

SENATE SECRETARIAT

“QUESTIONS FOR ORAL ANSWERS AND THEIR REPLIES”

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

Wednesday, the 23rd December, 2015

DEFERRED QUESTIONS

(Questions Nos. 176, 179 and 182 deferred on 13th November, 2015 (121st Session))

(Def.) *Question No. 176. **Senator Kalsoom Parveen:**
(Notice received on 16-10-2015 at 10:00 a.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) *the amount collected by the Government through withholding tax levied on the banking transactions above the amount of Rs. 50,000; and*
- (b) *whether any decline observed in the banking transactions after the levy of the above said withholding tax?*

Mr. Muhammad Ishaq Dar: (a) The amount of tax collected by Government through withholding tax under section 236P collectable on banking transactions other than cash above the amount of Rs. 50,000 is as under:—

Section	Period	Amount(in million)
236	July to Oct, 2015	6,736

(b) After the levy of the withholding tax comparative banking transaction data of Twenty seven out of thirty commercial banks for July — September Quarter is as follows:—

Particulars	No. of Transactions in Millions	Difference	% Age Increase/decrease
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27 Banks	160.526	161.676	1.15	0.72%
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(Def.) *Question No. 179. **Senator Col. (R) Syed Tahir Hussain Mashhadi:**
(Notice received on 20-10-2015 at 03:15 p.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) *whether it is a fact that the Asian Development Bank has asked Pakistan to prevent power and gas theft to control the rate of inflation; and*
- (b) *if so, the steps taken by the Government in this regard?*

Reply not received.

(Def.) *Question No. 182. **Senator Farhatullah Babar:**
(Notice received on 27-10-2015 at 11:00 a.m.)

Will the Minister for Planning, Development and Reforms be pleased to state:

- (a) *whether it is a fact that the CPEC projects relating to the western and northern alignments have been specifically mentioned as such in the PSDP 2015-16 but those relating to the eastern route have not been mentioned as such, if so, the reasons for not making public details of projects under eastern route;*
- (b) *the amount allocated for each of the western route road projects (excluding the common northern alignment) listed in the PSDP and the amount actually released until end of October, 2015;*
- (c) *the names of the various road projects in the eastern alignment (excluding the common northern alignment) of the CPEC even though not specifically mentioned in the PSDP indicating also the amount allocated for each and the amount actually released until end of October, 2015;*
- (d) *whether it is also a fact that road projects listed under the western route in the PSDP are old projects approved by ECNEC several years ago and not designed to carry the huge and heavy cargo envisaged to be transported through the corridor; and*
- (e) *the breakup / details of project Land Acquisition / Construction of Western Alignment and other CPEC Project as given in the PSDP 2015-16?*

Mr. Ahsan Iqbal: (a) The projects relating to the eastern route have also been mentioned under the Communications Division's portfolio in PSDP 2015-16. Most of the projects in the eastern route are on-going e.g. M-4 motorway and M-9 Hyderabad-Karachi motorway. The other projects which are included in the eastern route are part of Peshawar-Lahore-Karachi Motorway which was envisioned by the Government of Pakistan in 1991 long before CPEC project was conceptualized.

(d) The northern, eastern and western routes all include ongoing projects that have been approved by the ECNEC years ago. The design and construction of road sections in the western corridor will be according to the specifications adopted by NHA on all its other projects and will be able to carry the Cargo and heavy traffic as per the design specifications and standards.

(e) This project is at Sr. No.73 in PSDP 2015-16 under Communications Division with allocation of Rs. 10.0 billion for Western alignment and other CPEC projects {Ref: Reply to Question (b)}. Projects under this allocation will be taken up after finalization of feasibility study.

***Question No. 120. Senator Col. (R) Syed Tahir Hussain Mashhadi:**

(Notice received on 27-10-2015 at 10:30 a.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the amount of donations given to the Government of Pakistan by the neighboring and friendly countries during the year 2014-2015 indicating also the purpose for which the same were given and the details of utilization thereof with head-wise break-up?

