



SHAMS UL MULK SPECIAL REVIEW COMMITTEE REPORT
ON
ISLAMABAD INTERNATIONAL AIRPORT PROJECT (IIAPP)

28 NOVEMBER 2015

SHAMS UL MULK SPECIAL REVIEW COMMITTEE REPORT
ON
ISLAMABAD INTERNATIONAL AIRPORT PROJECT (EX-NBBIA)
GENERAL

Composition and Mandate of the Review Committee

1. The Committee was constituted and assigned the mandate vide Government of Pakistan, Cabinet Secretariat (Aviation Division) Note 3-2/2005-P&D dated 14 April 2015 (**Annex A**).

2. **Composition**

- | | | | |
|----|--|---|-----------|
| a. | Mr. Shams-UI-Mulk
Ex Chairman WAPDA | - | President |
| b. | Lt Gen (R) Shahid Niaz
Ex Engineer in Chief and
Ex Member (I&M)
Planning Commission | - | Member |
| c. | Maj Gen Asghar Nawaz
Chairman NDMA | - | Member |


3. **Mandate**. To review The Shahid Niaz Committee Report (**NCR**) and FIA Investigation Report (**FIA-R**) keeping in view the Directives of the Supreme Court of Pakistan on NIIAP, **issued from time to time** and suggest suitable recommendations.

Approach / Methodology Adopted

4. Study of the record and briefings / presentations by concerned officials of CAA, FIA officials and President of Shahid Niaz Committee Report on following aspects:-

- | | |
|----|--|
| a. | <u>Supreme Court Judgment in the Case</u> . Implications of the decisions of the Supreme Court actions taken so far and updated progress furnished by Dir Legal CAA. The upto date Progress placed at Folder-1 . |
| b. | <u>FIA Inquiry Report (FIA-R)</u> . Detailed briefing / presentation made by Director FIA alongwith the Inquiry Team covering :- |

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- (1) Findings of Inquiry based on various issues raised in Shahid Niaz Committee Report as well as those established during the course of Inquiry and progress update. The progress update placed at **Folder 2**.
- (2) Committee directed PD/ CAA officials to prepare response to findings of FIA Inquiry. Response placed at **Folder 3**.
- c. **Shahid Niaz Committee Report (NCR)**. Briefing by Lt Gen (Retd) Shahid Niaz (also member of the Review Committee) for seeking clarifications on various issues:-
- (1) PD NIIA / CAA officials directed to give their response against 'Findings' of the NCR as well as progress update on "Suggested Way Forward" of the Report.
- (2) Response received from PD office is at **Folder 4 (Findings of NCR)** and **Folder 5 (Progress on Way Forward of NCR)**.
- d. Contact with / Interview of Senior Officer's CAA, Board Member and representative of Contractors. The Committee contacted various ex-officials and concerned persons to know their view point. Details at **Folder 7**. The summary as under:-

Serial	Name	Designation	Mode
a.	Lt Gen Tariq Waseem Ghazi (Retd)	Ex Secy MoD & Chairman CAA Board	Written Statement
b.	Mr Farooq Rehmat Ullah	Ex DG CAA (22 Aug 06 - 21 Aug 08)	___do___
c.	Air Cdr Junaid Ameen	Ex DG CAA (26 Sep 08 - 08 Sep)	Interview
d.	Mr Vikram Sodha	Dir P&D Directorate (23 Feb 07 – 19 Jan 10) PD (16 May 05 – 01 Mar 11) (25 Mar 08 – 25 May 08) (20 Jan 10 – 10 Apr 12)	___do___


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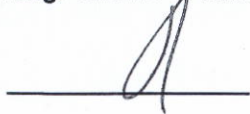


e.	Brig Bilal Hameed (Retd)	PD (15 Oct 08 – 20 Jan 10)	___do___
f.	Brig Iftikhar Ali (Retd)	PD (26 May 08 – 18 Oct 08)	Written Statement
g.	Mr Musharaf Khan	PD (10 Apr 12 – 30 Nov 13)	Interview
h.	Representatives of M/s Lagan, Tech Habib JV	Contractor of Runway	___do___
i.	M/s China State Engineering Construction (CSEC)	Contractor of Airport Terminal Building	___do___

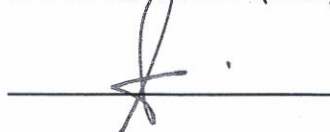
e. PD IIAPP Brig Pervez Hayat Khan Niazi, (Retd) gave detailed briefing / presentation on the Project covering various aspects including Physical and Financial progress, performance of contractors / consultants and contractual issues needing resolution. Committee directed PD / CAA authorities to prepare their response on following lines:-

- (1) Physical and financial progress of ongoing work / packages as of 15th September 2015 with reference to the approved Work Program and the likely date of completion.
- (2) Packages still to be tendered / awarded (if any) and likely impact on completion of the project.
- (3) Outstanding issues (including Claims) with various contractors, progress in given regard and likely terms / conditions of settlement. Resultant financial impact and legal implications if any under two heads :-
 - (a) Verified and settled.
 - (b) Still in dispute / settlement.

