disposal without prior reference to the Cabinet.

Annexure-I

EXTRACT FROM THE RULES OF BUSINESS, 1973

RULE 15

15. Reference to the Prime Minister.-(1) No order shall be issued without the approval of the Prime Minister in—

(a) cases involving important policy or departure from important policy;

Note.—Departure from policy includes departure from a previous decision of the Cabinet or the Prime Minister.

(b) cases involving directions to a Governor under Article 145 and to a Provincial Government under Article 149;

(c) cases where it is proposed that the Federal Government Undertake the implementation of an international agreement relating to a subject in the provincial field;

(d) cases of Awards—Decorations in recognition of gallantry and academic distinction;

*(e) cases relating to petitions addressed to the Prime Minister which are neither withheld under the instructions for the transmission of such petitions to the Prime Minister nor accepted;

(f) cases relating to mercy petitions against sentences of death passed by Courts requiring the exercise of President's prerogative of pardon;

(g) cases enumerated in Schedule V-A; and

- (h) cases involving sanction for the prosecution of the holder of a post referred to in Schedule V-A.

Annexure-III

EXTRACT FROM RULES OF BUSINESS, 1973.

16. **Cases to be brought before Cabinet.**—(1) The following cases shall be brought before the Cabinet:—

- (a) proposals for legislation, official or non-official, including money bills;
- (b) promulgation and revocation of Ordinances;
- (c) the budgetary position and proposals before the presentation of the Annual Budget Statement and a Supplementary Budget Statement or an Excess Budget Statement under Articles 80 and 84;
- (d) proposals for levy, abolition, remission, alteration or regulation of any tax and floatation of loans;
- (e) a reference to the Supreme Court for advice on a question of law under clause (1) of Article 186;
- (f) generation of electricity and laying of inter-provincial transmission lines;
- (g) proposals involving action under Article 149 in respect of a subject in the Concurrent Legislative List;
- (h) proposals involving negotiations with foreign countries, *e.g.*, exchange of diplomatic and commercial representation, treaties and agreements, visits of goodwill missions, representation at international conferences and meetings:
 - (i) where the delegation is sponsored by a Division under the direct charge of the Prime Minister or a Division or Divisions under the charge of the Minister for Finance; or
 - (j) where a Minister is proposed to be included in the delegation:
- (k) important reports and documents required to be laid before the Assembly or Senate;
- (l) cases involving vital political, economic and administrative policies;
- (m) case which the Minister-in-Charge considers important enough for discussion in the Cabinet;

- (n) other cases required to be referred to the Cabinet under the provisions of these rules; and
- (o) any case desired by the Prime Minister to be referred to the Cabinet.

18. ***Mr. Shahi Syed:** (Notice received on 12-11-2013 at 10:10 am)

Will the Minister Incharge of the Cabinet Division be pleased to state:

- (a) *the names of various committees of the Cabinet;*
- (b) *the number of meetings of the said committees held since May 2013 indicating also the dates of meetings, details of agenda, names and designations of participants and details of decisions taken in each meeting; and*
- (c) *whether the said decisions have been ratified by the Cabinet or otherwise?*

Minister Incharge of the Cabinet Division: (a) At present, following Cabinet Committees are functioning:—

- i. *Economic Coordination Committee (ECC) of the Cabinet*
- ii. *Cabinet Committee on Privatization (CCOP)*
- iii. *Defence Committee of the Cabinet (DCC) renamed as Cabinet Committee on National Security (CCNS)*

(b) **13** meetings of the ECC and **one** meeting each of the CCOP & CCNS have so far been held since May, 2013. The details of the meetings are at **Annexure-I**.

The information with regard to Agenda, minutes/decisions etc of the Cabinet or its Committees are treated as “**Secret**” under the Rules of Business, 1973. Therefore, this part of the question is not admissible for answer under rule 50 (xvii) (d) of the Rules of Procedure and Conduct of Business, in the Senate 2012.