Mr. Muhammad Ishaq Dar: The amount of donation has not been received by the Government of Pakistan through Economic Affairs Division from any neighboring and friendly countries during the year 2014-15.

***Question No. 121. Senator Col. (R) Syed Tahir Hussain Mashhadi:**

(Notice received on 16-11-2015 at 04:00 p.m.)

Will the Minister for Planning, Development and Reforms be pleased to state:

- (a) whether it is a fact that Pakistan is a party to Millennium Development Goals agreements for improving the standard of living of the common man, if so, the details of each target thereof;*
- (b) the time fixed for achieving the said targets goals;*
- (c) whether it is a fact that Pakistan has failed to achieve the said targets goals, if so, the reasons thereof; and*

(d) the steps being taken by the Government to determine the role of the Federation and Provinces in order to achieve the said goals after the 18th Amendment in the Constitution?

Mr. Ahsan Iqbal: (a) Yes Pakistan is signatory of the global commitment signed in the Millennium Development Goals (MDGs) covering targets pertaining to poverty, health, education and living condition.

(b) The time period for achieving MDGs was between 1990 and 2015.

(c) Pakistan adopted 16 targets and 41 indicators, against which progress towards achieving the 8 goals and 34 indicators of the MDGs is measured for Pakistan. The data until 2013 shows that for 10 of these indicators, Pakistan is on track, whereas its progress on 24 indicators is off track.

Pakistan's performance on MDGs remained less satisfactory as compared to other countries in the Region. Pakistan has been facing multifaceted issues related to resource constraint, localization and ownership issue for MDGs, lack of coordination, political instability, security and back to back natural disasters that have adversely hampered the development efforts. Besides these constraints governance and weak institutions have played a major role in the non-achievement of MDGs.

(d) The government has taken a number of steps including strengthening of existing programs for achieving or reaching close to Millennium Development Goals(MDGs) by 2018. These include:

- i. Provincial agreement on MDG Acceleration Framework (MAF) on education.
- ii. Comprehensive Plan of Action for each province to implement the MAF commitments.
- iii. Enhancing capacity of the people through human resource development that involve better education, health, population welfare, skill development services, improved access to clean water & sanitation and gender mainstreaming initiatives.
- iv. Provision of productive assets inclusive of micro finance at individual level and Prime Minister Youth Loan Scheme.
- v. Moving towards a comprehensive social safety net to protect the vulnerable and those suffering from natural or manmade disasters.
- vi. Reforming and strengthening institutions for better delivery of public services to people.

- vii. Improving access and quality of education services.
- viii. Improving access and quality of health services.
 - Micro health insurance program of the Prime Minister.
- ix. Providing improved population welfare facilities.
- x. Improved access to microfinance to help augment physical assets of the poor.
- xi. Establishment of environmental monitoring system by setting up of stationary and mobile labs to monitor pollution levels in air, surface/ground water and soils.
- xii. Promoting environment friendly technologies with special focus on clean energy
- xiii. Studying of general public concerning environmental issues to suggest rectification and mitigation.

Moreover, the government has allocated Rs.20 billion for MDGs and Community Development, increased allocations for HEC in recent years (Rs.14 billion in 2011-12 to Rs.27 billion in 2014-15), opening of campuses/ sub-campus of public sector universities in every district headquarter to enhance access to higher education, National Endowment Scholarship for Talent (NEST) to provide accessibility to quality education on need cum talent basis for deserving students, establishment of National Curriculum Council for uniformity of educational and curriculum standards across the country, Modernization and Standardization of Examination system to improve quality of education, Scaling Up Nutrition (SUN) movement to improve nutritional situation, Science Talent Farming Scheme (STFS) for 300 students per annum from all over Pakistan, Holding of National Games to explore young sporting talent, establishment of Cancer Hospital in Islamabad are some initiatives towards achieving MDGs or reaching close to MDGs with adequate budgetary allocations.

***Question No. 122. Senator Col. (R) Syed Tahir Hussain Mashhadi:**

(Notice received on 17-11-2015 at 10:20 a.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the procedure adopted to ensure transparency in appointments in the institutions / departments under the administrative control of that Ministry?

