

MINUTES OF THE TECHNICAL COMMITTEE MEETING HELD ON 15.10.2008 UNDER THE CHAIRMANSHIP OF CHIEF ECONOMIST IN THE COMMITTEE ROOM OF P&D DEPARTMENT, GOVT OF SINDH, KARACHI

(List of participants is attached as Annex - A)

Item # 2. Establishment of Vaccine Production Unit for Foot and Mouth Vaccine Tando Jam – Cost Rs.160.619 million.

It was informed that the Livestock & Fisheries Department has submitted the scheme for funding under Agriculture Sector Development Loan project-II. In fact, Government of Pakistan and the ADB signed ASPL-II on 1st April 2002. The total loan amount was equivalent to US\$ 350 million including a Technical Assistance (TA) component of US\$ 2 million. Excluding the TA component, the balance loan of US\$ 348 million was equivalent to Pakistan Rs.20,532 million. The loan covenants required the borrower to use part of counterpart funds for investment component of ASPL-II. The Federal Steering Committee of ASPL-II established in MINFAL with Secretary MINFAL as the Chairman, decided to use 50 percent of the loan amount on the investment component. In terms of this decision, MINFAL prepared a PC-I of ASDL at a cost of Rs.10266 million which was approved by CDWP and ECNEC for a period of 5 years from 2002-03 to 2007-08. The implementation period of ASDL has been extended by one year to 30 June, 2009 in order to enable the provinces to utilize full available funds and complete the ongoing projects more projects for funding under ASDL were received by MINFAL from Provinces.

2/- It was further informed that the list of schemes cleared by Provincial Steering Committee on 17.04.2008 was forwarded by P&D Department to MINFAL on 10.06.2008. The list included the subject project with estimated cost of Rs.169.334 million. As per requirement, the PC-I of schemes need approval of PDWP, thus the Department has submitted the subject scheme at the cost of Rs. 160.619 million for its approval from PDWP. The objectives of scheme are production of credible and quality assured FMD vaccine for Foot & Mouth disease, Sero-surveillance for detecting the antibody response to vaccination, establishment of quality control mechanism for contagious disease vaccines, training of technical staff on methodology of vaccine production and production of multivalent (trivalent) strains vaccine and develop public private partnership for production and marketing of Foot & Mouth vaccination. During scrutiny, it was observed that the amount proposed for production.

of one vaccine seems on higher side, the sponsors may provide the data for requirement of vaccine and details of existing arrangements, justify the appointment of staff in the first year and also other requirements in absence of office accommodation and comply with the observations on building component.

3/- The representative of Finance Department observed that the proposed requirements in respect of staff, vehicles, machinery & equipment seem on high side. Besides, he did not receive the copy of PC-I so it was difficult for him to offer comments

4/- The Project Director, vaccine production Tando Jam stated that the Foot & Mouth is highly contagious disease and production of multivalent (trivalent) strains vaccine for disease require level III biosecurity/biosecurity measures. The Sero-surveillance for detecting the antibody response to vaccination with quality control mechanism require proper handling, propagation, production storage and distribution, hence the staff, vehicles & equipments proposed are at justified level.

5/- The Forum directed the sponsors to review the requirements in respect of staff, vehicles, machinery & their prices in consultation with Finance Department & provide all the required information in the PC-I and comply with the observations of building component .

Decision

- The concept of schemes was agreed and recommended for consideration of PDWP forum.
- The sponsors would review the requirements in respect of staff, vehicles, machinery & their prices in consultation with Finance Department and modify the PC-I for discussions in the PDWP forum.
- The sponsors would include all the required information in the PC-I.

Item # 3. Poultry Development in Sindh Phase-III, Strengthening of Poultry Wing by Creation of Extension Wing - Cost Rs.750.00 million.