(c) The decisions of the ECC’s first five meetings (up to 18th July, 2013) had been ratified by the Cabinet Thereafter, the Cabinet, in a case No. 137/13/2013 dated 25.7.2013 had decided that “**the decisions of the ECC of the Cabinet, within the scope of its charter, shall not be subject to ratification by the Cabinet. It was further decided that the Cabinet shall be kept informed of the decisions taken by the ECC of the Cabinet, by circulation of its minutes**”. Accordingly, the decisions of the ECC are now circulated to the members of the Cabinet for information, only.

As for decisions of the CCOP’s meeting, the same would be got ratified from the Cabinet in its next meeting as and when convened.

19. ***Mr. Shahi Syed:** (Notice received on 12-11-2013 at 10:10 am)

Will the Minister Incharge of the Cabinet Division be pleased to state:

- (a) whether there are any limitations/restrictions on the powers of the Prime Minister under the Constitution and Rules of Business in the Administrative, financial, development and privatization spheres, if so, its details;*
- (b) the nature of decisions of the Prime Minister which require validation /ratification by the Cabinet; and*
- (c) the details of decisions made by the incumbent Prime Minister which have been validated / ratified by the Cabinet?*

Minister Incharge of the Cabinet Division: (a) The restrictions/limitations on the powers of the Prime Minister have not been put together in any compendium. The powers encompass the whole Government. The Prime Minister exercises only those powers which are conferred by the provisions of the Constitution, relevant laws and the Rules of Business, 1973.

(b) Cases to be submitted to the Cabinet have been enumerated in rule 16(1) of the Rules of Business, 1973 (**Annex**). No decision of the Prime Minister requires validation by the Cabinet.

(c) In terms of rule 16(2) of the Rules of Business, 1973, the Prime Minister may in any case give directions as to the manner of its disposal without prior reference to the Cabinet. Hence, no such decision requires validation by the Cabinet. However, the Prime Minister may ask to place a case before the Cabinet for information or getting collective wisdom of the members of the Cabinet.

Annexure

EXTRACT FROM RULES OF BUSINESS 1973

PART D.—CABINET PROCEDURE

16. Cases to be brought before Cabinet.—(1) The following cases shall be brought before the Cabinet:—

- (a) proposals for legislation, official or non-official, including money bills;
- (b) promulgation and revocation of Ordinances;
- (c) the budgetary position and proposals before the presentation of the Annual Budget Statement and a Supplementary Budget Statement or an Excess Budget Statement under Articles 80 and 84;

- (d) proposals for levy, abolition, remission, alteration or regulation of any tax and floatation of loans;
- (e) a reference to the Supreme Court for advice on a question of law under clause (1) of Article 186;
- (f) generation of electricity and laying of inter-provincial transmission lines;
- (g) proposals involving action under Article 149 in respect of a subject in the Concurrent Legislative List;
- (h) proposals involving negotiations with foreign countries, *e.g.*, exchange of diplomatic and commercial representation, treaties and agreements, visits of goodwill missions, representation at international conferences and meetings;
- (i) important reports and documents required to be laid before the Assembly or Senate;
- (j) cases involving vital political, economic and administrative policies;
- (k) case which the Minister-in-Charge considers important enough for discussion in the Cabinet;
- (l) other cases required to be referred to the Cabinet under the provisions of these rules; and
- (m) any case desired by the Prime Minister to be referred to the Cabinet.

20. ***Mr. Abdul Rauf:** (Notice received on 13-11-2013 at 09:00 am)

Will the Minister Incharge of the Cabinet Division be pleased to state the number of new sectors which were announced / allotted by CDA in Islamabad ten or more years ago the development work on same has not been started so far?

Minister Incharge of the Cabinet Division: Sector E-12 was acquired on 29-05-1985 and disbursement of cash compensation was made to the affectees but the possession of sector is still with the affectees. The awards of E-12 remained under investigation by NAB. CDA Board has recently approved the demands of local affectees in order to clear the possession of Sector E-12. The work of survey and development will be immediately started.