Mr. Muhammad Ishaq Dar:

Central Directorate of National Savings (CDNS)

Recently, the recruitment process has been initiated in the Department of CDNS as per policy of the Establishment Division circulated vide O.M dated 03-03-2015. The services of NTS were hired for conducting written test. To ensure transparency,

90% weight-age was allocated to the written tests 10% to the interviews conducted by the Departmental Selection Committee. The process of recruitment has been made on merit and purely in transparent manner.

Auditor General of Pakistan(AGP)

The direct recruitment in the departmental cadre falls in two categories. The first category includes recruitment in BPS-16 and above which comes within the preview of the Federal Public Service Commission whereas the second category includes recruitment in BPS-15 and below which is made by this office. In order to ensure transparency, each recruitment is made as per recruitment policy of the Establishment Division issued *vide* O.M No. F.53/1/2008-SP, dated 22-10-2014 and the mechanism to ensure merit based recruitment issued by the Establishment Division *vide* O.M No. F.53/1/2008. SP, dated 16th January, 2015 which includes wide advertisement of the posts, centralized screening test to be conducted through the approved testing agency and interviews to be conducted by the Departmental Selection Committees duly approved by the Establishment Division.

Office of Controller General of Accounts

Office of the Controller General of Accounts being attached department of Finance Division is following in letter and spirit, the policy/guidelines of Establishment Division as issued *vide* Establishment Division's letter No. F.53/1/2008/SP dated 22-10-2014 alongwith its mechanism issued *vide* OM of even numbers dated 16-01-2015 and 03-03-2015 (Annex-I, II & III)

Pakistan Mint, Lahore

All cases for appointment against non-gazetted posts of Pakistan Mint are being dealt/processed as per Recruitment Policy-2014 *vide* Establishment Division's letter No.F.53/1/2008-SP dated 22-10-2014, 16-1-2015 and 3-3-2015.

Office of the Federal Treasury Officer

A standard procedure of the Establishment Division is adopted in letter & Spirit to ensure transparency in the appointment in the department.

Financial Monitoring Unit (FMU)

In order to ensure transparency in appointments in FMU, following procedure is adopted for appointments :—

- ❖ Approval of Establishment Division.
- ❖ Advertisement in leading & local news papers through press information department.

- ❖ Placement of Advertisement on FMU’s website.
- ❖ Written test of candidates by National Testing Services (NTS).
- ❖ Panel interview by a committee comprising Additional Secretary Banking-Finance Division, Director General-FMU, and Executive Director SBP.
- ❖ Ensure Regional/Provincial quota.

National Bank of Pakistan (NBP)

All appointments/ hirings in the National Bank of Pakistan are invariably made under the Bank’s approved Recruitment Policy to ensure transparency by following a rigorous recruitment process of Screening / short listing as per specified criteria published in the newspaper and conducting test and interviews of the potential candidates.

First Women Bank Limited(FWBL)

First Women Bank Limited adopted the following procedure to ensure transparency in appointment in the Bank :—

- Advertising in media.
- Present employees through internal job postings.
- Existing data bank of active applications on file.
- Industry contracts.
- Referrals / personal networking.
- Executive search consultants.
- Announcements in educational and technical training institutes.
- Use of social media *e.g* Linked in etc and recruitment portals *e.g.* Rozee. Pk. etc.

Pakistan Security Printing Corporation(PSPC)

All appointments at PSPC are made with the approval of Board of Directors in transparent manner. As per PSPC,’s Service Rules, all vacancies of the Corporation are advertised in leading newspaper and merit based selection is made on the recommendations of the Selection Committee, medical fitness and security clearance.

Zarai Taraqati Bank Limited (ZTBL)

Entry Level Position (OG-III)

The positions are advertised in press as well as placed on bank website after approval of competent authority. The applicants are short-listed as per laid down criteria and the short-listed candidates are called for written test. Written test is conducted either by ZTBL or any external agency. Merit list is prepared in the light of result of written test and candidates are called for interview. A selection Committee is constituted for conducting interviews comprising of 02 external members and internal members. The final overall merit list is prepared wherein weight-age is given to written test, interview and educational qualification. The final consolidated merit list is approved by the competent authority and offer of employment is made to the applicants being top on the final merit list.