It was informed that the project is a part of National Programme for Development of Rural Poultry in Pakistan. The Phase –I of the programme was stated in 1977-78 which covered 7 Districts and Phase-II started in 1985-86 which covered 6 Districts. The proposed project is Phase-III of the the program for the development of poultry in Sindh. The proposed project will cover the development activities viz. mass vaccination and treatment of chicken against diseases, distribution of improved breeds, training of poultry procedure, establish small commercial units for production of table eggs and broilers and establish Poultry Hatcheries in newly created 10 districts viz: N.Feroze, Ghotki, Mithi, T.A.Yar, T.M. Khan, Jamshoro, Matyari, Qamber, Kashmore & Umerkot. This project will also provide the extension services for the Development of Poultry in newly backward areas of new districts. It also completes the remaining components lacking in Phase-I and II to encourage interested farmers to establish small commercial as well as Rural Poultry Farming and construct poultry disease diagnostic laboratories, Directorate, Training Centre, Multiplication Centre and installation of necessary equipments and internal road etc.

2/- Chief (LS&F) further informed that as per requirement carry out feasibility, indicate targets and achievement of Phase-I&II in the PC-I of Phase-III, appoint separate Project Director, look into the mechanism for possibility of public private partnership. He also proposed that sponsors may purchase the land in the first year & then start other activities and provide the details with valuation certificate from BOR, carry-out. financial analysis viz CBR & IRR and attach with the PC-I and comply with the other observations indicated in the working paper.

3/- The chair observed that the scheme has been proposed for creation of extension wing but the requirements are proposed for establishment of poultry hatcheries, disease diagnostic laboratories & poultry directorates etc. Besides scheme is silent about the details of existing facilities, targets & achievements of Phase-I &II, data regarding demand, supply & gap. He thus directed the Department to arrange a separate presentation to discuss the details of scheme.

4/- After detailed discussions following decisions were taken :-

Decision

- The Livestock & Fisheries department would arrange a presentation for discussion of details of scheme for taking preper decision.
- The sponsors would review the requirements in respect of staff, vehicles, machinery & their prices in consultation with Finance Department

Item # 4. Establishment/Promotion of Shrimp, Finfish and Tuna Fishing with Public Private Partnership in Sindh – Cost Rs.1286.235 million.

It was informed that the Livestock & Fisheries Department has prepared the scheme over the period of five years (2008-9 to 2012-13) for promotion of shrimp culture through demonstration to be carried out in existing 2 ponds of 3.5 ha and 4 ponds of 1.35 ha, promotion of Finfish culture through installation of 50 small buoyant wood cages along with 10 pens each of 1 acre which will be handed over to Private Parties during last 2 years of the scheme, strengthening of seed production capacity of Hawks Bay unit, provision of Soft loans to shrimp/fish farmers to promote mari-culture, purchase of 10 model tuna long terms boats of modification traditional tuna fishing boats on Public Private Partnership basis & modification of traditional tuna fishing boats & provision of foreign consultancy. The Chief (LS&F) proposed that as per requirement sponsors carry-out feasibility before submission of PC-I, indicate existing facilities available in respect of staff, transport, equipment & machinery indicate the location of land and provide valuation certificate from BOR, Besides proposed facility of loan to farmers may be arranged through Banks instead of charging from project, justify necessity of hiring of office building on rent, purchase of 10 model tuna fishing boats and comply with the other observations. The department has tried to sum-up different approaches in one scheme which was difficult to explain.

2/- After detailed discussions, Chair observed that the department has included too many components in one scheme thus they focus on any one important component with clear approach for getting visible results. He also advised them to restructure the scheme with less purchase of imported boats & other requirements at minimum level on pilot basis,

Decision

- The Livestock & Fisheries Department would restructure the scheme with focus on any one important component, less purchase of imported boats & other minimum requirement on pilot basis for consideration of PDWP forum.
- The sponsors would include all the required information in the PC-I.

Item # 5. Construction & Upgradation of Veterinary Centres to Veterinary Dispensaries – Cost Rs.211.306 million.