21. ***Mr. Abdul Nabi Bangash:** (Notice received on 18-11-2013 at 11:30 am)

Will the Minister Incharge of the Establishment Division be pleased to state:

- (a) *the names and place of domicile of the members of Federal Public Service Commission (FPSC); and*
- (b) *whether any quota has been reserved for the provinces in appointment of the said Members, if so, the details thereof?*

Minister Incharge of the Establishment Division: (a) A list containing the names and place of domicile of the Members of the Federal Public Service Commission(FPSC) is **Annexed**.

(b) No quota has been reserved for the provinces in appointment of members. The appointments are made under the provision of Section 3(4) of Federal Public Service Commission Ordinance, 1977

22. ***Mr. Abdul Nabi Bangash:** (Notice received on 18-11-2013 at 11:30 am)

Will the Minister Incharge of the Establishment Division be pleased to state:

- (a) *the names and place of domicile of the present Federal Secretaries; and*
- (b) *whether any quota has been reserved for the provinces in posting / appointment of the said secretaries, if so, the details thereof.?*

Minister Incharge of the Establishment Division: (a) A list containing the names and place of domicile of the persons presently posted / working as Federal Secretaries is **Annexed**.

(b) No. There is no provincial quota in posting/appointment of the Federal Secretaries.

23. ***Mrs. Nasreen Jalil :** (Notice received on 18-11-2013 at 02:00 pm)

Will the Minister Incharge of the Cabinet Division be pleased to state:

- (a) *the names and place of domicile of the Members of Board of Governors of NEPRA;*
- (b) *the powers and functions of the said Board;*
- (c) *the procedure being adopted by NEPRA for making changes in the tariff of electricity; and*
- (d) *whether the said board is independent in making decisions / changes in the tariff of electricity or it seeks approval of any other authority for the same?*

Minister Incharge of the Cabinet Division: (a) NEPRA Authority is constituted under the Act of the Parliament known as regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "Act"). NEPRA

consists of a Chairman to be appointed by the Federal Government and Four Members, one from each Province, to be appointed by the Federal Government on the recommendations of the each provincial government. The requisite detail with respect to NEPRA existing Authority is as under:

Sr.#	Name	Designation	Domicile
i.	Khawaja Muhammad Naeem	Vice Chairman/Member	Punjab
ii.	Mr. Habibullah Khilji	Member	Sindh
iii.	Maj (Retd) Haroon Rashid	Member	Balochistan
iv.	The post of Member NEPRA representing the Province of Khyber Pakhtunkhwa is vacant.		

(b) The powers and functions of the Authority are provided in Section 7 of the “Act” which are as under:

7(1) The Authority shall be exclusively responsible for regulating the provision of electric power services.

(2) In particular and without prejudice to the generality of the foregoing power, only the Authority, subject to the provisions in sub-section (4), shall—

- (a) grant licences for generation, transmission and distribution of electric power;
- (b) prescribe procedures and standards for investment programmes by generation, transmission and distribution companies;
- (c) prescribe and enforce performance standards for generation, transmission and distribution companies;
- (d) establish a uniform system of accounts by generation, transmission and distribution companies.
- (e) prescribe fees including fees for grant of licences and renewal thereof:
- (f) prescribe fines for contravention of the provisions of this Act: [1]
- (g) review its orders, decision or determinations
- (h) settle disputes between the licensees:
- (i) issue guidelines and standards operating procedures; and
- (j) perform any other function which is incidental or consequential to any of the aforesaid functions.]

(3) Notwithstanding the provisions of sub-section (2) and without prejudice to the generality of the power conferred by sub-section () the Authority shall—

- (a) determine tariff, rates, charges and other terms and conditions for supply of electric power services by the generation, transmission and distribution companies and recommend to the Federal Government for notification:
- (b) review organizational affairs of generation, transmission and distribution companies to avoid any adverse effect on the operation of electric power services and for continuous and efficient supply of such services:
- (c) encourage uniform industry standards and code of conduct for generation, transmission and distribution companies:
- (d) tender advice to public sector projects:
- (e) submit reports to the Federal Government in respect of activities of generation, transmission and distribution companies: and
- (f) perform any other function which is incidental or consequential to any of the aforesaid functions.