Above Entry Level Position (OG-II to SEVP)

The position is advertised in press as well as placed on bank website after approval from the competent authority. The candidates are required to apply online through ZTBL website. The applicants are short-listed as per laid down criteria and the short-listed candidates are called for interview. The selection committee is constituted for conducting interviews comprising of 02 external members and internal members. The merit list is approved by the competent authority and offer of employment is made to the applicant being top on the merit list.

House Building Finance Company Limited (HBFCL)

- House Building Finance Company Limited is an unlisted company registered under the Companies Ordinance 1984. HBFCL is run, managed and controlled by its Managing Director / CEO in accordance with the Memorandum and Articles of Associations. The policies are approved by its Board of Directors and implemented through HBFCL's own budget duly approved by the Board of Directors.
- HBFCL has hired HR Consultants for hiring of key posts.
- Positions are advertised in news papers by the Consultant who after short-listing and conducting initial interviews recommends 03 to 04 candidates for final evaluation / interview / selection by the Company.

SME Bank Ltd

The bank has an effective and efficient Recruitment Policy that ensures transparency; promoting merit in hiring.

The criteria of hiring professionals with required skills and competencies on contract are merit and completely on need basis.

There are several steps/stages involved right from recruitment till hiring of competent candidate. According to that policy, the vacant positions are advertised in leading national newspapers (English and Urdu) or placed on the banks' website inviting eligible and competent individuals to apply. Short listing of the candidates will then be made in accordance with the advertised specifications. These shortlisted candidates are interviewed by senior management of the bank and suitable/ competent candidate(s) are selected on the basis of their qualification, experience, exposure and competence.

Competition Commission of Pakistan (CCP)

Appointments to various posts in the Commission are made on the basis of the qualification, experience and subject to age limit as is determined by the Commission for the respective posts. All vacant posts to be filled up by direct appointments are advertised in two newspapers having nationwide circulation. The applications are examined and a final list of the eligible candidates is placed before the departmental Selection Committee comprising of two Members and one Senior Officer of the Commission as constituted by the Chairperson. In the case of larger number of applicants, written tests are conducted. The candidates as per finalized list are called for interviews by the Departmental Selection Committee on a specified date. The recommendations of the selection committee based on quantified merits of the candidates with respect to their given addresses and telephonic contacts, with the instructions that they should report to the HR department of the Commission on a specific date alongwith a physical fitness certificate issued by the medical practitioner authorized on behalf of the commission and original academic and experience certificates. All the appointments are made purely on merit.

National Investment Trust Limited (NITL)

All appointments whenever made at NITL are made as per rules/ Procedures approved by the Board.

Securities and Exchange Commission of Pakistan (SECP)

The SECP is a statutory body established under SECP Act, 1997 and is autonomous in its functional, administrative and operational matters. In order to ensure fairness and transparency, all appointment in SECP are being made on merit through the Commission's approved Policy / Procedure.

Infrastructure Project Development Facility (IPDF)

If there is any vacancy in IPDF, the appointment is advertised. After initial screening process, shortlisted candidates are invited for interviews and the best possible candidate is selected for appointment.

Joint Investment Companies(JICs)

The JICs have been established with friendly countries on equal shareholding basis, and the affairs of these JICs are controlled / managed by their Board of Directors with equal

representation of two sovereign States. All the appointments in JICs are made as per rules / procedures approved by their Board of Directors.

Federal Board of Revenue

In order to keep the process of recruitment fair, transparent and merit based, FBR has assigned the process of conducting of test of the candidates for recruitment in FBR (HQ) and its field formations from BS-1 to BS-I4 to NTS, in accordance with the instructions of the Establishment Division *vide* O.M. No. F.53/1/2008-SP dated 03-03-2015.

Statistic Division

While making recruitment against vacant posts all the instructions for transparency issued by Establishment Division are being observed in letter and Spirit.