It was informed that the Livestock & Fisheries Department has prepared the scheme for up gradation of Veterinary Centres to Veterinary Dispensaries. The scheme proposes establishment of twenty (20) veterinary dispensaries at Taluka level, publish booklets/leaflets regarding control of various diseases & distribute among farmers, organize seminars for awareness & train farmers regarding control of diseases, livestock farming and milk marketing etc. It was further informed that the up gradation of 20 veterinary centres to veterinary dispensaries has been proposed by the Department in the light of directives of Chief Minister & Minister Livestock & Fisheries department . The sponsors may attach copies of concerned directives and justify up gradation of remaining units, indicate criteria/basis for up gradation, give details & justification of medicines, instruments & staff, attach revised RCs of proposed buildings & comply with the other observations.

2/- The Director Animal Husbandry stated that the scheme has been formulated for establishment of twenty (20) veterinary dispensaries on the basis of directives of Chief Minister Sindh for 12 units and Minister livestock for 08 units. The copies of Directives have been attached . He assured that all the required information would be included in the with the PC-I.

3/- The representative of Finance Department observed that three proposed requirements in respect of staff, price of computers and other proposed equipment are on higher side, Besides, he did not receive the copy of PC-I so it was difficult for him to offer comments. Regarding annual recurring expenditure after completion of the project, he stated would be looked into at the time of submission of SNE by the Department

4/- The Chair advised Livestock Department to ensure the feasibility of the proposed locations besides in order to reduce through forward / liability in the coming years, sponsors to submit PC-I in phases.

5/- After detailed discussions, following decisions were taken.

Decision

- The concept of scheme was agreed and recommended for consideration of PDWP forum.
- The sponsors would review the requirements in respect of staff, furniture, machinery & equipment in consultation with Finance Department and submit the PC-I in phases for discussions in the PDWP forum.
- The sponsors would include all the required information in the PC-I.

Item # 6. Establishment of Bhambhore Dairy Village and Processing Zone for Meat Animals with Public Private Participation at District Thatta and Dairy Farming in Sindh – Cost 650.000 million.

It was informed the Livestock & Fisheries Department has prepared the scheme under Public Private Partnership basis. The scheme has two components first is to establish dairy village on 800 acres of land, accommodate 100 farmers with 5 acres land to each on lease of 30 years, provide other facilities viz Animal Health, Electricity, space for Feed Mill, Biogas Plant, Chilling Unit, Medical/Education facilities, Milk Plant etc will be provided on 300 acres of land. Each farmer will have to start with 200 buffaloes & increase gradually to 400 animals and will have agreement signed by him with the department that the will not slaughter the dry buffaloes and new born calves. Second is processing zone with accommodation & other facilities on 700 acres of land for meat animals . The zone is is proposed on 500 acres of land for 100 farms, each on 3 acres on lease for different farming(s) viz, Rearing of buffalo calves, feed lot units of male cattle calves etc & 200 acres of land will be utilized for other facilities like housing, roads, markets, feed mill, animal health/AI facility, slaughter house with meat processing. It is informed by the department that the work of physical survey and feasibility is being undertaken by consultants to formulate detailed project. Chief proposed that as per requirement, the sponsors may prepare the PC-I of scheme on the basis of feasibility report, however, the forum to discuss the project with outlines & decide the fate of scheme.

The forum advised livestock Department to submit the PC-I in the light of feasibility study being undertaken by consultants to formulate detailed project.

Decision

- The concept of scheme was agreed.
- The sponsors would submit PC-I on the basis of recommendations of feasibility study for consideration of technical forum .

Item # 7. Strengthening of Sindh Poultry Vaccine Centre, Korangi, Karachi – Cost Rs.240.278 million.