(4) Notwithstanding anything contained in this Act, the Government of a Province may construct power houses and grid stations and lay transmission lines for use within the Province and determine the tariff for distribution of electricity within the Province.

(5) Before approving the tariff for the supply of electric power by generation companies using hydro-electric plants, the Authority shall consider the recommendations of the Government of the Province in which such generation facility is located.

(6) In performing its functions under this Act, the Authority shall, as far as practicable, protect the interests of consumers and companies providing electric power services in accordance with guidelines, not inconsistent with the provisions of this Act, laid down by the Federal Government.

(c) Under the Act, NEPRA is responsible for determining tariff for generation, transmission and distribution of electricity. Procedure for determining the tariff is envisaged in NEPRA Tariff (Standards & Procedure) Rules — 1998 (“the Rules”) *“Any licensee, consumer or person interested in the tariff may file a petition with the Authority by filing it with the Registrar along with such fees as may be determined by the Authority from time to time. The Authority may also imitate proceeding suo moto.”*

All Distribution Companies are separate legal entities and licensees of NEPRA. Distribution Companies file petition in accordance with the Tariff Rules – 1998.

- NEPRA, upon admission of petition, advertises the salient features in the newspapers.

- Individual letters are communicated to the stakeholders for comments/participation in the tariff setting process
- Petition is uploaded on the NEPRA website i.e. www.nepa.org.pk.
- Hearing schedule along with date, time and venue is advertised in the notice of admission of the petition
- NEPRA, after considering the comments of the stakeholders, submission of the Petitioner and interveners issued the determination/decision in accordance with law which is communicated to the Federal Government for notification in the official gazette.

(d) In pursuance of Section 7(3)(a) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, (at Annex-A) NEPRA Authority is exclusively empowered to determine tariff, rates, charges and other terms and conditions for supply of electric power services by the generation transmission and distribution companies and recommend to the Federal Government for notification.

Word “and” deleted *vide* Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act, 2011.

7. Powers and functions of the Authority. — (1) The Authority shall be exclusively responsible for regulating the provision of electric power services.

(2) In particular and without prejudice to the generality of the foregoing power, only the Authority, but subject to the provisions of sub-section (4), shall—

- (a) grant licenses for generation, transmission and distribution of electric power;
- (b) prescribe procedures and standards for investment programmes by generation, transmission and distribution companies;
- (c) prescribe and enforce performance standards for generation, transmission and distribution companies;
- (d) establish a uniform system of accounts by generation, transmission and distribution companies;
- (e) prescribe fees including fees for grant of licenses and renewal thereof;
- (f) prescribe fines for contravention of the provisions of this Act; and
- (g) perform any other function which is incidental or consequential to any of the aforesaid functions.

(3) Notwithstanding the provisions of sub-section (2) and without prejudice to the generality of the power conferred by sub-section (1) the Authority shall —

- (a) determine tariff, rates, charges and other terms and conditions for supply of electric power services by the generation, transmission and distribution companies and recommend to the Federal Government for notification;
- (b) review organizational affairs of generation, transmission and distribution companies to avoid any adverse effect on the operation of electric power services and for continuous and efficient supply of such services;
- (c) encourage uniform industry standards and code of conduct for generation, transmission and distribution companies;
- (d) tender advice to public sector projects;
- (e) submit reports to the Federal Government in respect of activities of generation, transmission and distribution companies; and
- (f) perform any other function which is incidental or consequential to any of the aforesaid functions.

(4) Notwithstanding anything contained in this Act, the Government of a Province may construct power houses and grid stations and lay transmission lines for use within the Province and determine the tariff for distribution of electricity within the Province.

(5) Before approving the tariff for the supply of electric power by generation companies using hydro-electric plants, the Authority shall consider the recommendations of the Government of the Province in which such generation facility is located.

(6) In performing its functions under this Act, the Authority shall, as far as practicable, protect the interests of consumers and companies providing electric power services in accordance with guidelines, not inconsistent with the provisions of this Act, laid down by the Federal Government.