Privatization Commission

In order to ensure transparency during appointments, the Privatization Commission (PC) follows the following procedure:—

- (i) Ensuring observation of various quota system during recruitment.
- (ii) Seeking necessary NOC from Establishment Division, for requisite recruitment.
- (iii) Conducting testing, screening and short-listing of the candidates from third party organization *i.e.* NTS, PTS, BTS, OTS etc.
- (iv) Advertisement is made in the Press, as per prescribed procedure.
- (v) Short listing of candidates by the testing organization.
- (vi) Publication of tests results on websites.
- (vii) Conduction of interviews of the shortlisted candidates.
- (viii) Issuance of offer letter(s) to all successful candidate(s).

Following the above procedure the PSS filled 21 post of Grade 01 to 16 and G-IV, during August - November, 2015, as per details at **Annex-I**

Economic Affairs Division

Nil Report

No Department / Institution is working under Economic Affairs Division.

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

***Question No. 123. Senator Saeedul Hassan Mandokhail:**

(Notice received on 19-11-2015 at 09:15 a.m.)

Will the Minister for Planning, Development and Reforms be pleased to state whether there is any proposal under consideration of the Government to establish industrial zones alongside western route of China-Pak Economic Corridor, if so, the proposed locations and other details thereof?

Mr. Ahsan Iqbal: New Industrial Zones under CPEC will be finalized by the Joint Working Group on industrial cooperation with mutual consent. In the 5th JCC held on 12th November, 2015 decision was taken to establish Joint working group. However, in accordance with the decision of APC held on 28th May, 2015, a working group has been established with members' from Provinces to identify potential sites with economic feasibility. So far, BOI in consultation with all the Provinces & Gilgit Baltistan have identified following sites for the establishment of SEZs alongside multiple passages of CPEC. Detail of sites along western side is as follows:

Baluchistan (7)

1. Industrial Estate Gwadar (3000 acres, Mines & Minerals, Food Processing, Agriculture, Livestock)
2. Lasbella Industrial Estate (1290 acres, Iron, Steel, Hardware, Paper Industry, Pharmaceutical)
3. Turbat Industrial & Trading Estate (1000 acres, Manufacturing)
4. Dera Murad Jamali Industrial & Trading Estate (50 acres)
5. Winder Industrial & Trading Estate
6. Mini Industrial Estate Khuzdar (50 acres)
7. Bostan Industrial Estate (1000 Acres)

Khyber Pakhtunkhwa (8)

8. Marble and Granite based Industrial Estate at Mansehra (80 acres, Mining)
9. Industrial Estate Nowshera (1000 acres, Manufacturing)
10. Expansion of Industrial Estate Hattar (424 acres, Manufacturing)

11. Industrial Estate at Chitral (80 acres, Food Processing)
12. Industrial Estate Ghazi (90 acres, Manufacturing)
13. Industrial Estate D. I. Khan(188 acres, Manufacturing)
14. Industrial estate at border of Kohat & Karak
15. Industrial and economic zone Bannu (400 acre)

Further, the Honourable Prime Minister of Pakistan has constituted a committee to identify the potential sites of industrial zones along western passage of CPEC under the chairmanship of Chairman, BOI which has also begun its work.

Implementation work on Gwadar Free Zone has already begun and land for the Gwadar free zone has been handed over to the Port Operator in a ceremony held at Gwadar on 11th November, 2015 for which land measuring 2281 Acres has been acquired at cost of Rs. 6,691 Million through Federal Government funding.

***Question No. 124. Senator Sehar Kamran:**
(Notice received on 19-11-2015 at 01:45 p.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) *the year in which the last census was carried out in the country;*
- (b) *the details of arrangements made by the Government for the next census; and*
- (c) *the time by which the next census will be carried out?*

Mr. Muhammad Ishaq Dar: (a) In 1998 last census was carried out in the Country.

(b) CCI in its meeting held on 18th March, 2015 decided to conduct Census in 2016. Accordingly PBS initiated following steps for holding of Census.