It was informed that the Sindh Poultry Vaccine Centre started its functioning during 1975-76 with an income of Rs.0.119 million and after its 25 years in 1999-2000 the income reached about Rs.17.34 million. At present the centre has a yearly turn over ranging from 25-30 million and has a potential to increase upto 50 million. The unique thing about this center is that its running on self finance basis for the last 30 years. It is stated that the Department is not in a position to invest on capital side. Production cost is increasing day by day and to meet the market competition, thus the centre needs it strengthening in the form of infrastructure and a strong marketing network. The project proposes strengthening of the existing SPVC facilities, meet the national and international demands for the vaccine production, establish tissue culture lab for vaccine production, boost research to improve the quality of vaccine and molecular characterization of endemic local strains of Newcastle disease, avian influenza, hydro pericardium disease, infectious bursa disease, infectious bronchitis, establish environmental control houses to keep birds to meet the criteria of SPF eggs.& boost marketing through e-marketing and publication of advertisements in different magazines and journals.

2/- It was further informed during scrutiny of scheme it was observed that as the centre is being running on self financing, the proposed staff & other proposed items need to be reviewed, . Forum to discuss. Besides the sponsors may work out the income and expenditure of the centre and justify requirement for strengthening in light of data for demand of vaccines, work out the schedule of trainings and utilize existing facilities available for training, financial & economic analysis, adopt PC-I proforma meant for scheme of Production Sector & comply with the observations on building component. The forum may also discuss the participation of Private Parties in production of new vaccines.

3/- The representative of Sindh Poultry Vaccine Centre (SPVC) stated that since the establishment, the Centre started work with 15 staff members to meet the requirement of Newcastle Disease vaccine and earned about Rs. 0.119 million As the the poultry population increased, the centre also expanded its production capacity but without having a properly foccued Resarch of international standard. The centre is country's only organization which is producing poultry vaccine in the Public sector and should be expanded by strengthening its infrastructure requirement as per international standards of design & extraordinary

constructions. This is highly required as such facilities are engaged in dealing with Viruses of Biohazard Nature with the organization would be able to provide safety to its workers as per International Biosafety & Biosecurity Rules and in addition to carrying out research on emerging infections & disease like Bird Flu in Poultry. Responding to a query, he informed that the SPVC is supervised by the Board of Management with representatives of Public & Private sector and is not in a position to carry-out investigation & research of International standards

4/- After detailed discussions, the forum conditionally agreed to finance the core activities of the SPVC with the ratio of 80 : 20 subject to approval of the proposal by the Board of Management of the Centre . The forum advised sponsors to submit the proposal to the Board of Mmanagement to discuss the details of scheme and bring the same with recommendations of the Board for consideration by the PDWP forum .

Decision

- The concept of schemes was agreed .
- The forum conditionally agreed to finance the core activities of the SPVC with the ratio of 80 : 20 subject to approval of the proposal by the Board of Management of the Centre .
- The sponsors would submit the proposal to the Board of Mmanagement to discuss the details of scheme and bring the same with recommendations of the Board for consideration by the PDWP forum .
- The SPVC being the self financed Institute would also look in to the possibility for the return of Government funding into easy installments.
- The sponsors would include all the required information in the PC-I,

**Item # 8. Public- Private Partnership for Developing livestock & Dairy farming in Sindh –
Cost Rs.500.400 million.**

It was informed that the Livestock & Fisheries Department has submitted the scheme for implementation through Public Private Partnership for Developing of Livestock & Dairy Development. The scheme proposes improvement of Red Sindhi Cattle Breeding Farm T.M.Khan through a business plan from PDDC, improvement of Fodder Production on sustainable basis at R&D Farm for Kundhi Buffaloes with the collaboration of Engro Foods, creation of a Milk City in a model Taluka in District Khairpur with the collaboration of Private Sector, extension Services through media under Public Private Participation. It was informed that there was an understanding that a presentation by Livestock & Fisheries Department would be arranged in P&D Department inviting all the concerned from Private Sector to discuss the concept and finalize the requirement before submitting the PC-I of scheme. Sponsors may comply. Besides, as per requirement, the Department may require feasibility before submission of PC-Is, explain the role of Government and Private Sector simply and explicitly in the light of objectives, explain the supervising and monitoring mechanism for transparent implementation of proposed activities, explain the supervising and monitoring mechanism for transparent implementation of proposed activities, work out component/activity wise expenditure of Government and Private Sector