24. ***Mrs. Nasreen Jalil :** (Notice received on 18-11-2013 at 02:00 pm)

Will the Minister Incharge of the Cabinet Division be pleased to state:

- (a) the names and place of domicile of the Members of Board of Governors of OGRA;*
- (b) the powers and functions of the said Board;*
- (c) the procedure being adopted by OGRA for making changes in the price of gas; and*
- (d) whether the said board is independent in making decisions / changes in the prices of gas or it seeks approval of any other authority for the same?*

Minister Incharge of the Cabinet Division: (a) There is no Board of Governors in OGRA, instead there is an “Authority” consisting of a Chairman and three Members designated as Member Oil, Member Gas and Member Finance, as provided in Section 3(3) of OGRA Ordinance, 2002 (**Annex-I**). The names and places of domicile of Members of the Authority are as under:—

Name	Designation	Place of Domicile
Mr. Saeed Ahmad Khan	Chairman	Punjab
Mr. Sabar Hussain	Vice Chairman	Punjab
Mr. Mir Kamal Marri	Member (Oil)	Balochistan
	Member (Finance)	
Vacant-	Member (Gas)	—

(b) As per Section 6 of the OGRA Ordinance (*Annex-II*), in addition to such others powers and functions as may be imposed on it or transferred under this Ordinance, the Authority has the exclusive power to;

- (i) grant licences for carrying out regulated activities and regulating such activities in the Natural Gas, Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG), Liquefied Natural Gas (LNG) and Oil sectors.
- (ii) Some of the specific major functions, but not limited to, as determined in OGRA Ordinance are:
 - Determination of revenue requirement and prescribed prices of natural gas utilities and notification of prescribed and consumers’ sale prices. Notification of CNG consumer prices.
 - Specify performance and service standards and other conditions for undertaking any regulated activity.
 - Administer or establish prices for those categories of petroleum for which the Federal Government establishes prices and may delegate function to the Authority from time to time.
 - Enforcement of technical standards and specifications (best international practices) in all the regulated activities.
 - Safeguard the public interest, including the national security interest of Pakistan in relation to regulated activities as well as protect the interest of all stakeholders.
 - Resolution of public complaints and disputes against licensees and between licensees.

(c) Oil and Gas Regulatory Authority (OGRA) is only concerned with the determination of gas prices to the extent of revenue requirements (**prescribed prices**) of the gas companies, **whereas the consumers' sale prices are fixed by M/o Petroleum & N.R** under OGRA Ordinance, 2002. The legal position and the procedure per the Ordinance along-with detailed justification for determining increase / decrease in natural gas prices is provided below:

(a) OGRA determines the revenue requirements of the gas companies pursuant to Section 8(1) and 8(2) of the Ordinance (**Annex-III**) to enable them to meet: (1) cost of gas, (2) operating costs, and (3) return on assets in accordance with the Federal Government

(M/o Petroleum & NR)'s policy guidelines. Based on the revenue requirement, as determined, OGRA also determines the **Prescribed Prices** (to be retained by the gas company) for each category of consumers including domestic and refers the same to the Federal Government (M/o Petroleum & NR) to decide the consumer sale prices.

(b) The Federal Government (M/o Petroleum & NR), under Section 8(3) of the Ordinance advises within forty days the **sale prices** for each category of consumers after making adjustments for subsidies / development surcharge. The said sale prices are, then, notified by OGRA.

(d) Under the OGRA Ordinance, OGRA is independent in making its decisions to the extent of determination of Revenue Requirement (RR) / **prescribed prices** of the gas utilities. The RR so determined by the OGRA are sent to the Federal Government (M/o Petroleum & NR). In response, **M/o Petroleum & NR, under the OGRA Ordinance, 2002**, determines the sale prices for each category of natural gas and sends the same to OGRA for notification in the official gazette.

Annexure-I

OGRA ORDINANCE, 2002

(xli) "Transportation" means an activity of transporting oil through pipelines and associated facilities, except where the pipelines are an integral part of a refinery, facility or gathering pipelines situated wholly within the boundaries of an area where petroleum rights apply and are owned or operated by the holder of a petroleum right.