- An Activity Plan approved by the Governing Council, headed by Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization.
- Budget allocations made and budget estimates of 1st quarter have been released.
- Meetings with Secretary Defence and Secretary Interior, were held to share the numbers of Armed Forces and Civil Armed Forces required in the Census operation.
- Sensitization meetings with the Provincial Functionaries *i.e* Chief Secretaries Government of the Punjab, Khyber Pakhtunkhwa, Sindh, Balochistan and AJ&K have been held.

- Meeting with the Chief Minister and Chief Secretary, Government of Balochistan was held to review the census methodology with specific reference to Afghans living with general public.
- Meeting with the M.O. Directorate, GHQ was held to review the deployment of Armed Forces with the Civilian Field Staff in compliance to CCI decision.
- National Census Apex Committee headed by Minister for Finance set up. First meeting held on 29th October, 2015 Chaired by Minister for Finance.
- 1st Meeting of Census Operational Committee headed by Chief Statistician has been held.
- Material available in various PBS offices physically checked.
- Fresh requirements of census supplies identified.
- Need assessment of hardware, printing machines, vehicles completed.
- Data Processing Centre at Islamabad established and test runs being conducted.

(c) According to CCI's in its meeting held on 18th March, 2015 decided that next census will be held in March-2016 under the supervision of Armed Forces.

*Question No. 125. **Senator Sehar Kamran:**

(Notice received on 19-11-2015 at 01:45 p.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) *the amount of loans obtained by the present Government so far indicating also the names of countries and financial institutions from which the same have been obtained, the rate of markup / interest and other terms and conditions of the loans; and*
- (b) *the purposes for which those loans were obtained?*

Mr. Muhammad Ishaq Dar: (a) The detail of amount of loans obtained during June, 2013 to October, 2015 is as under:—

Domestic Loans(Net)

(Rs. In Billion)

Sources	Amount
Banks	1,601.3
Non -Banks	1,194.8

Total	2,796.1
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Loans have been obtained from SBP, commercial banks and National Savings Schemes. SBP has informed that Bank wise (commercial banks) break-up is not available due to large transactions.

Net amount of loans contracted and obtained by present government during June 6, 2013 to end October 2015 from bilateral and multilateral sources was US \$ 4310.29 million, detail is as under:—

Amount of Net loans obtained		<i>\$ Million</i>
Donor Name	Net Loans	
France	-108.23	
Japan	-76.28	
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Donor Name	Net Loans	
China	435.41	
Saudi Arabia	-283.05	
ADB	-1090.70	
IDA	1252.91	
I.D.B. (LT)	-71.20	
IDB(Less-I yr.)	375.26	
NORDIC	260.73	
OPEC	8.24	
Eco Bank	33.00	
Credit SUISSE AG, UBL, ABL	450.00	
Standard Chartered Bank	-99.86	
EURO Bonds	3500.00	
IMF LOAN	360.70	
Others	-636.63	
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Total net amount obtained	4310.29	

(b) These loans were obtained for financing projects of national importance, balance of payments, import of crude oil and for budgetary support/fiscal deficit.

The details of the domestic loans are at **Annex-I**. The details of rate of mark up/interest and other terms and conditions of external loans are given at **Annex-II**.

DOMESTIC LOANS			
	Bank	N- Bank	Total
June 2013	255.242	96.690	351.932
2013-14	323.662	553.330	876.992
2014-15	892.057	366.138	1258.195
July – October, 2015	130.296	178.626	308.921
G. Total	1601.257	1194.784	2796.040

*Question No. 126. **Senator Mohammad Azam Khan Swati:**

(Notice received on 23-11-2015 at 12:00 p.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the amount paid as Income Tax by each Officer in BPS-20 to 22 working in FBR and its field offices since 2012-13 with year wise breakup?

Mr. Muhammad Ishaq Dar: Year-wise breakup of Income Tax paid by the officers in BPS 20 to 22 working in FBR and its field offices is at **Annex-A**.

*Question No. 127. **Senator Chaudhary Tanvir Khan:**

(Notice received on 25-11-2015 at 02:45 p.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) *the incentives/benefits being given by the Government to the NTN holders; and*
- (b) *whether the said incentives / benefits are given to those persons according to the tax paid by them, if so, the details thereof?*

Mr. Muhammad Ishaq Dar: (a) There are no specific incentives for NTN holders. However, of all the NTN holders, the incentives/benefits in tax rates are available on the basis of filers and non-filers of income tax returns as under:—

In this way Incentives/benefits have been extended by giving visible edge to filers NTN holders over non filers.