2/- The Director Livestock Department stated that the objectives of scheme are to improve income generation and milk marketing infrastructure in the area. The Pakistan Dairy Development Company (PDDC) will provide expatriate farm management expert who will help to develop model training & breeding facilities at Red Sindhi Cattle breeding farm, T. M Khan through a Business Plan . Besides, creation of Milk City, fodder unit and extension services will be created in collaboration of Engro Foods/ private sector with the financial input from the Government.

3/- The forum observed that the Livestock & Fisheries Department arrange a presentation in P&D Department inviting all the concerned from Public & Private Sector to discuss the concept and finalize the requirement before submitting the PC-I of scheme to PDWP forum .

Decision

- The concept of scheme was agreed.
- Livestock & Fisheries Department would arrange a presentation in P&D Department inviting all the concerned from Public & Private Sector to discuss the concept and finalize the requirement before submitting the PC-I of scheme to PDWP forum
- The sponsors would include all the other required information in the PC-I.

Item # 9. Construction of Model Fish Harbour at keti Bundar, District Thatta – Cost Rs.3250.978 million.

It was informed by Chief (LS&F) that the proposed project aims at the development for a Model Fish Harbor at Keti Bunder through detailed study and assessment through a consulting assignment for providing essential berthing facilities during low and high tide. It proposes to promote fishing industry and equip the proposed Harbour with fishery related facilities such as auction hall, chill room/storage shade, fish/port handling equipment, cold storage and freezing plant, ice plant, boat building/repair facilities, net mending shed and provision of navigational aids for fishing vessels calling at the harbor. The other infrastructure requirements like power, water, internal roads, sewerage disposal, telecommunication, etc also be developed. It was further informed that the construction/ establishment of Fish harbor is a specialized work which feasibility of each component , thus the sponsors are required to submit PC-II for feasibility instead of PC-I, Besides work out details of Economic and Financial analysis. Besides PMU has been proposed to be established for implementation of the project for which Rs.25.00 million has been earmarked but the details are not attached with the PC-I. Sponsors may comply.

2/- The forum advised Livestock Department to make a detailed presentation separately for the scheme in P&D inviting all the concerned to discuss the details of the scheme before submission to PDWP forum.

Decision

- The concept of schemes was agreed.
- Livestock & Fisheries Department would arrange a presentation in P&D Department inviting all the concerned to discuss the details of the scheme before submission to PDWP forum .

Technical Committee meeting dated 15.10. 2008

A. PLANNING AND DEVELOPMENT Department

Mr. Aurangzeb Haque
Chief Economist

In Chair

Ms. Rehana Ghulam Ali Memon
Special Secretary (Tech)

Mr. Shahabudin Memon
Chief (Livestock& Fisheries),Inch.

Mr. Din Mohammad Talpur
Assistant Chief (Dev)

B. LIVESTOCK & FISHERIES Department

- Mr. Ghulam Mohammad Mahar.
Director General
- Dr. Ghulam Sarwar
Director Livestock
- Mr. Anwar-ul Islam
Director (R&D)
- Mr. Abdul Aziz Ansari
Director (Marine)
- Mr. Aslam Parvez Umerani
Project Director (Vaccine Production Unit). T. Jam
- Mr. Khawar Pervez awan
Deputy Director (H.Q)
- Dr. Ali Akbar Soomro
Director Poultry Reseach
- Dr. Hani Hyder Baig, PFRI
- Dr.Munawar ,Research Officer.
- Miss Kausar mehmood, Sr. Res. Officer, SPVC
- Mr. Raees Ahmed Khan, Sales Manager, SPVC

B. Progress Farmers

Mr. Jameel Memon, Chairman Sindh Dairy & Livestock Farms

C FINANCE Department

Mr. Zahid Hussain , Deputy Secretary (Dev).