CHAPTER II

ESTABLISHMENT OF OIL AND GAS

REGULATORY AUTHORITY

3. **Establishment of Authority.**—(1) The Federal Government hereby establishes a regulatory authority, which shall be known as the Oil and Gas Regulatory Authority.

(2) Subject to the provisions of this Ordinance, the Authority shall be independent in the performance of its functions. The Authority shall be a body corporate, having perpetual succession and a common seal, with power, subject to the provisions of this Ordinance, to enter into contracts, acquire and hold property, both movable and immovable, and to sue and be sued in its name.

(3) The Authority shall consist of a Chairman and three additional Members out of whom one shall be designated as Member Gas, one Member as Member Oil and one Member as Member Finance.

(4) The Chairman shall be an eminent professional of known integrity and competence with a minimum of twenty years of related experience in law, business, engineering, finance, accounting, economics or petroleum technology.

(5) The Member Oil shall be a person who holds an appropriate degree in the relevant field and is an experienced, eminent professional of known integrity and competence with a minimum of twenty years of related experience in the field of oil, including the transportation thereof.

(6) The Member Gas shall be a person who holds an appropriate degree in the relevant field and is an experienced, eminent professional of known integrity and competence with a minimum of twenty years of related experience in the field of natural gas, including the transmission and distribution thereof.

(7) The Member Finance shall be a person who holds an appropriate degree in the relevant field and is an experienced, eminent professional of known integrity and competence with a minimum of twenty years of related experience in the field of corporate finance or accounting.

Annexure-II

OGRA ORDINANCE, 2002

- (a) business in any regulated activity; or
- (b) the business of providing professional or Advisory services to any person undertaking any regulated activity.

(6) A member may, before the expiration of two years after he has ceased to hold that office, enter into the employment of or accept any professional or Advisory relationship with any corporation, partnership, trust, or company, carrying on business in any phase of a regulated activity, provided he has obtained written approval of the Federal Government which shall not be unduly denied.

(7) A Member shall not be in contravention of sub-sections (2), (3) or (4), if he is receiving any pension benefits, while serving the Authority, due to him from a prior employment with any person.

“6. **Powers and functions of the Authority.**—(1) In addition to such others powers and functions as may be imposed on it or transferred under this Ordinance, the Authority shall be exclusively responsible for granting licences for the carrying out of regulated activities and regulating such activities.

(2) Without prejudice to the generality of the foregoing, the Authority shall—

- (a) in the manner prescribed in the rules, grant, issue, and renew licences, modify, amend, extend, suspend, review, cancel and reissue, revoke or terminate any licence for the undertaking of any regulated activity and to prescribe requirements to be satisfied by applicants for the grant of licence;
- (b) in consultation with licensees, specify, performance and service standards and other conditions for undertaking any regulated activity;
- (c) prescribe a uniform form of accounts and accounting practices to be complied with by licensees;
- (d) administer, enforce and certify standards and other conditions for undertaking any regulated activity specified in clauses (b) and (e);
- (e) in consultation with licensees specify and review standards for the equipment and materials to be used in undertaking any regulated activity;
- (f) promote and ensure the observance of efficient practices, where applicable, in the transmission, distribution, processing, refining, marketing, storage of petroleum and transportation of petroleum by pipelines;
- (g) promote effective competition and efficiency in the activities within its jurisdiction of the Authority;
- (h) monitor and enforce compliance by licensees with the conditions of licences;
- (i) resolve complaints and other claims against licensees for contravention of the provisions of this Ordinance, rules or regulation;
- (j) ensure the provision of open access, common carrier and common operator as may be deemed necessary or expedient by the Authority in the public interest based on an application made by an interested party to the Authority and provided that—
 - (i) the Authority decides excess capacity is available; and