(b) The above incentives/benefits are available irrespective of the amount of tax paid so as to increase tax base by giving preferential treatment to return filers in comparison to non-compliant and non-filers.

*Question No. 128. **Senator Muhammad Talha Mehmood:**

(Notice received on 27-11-2015 at 09:00 a.m.)

Will the Minister for Planning, Development and Reforms be pleased to state the details of works to be carried out at Gawadar port under the China-Pakistan Economic Corridor project indicating also the time by which the same will be started and completed?

Mr. Ahsan Iqbal: The projects which have been finalized with respect to Gwadar Port under the China-Pak Economic Corridor framework along with their progress, including the time by which these would be started and completed, is attached here with as Annex-A.

*Question No. 129. **Senator Muhammad Talha Mehmood:**

(Notice received on 30-11-2015 at 08:40 a.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) *whether it is a fact that Customs officials have not been posted at Khunjrab top border to impose / collect custom duty on goods being imported through that border, if so, the reasons thereof; and*
- (b) *whether there is any proposal under consideration of the Government to post Customs officials at the said border, if so, when?*

Mr. Muhammad Ishaq Dar: (a) It is a fact that Customs officials are not posted at Khunjrab top due to the following reasons:

- (i) Khunjrab pass is at an elevation of 15,397 feet which is the highest crossing in the world and the highest point on the Karakorum Highway. The place is inhabitable due to oxygen deficiency. This crossing point remains closed from 1st December to 31st March every year due to heavy snow fall.
- (ii) Due to the above factors 'Sust' dryport was notified *vide* SRO 102(1)/83 dated 12-02-1983. This port is located at a distance of 75 km from the Khunjrab pass which became operational in 2005 after building of related infrastructure. On the Chinese side, they have established their port at Tashkurgan which is 130 km inside China from Khunjrab pass.
- (iii) There is single road which connects Khunjrab with Sust dryport and due to difficult hilly terrain, there is no other link road in between these two pints. Therefore, Sust dryport remains more suitable place for collection of duty/taxes.

(iv) All concerned agencies/departments are stationed at Sust and doing their jobs accordingly.

(b) There is no proposal in hand to post Customs staff at Khunjrab due to the position as stated above.

***Question No. 130. Senator Muhammad Talha Mehmood:**

(Notice received on 30-11-2015 at 08:40 a.m.)

Will the Minister for Industries and Production be pleased to state:

(a) *the main functions of Engineering Development Board;*

(b) *whether it is a fact the said Board issues NOCs for import of various goods without duty, if so, the number of NOCs issued by that Board during the last five years; and*

(c) *the criteria laid down for issuance of the said NOCs by that Board?*

Mr. Ghulam Murtaza Khan Jatoi: (a) EDB was established in 1995 under Cabinet Decision case No. 193/10/95 dated 15-05-1995 and notified by M/o Planning & Development vide notification No. 4(37)PD/I&C/95 dated 4th October, 1995.

Functions/ToRs of the EDB are as under:

- i. Develop a long term vision for the development of the engineering sector.
- ii. Formulate and coordinate all government policies relating to the engineering sector.
- iii. Develop an overall strategic engineering development plan.
- iv. Promotion of Export.
- v. Enhancement of Technical Training.
- vi. Formulate policies and guidelines for utilization of technology development and engineering funds.
- vii. Appeal for grievances.
- viii. Management of Deletion/Indigenization Policy Now [Tariff Based System (TBS)].