- (ii) any decision relating to open access, common carrier and common operator adequately compensates the owner of the relevant facility, pipeline or installation;
- (k) resolve disputes between licensees, between licensees and any other person regarding a regulated activity;
- (l) provide for the submission, filing, recording and timely and useful dissemination of information regarding the regulated activities;
- (m) subject to section 41, make rules under this Ordinance;
- (n) subject to section 42, make regulations pursuant to this Ordinance;
- (o) safeguard the public interest, including the national security interest, of Pakistan in relation to regulated activities in accordance with this Ordinance, rules and regulations;
- (p) prescribe fines for contravention of the provisions of this Ordinance, rules, regulations and terms and conditions of a licence or a decision of the Authority;
- (q) protect the interests of all stakeholders including the consumers and the licensees in accordance with the provisions of this Ordinance and the rules;
- (r) administer or establish prices, for those categories of petroleum for which the Federal Government establishes prices and may delegate the function to the Authority from time to time, subject to—
 - (i) section 21, and
 - (ii) any existing contract or agreement specifying prices;
- (s) prescribe, review, approve and regulate tariffs for regulated activities pertaining to natural gas and operations of the licensees for natural gas and marketing of refined oil products;
- (t) in consultation with the Federal Government and licensees for natural gas determine for each such licensee a reasonable rate which may be earned by such licensees in the undertaking of its regulated activity pertaining to natural gas, keeping in view all the circumstances;
- (u) oversee the capital expenditure to be made by licensees for natural gas in connection with any regulated activity pertaining to natural gas;

- (v) prescribe procedures and standards for investment programmes by licensees for natural gas;
- (w) determine the well-head gas prices for the producers of natural gas in accordance with the relevant agreements or contracts; and notify the same in the official Gazette;
- (x) enforce standards and specifications for refined oil products as notified by the Federal Government;
- (y) perform any other function or exercise power as may be incidental or consequential to the performance of any of its functions or the exercise of any of its power.

(3) The Authority shall impose and collect such fees and other charges in respect of any of its functions at such rates as may be determined, from time to time, by the Authority in accordance with the rules.

7. **Tariff.**—(1) Subject to policy guidelines, the Authority shall determine or approve tariff for regulated activities whose licences provide for such determination or such approval or where authorized by this Ordinance.

(2) The criteria for determination, approval, modification and revision of tariffs shall be prescribed in the rules and in the terms and conditions of each licence and shall, *inter alia*, include—

Annexure-III

OGRA ORDINANCE, 2002

- (a) provision for the protection of users of regulated activities and consumers against monopolistic or oligopolistic pricing;
- (b) cost of research, development and capital investment programme;
- (c) provision of reasonable returns to attract investment of the quantitative and Qualitative improvements of regulated activities;
- (d) encouragement and reward of efficiency;
- (e) sending of appropriate price signals regarding the relative abundance or scarcity of supply of such regulated activity;
- (f) minimizing economic distortions; and
- (g) keeping in view the costs of alternate or substitute sources of energy.

8. **Pricing for retail consumers for natural gas.**—(1) The Authority shall determine an estimate of the total revenue requirement of each licensee for natural gas engaged in transmission, distribution and the sale of natural gas to a retail consumer for natural gas, in accordance with the rules, and on that basis advise the Federal Government the prescribed price of natural gas for each category of retail consumer for natural gas.

(2) A licensee for natural gas referred to in sub-section (1), shall submit for review by the Authority its total revenue requirement after incorporating the actual changes in the well-head prices, as notified by the Authority and other relevant factors and the Authority shall advise the Federal Government promptly of the revised prescribed prices for the licensee for natural gas.

(3) The Federal Government shall, within forty days of the advice referred to in sub-sections (1) and (2), advise the Authority of minimum charges and the sale price for each category of retail consumer for natural gas for notification in the official Gazette by the Authority of the prescribed price as determined in sub-sections (1) and (2), the minimum charges and the sale prices for each category of retail consumers for natural gas.

(4) If the Federal Government fails to advise the Authority within the time specified in sub-section (3) and the prescribed price for any category of retail consumer for natural gas determined under sub-sections (1) and (2) is higher than the most recently notified sale price for that category of retail consumers for natural gas, the Authority shall notify in the official Gazette the prescribed price as determined by the Authority under sub-sections (1) and (2) to be the sale price for the said category of retail consumers for natural gas.

26. ***Mr. Muhammad Talha Mehmood:** (Notice received on 18-11-2013 at 02:10 pm)

Will the Minister Incharge of the Aviation Division be pleased to state:

- (a) the number of flights being operated monthly by China Southern Airlines from / to Pakistan; and*
- (b) the details of agreement made with that airline in connection with the said operations?*

Minister Incharge of the Aviation Division: (a) China Southern Airlines operates 12 monthly frequencies on route Urumqi-Islamabad-Urumqi.

(b) The operation of Airlines is being conducted in line with Air Services Agreement (ASA) concluded between Pakistan and China. The agreed arrangements of 2009 allow the Airlines of each country to operate 21 weekly frequencies.

27. ***Col (R) Syed Tahir Hussain Mashhadi:** (Notice received on 19-11-2013 at 09:30 am)

Will the Minister for Commerce and Textile Industry be pleased to state:

(a) *the quantity and value of dates exported from Pakistan during 2010-11 and 2011-12; and*

(b) *the present ranking of Pakistan amongst the dates exporting countries?*

Engr. Khurram Dastgir Khan: (a) The quantity and value of dates exported from Pakistan during 2010-11 and 2011-12 is as under:—

Year	Quantity (MT)	Value (Million Rs.)
2010-11	112723.613	4623.633
2011-12	144372.270	7006.023

(b) Pakistan is at No.3 in world ranking among the dates exporting countries.

28. ***Mr. Muhammad Talha Mehmood:** (Notice received on 19-11-2013 at 09:40 am)

Will the Minister Incharge of the Cabinet Division be pleased to state:

(a) *the number and location of plots allotted for private educational institutions in Islamabad so far, indicating also the name of allottee and the price/rate at which each plots was allotted;*

(b) *details of plots which are not being used for the educational purpose and the action taken / being taken against the allottees concerned; and*

(c) *whether any of the said plots has been sold by the original allottee, if so, the details thereof?*

Minister Incharge of the Cabinet Division: (a) The number and location of plots allotted to private educational institutions in Islamabad indicating the name of allottee and price/rate is given at **Annex- "A"**.

(b) Most of the plots allotted to private educational institutions are vacant/under construction. No plot is being used for other then educational purpose so far. Therefore, question of taking action in this regard does not arise.

(c) No.

@60. ***Syeda Sughra Imam:** (Notice received on 20-11-2013 at 09:10 am)

Will the Minister Incharge of the Cabinet Division be pleased to state whether it is a fact that Abbottabad Commission Report has been leaked to Al-Jazeera, if so, the names of the persons responsible for the same?

Minister Incharge of the Cabinet Division: Cabinet Division has never been the custodian of Abbottabad Commission Report.

ISLAMABAD :
The 4th December, 2013.

AMJED PERVEZ,
Secretary.

@Transferred from Interior and Narcotics Control.

SENATE SECRETARIAT

“UNSTARRED QUESTION AND ITS REPLY”

For Thursday, the 5th December, 2013

DEFERRED QUESTION

(Un-Starred Question No. 2 originally set down for answering on 22nd August, 2013 (97th Session))

2. **Syeda Sughra Imam:** (Notice received on 19-07-2013 at 09:10 am)

Will the Minister Incharge of the Cabinet Division be pleased to state the names, designation and year of appointment of the persons working in CDA on permanent, deputation, contract and daily wages basis, separately?

Minister Incharge of the Cabinet Division: Names, designation and year of appointment of the persons working in CDA on regular, deputation, contract and daily wages basis, are attached at:—

- | | |
|--------------------|------------|
| (i) Regular | Annexure-A |
| (ii) Daily Wages | Annexure-B |
| (iii) Contract | Annexure-C |
| (iv) Deputationist | Annexure-D |

(Annexures have been placed on the Table of the House as well as Library.)

ISLAMABAD :
The 4th December, 2013.

AMJED PERVEZ,
Secretary.