(b) EDB does not issue any NOC for import of various goods without duty. However, Following SRO's assigned to EDB by FBR, under defined procedures, are being implemented by EDB to make the local industry competitive:—

- A.** Assembly /Manufacture of Vehicles and their parts Under Tariff Based System (TBS)
- i. **SRO 656(I)/2006 dated 22-06-2006** — to determine input output ratio of imported CKD to automotive OEMs (2,3&4 wheelers).
 - ii. **SRO 655(I)/2006 dated 22-06-2006** — to determine input output ratio of raw-materials, sub-components, components and sub-assemblies to automotive vendors.
 - iii. **SRO 693(I)/2006 dated 22-06-2006** — FBR Notification of list of locally manufactured automotive parts/ components.
- B.** Determination of Local Manufacturing Status.

Fifth Schedule to the Customs Act 1969 and SRO 678(I)/2004 dated 07-08-2004 — Determine local manufacturing status of goods being imported.

- C.** Determination of Input Output Ratios for local industry.
- i. **Duty and Tax Remission for Export (DTRE) — SRO 450(I)/2001-** to determine IOR/Wastages of inputs procured under DTRE and under Manufacturing Bond.
 - ii. **SRO 565(I)/2006 dated 22-06-2006** — to determine input output ratio of imported inputs for the manufacture of goods of general industry *e.g.* home appliances, consumer goods etc.
- (c) Not applicable.

*Question No. 131. **Senator Mohammad Azam Khan Swati:**
(Notice received on 01-12-2015 at 10:20 a.m.)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) the number of Government enterprises/units which are in the process of privatization/auction;*
- (b) the procedure and terms and conditions laid down for privatization / auction of the said enterprises / units; and*
- (c) whether any independent mechanism for oversight of the privatization / auction process of those units has been devised, if so, the details thereof?*

Mr. Muhammad Ishaq Dar: (a) The Cabinet Committee on Privatisation (CCoP) approved a broad-based privatisation programme of 69 units and institutions for which the privatisation is under consideration. List is at **Annex-I**.

(b) The procedure (s) followed by the Privatisation Commission and governed by the Privatisation Commission Ordinance, 2000, and the rules/regulations framed under it. However, terms and conditions of the privatisation/ auction of the enterprises/units, is subject to the recommendation of the Financial Advisor and approval of the Cabinet Committee on Privatisation (CCoP), and may differ from transaction to transaction.

Since 2013, five (05) privatisations have been accomplished, out of which four (04) were Capital Market Transactions and one was a strategic sale (**Annex-II**).

(c) The Privatisation Commission, ensures transparency during the process and the recommendations of the PC Board are approved by the CCoP and/or the Cabinet.

Moreover, all details/documents of the privatisation transactions are furnished to NAB, at pre and post transaction level, for its examination/clearance, and also to the Public Procurement Regulatory Authority (PPRA), as required by their respective Laws.

Furthermore, Special Audit of the privatisation transactions is also conducted by the Auditor General. AG office has conducted a special audit of the following transactions undertaking since 2013:

- i. United Bank Limited (UBL)
- ii. Pakistan Petroleum Limited (PPL)
- iii. Allied Bank Limited (ABL)

***Question No. 132. Senator Sardar Muhammad Azam Khan Musakhel:**
(Notice received on 01-12-2015 at 01:12 p.m.)

Will the Minister for Planning, Development and Reforms be pleased to state whether it is a fact that the amount allocated in PSDP for construction of road from Dargi Shabozai to Tounsa, Balochistan has not been released so far, if so, the reasons thereof and the time by which the same will be released?

Mr. Ahsan Iqbal: The project titled “Construction /Upgradation of Dirgi Shabozai (N-70) to Taunsa Sharif (N-55) Road (175 Km)” sponsored by the Government of Balochistan and to be executed by Balochistan Development Authority (BDA) was approved by the ECNEC in its meeting held on 13-09-2013 at the total cost of Rs.4,795.980 million on 60:40 cost sharing by the Federal and Provincial Governments respectively. An allocation of Rs.300.00 million exists for the project under Finance Division’s portfolio in PSDP 2015-16. No demand for release from Government of Balochistan / BDA has been received in the Ministry of Planning, Development & Reform for the project till date. Once demand for release is submitted by the Government of Balochistan / BDA, release will be made as per set rules and procedures.

ISLAMABAD,

AMJED PERVEZ,

The 22nd December, 2015

Secretary.

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