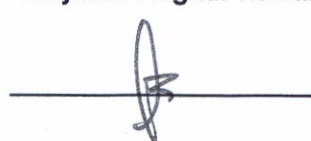
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(4) Peripheral facilities i.e Provision of Electricity, Water Supply and Road Linkage / Connection to the Airport. Update status and likely date of completion of these activities.

(5) Response of PD / CAA authorities attached as **Folder 6**.

5. Schedule and Proceedings of Committee

Serial	Date	Schedule	Activity
a.	23 Jun 2015	1 st Meeting	Briefing by PD
b.	07 July 2015	2 nd Meeting	Presentation by Sr Addl Dir CAA HQ on implementation of Supreme Court Orders
c.	15 July 2015	3 rd Meeting	Presentation Dir Administration, FIA on FIA Inquiry
	06 Aug 2015	Site Visit	Site Visit by Committee
d.	06 Aug 2015	4 th Meeting	Review of Minutes of Monitoring Committee and Steering Committee, Minutes, Follow up on Reports of Niaz Committee Report, FIA Inquiry and Supreme Court Orders.
e.	01 Sep 2015	5 th Meeting	Meeting with selected Contractors, Senior Ex Officials CAA and Project Directors.
f.	05 Oct 2015	6 th Meeting	_____do_____
g.	06 Oct 2015	7 th Meeting	_____do_____
h.	14 Oct 2015	8 th Meeting	_____do_____

6. Provision of Relevant Information for Analysis. The Committee through PD IIAP obtained various data for analysis which is ordered as under:-

- Composition of CAA Board Since Inception of Project. Annex B.
- List of DGs of CAA (2004 till to date). Annex C.
- List of Directors P&D Directorate of CAA. Annex D.
- List of PDs of IIAPP. Annex E.
- Chronology of Events – Development of IIAPP. Annex F.
- Chronology of Award of Contracts (Package Wise). Annex G.

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- g. Correlation of Project Executives, Contractor & Planning / Progress of Packages. Annex H.
- h. Comparison of Original and Revised PC-1. Annex I.
- i. Latest Progress Chart. Annex J.
- j. Acquisition Progress of Land. Annex K.
- k. List of Agenda Points in CAA Board Meetings Related to IIAPP. Folder 8.

OPINION OF THE COMMITTEE

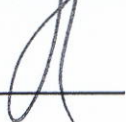
List of Findings

- 7. Findings Common to NCR & FIA-R
 - a. Package Zero.
 - b. Splitting of Project into 17 Packages.
 - c. Making of PC-I on Rough Estimates.
 - d. Substandard Performance of PMC.
 - e. Mismanagement of Various Packages.
- 8. Findings Specific to FIA-R
 - a. **Wrong** Selection of Design Consultant – M/s CPG.
 - b. Hiring of Consultancy Firm M/s LBG Whose Head were Non Engineers.
 - c. Awarding of Passenger Terminal Building (PTB) Contract to World Bank Debarred Firm.
- 9. Findings Specific to NCR
 - a. Possession of left over embedded areas.
 - b. The additional requirement of land for future development.
 - c. New access being developed by NHA through the Thalian Interchange on M2.
 - d. Designing of flexible pavement for runways instead of rigid pavement.

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- e. Conversion of the Parallel taxiway / Emergency runway into a full fledged Secondary Runway.
- f. Termination and allowing reconstitution of a new JV (Lagan 60% TAPL 35% and Habib 5%) against all contractual norms.
- g. Insertion of sub clause (e) under the heading certificates and payments Clause 60.1, in all ongoing contracts.
- h. The excess space created in Passenger Terminal Building (PTB).
- i. Contract of the Hydrant Refueling System.
- j. Restructuring of Works Directorate of CAA.

Opinion on Common Findings of NCR and FIA-R

10. Package Zero

- a. **FIA-R.** Tendering this Package of earthwork at least 1½ years before the actual main Package of Runway construction is a misadventure by the CAA authorities and PMC where-in all Engineering Principles were ignored and future quality of Runway was compromised, just to facilitate the Ground Breaking Ceremony. It was awarded before having any final design or drawings. We find the Project Director of that time, the **Director P&D (Vikram Sodha)**, and the **Consultants M/s LBG** responsible for the wrongful planning and deviating from established Engineering principles, just to facilitate holding of Ground Breaking Ceremony well before it was due technically.
- b. **NC-R.** This Package should have been restricted up to leveling and dressing of the Runway site. The work executed covered excavation, transportation for fill areas and eventual preparation of embankment up to required standard of compaction for the runway. The technical aspects for ensuring retention of moisture content were apparently ignored.


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c. **CAA Stance**

- (1) Owing to the Ground Breaking Ceremony, M/s LBG, the PMC came out with a strategy and prepared PC-I. Accordingly it was decided to undertake Site Preparatory Works (Phase-1) up to "approximate formation level" with scope of work:-
 - (a) Excavation and embankment of Primary Runway.
 - (b) Excavation and Embankment of Approach Road NIIA Site.
 - (c) Geo Technical Investigations of selected area.
- (2) M/s LBG were assigned the task to prepare design, drawings, specifications and contract documents for the above activities, i.e the above Preparatory Works.
- (3) PC-1 amounting to Rs. 1140 was approved by DWP of CAA. in its 2nd Meeting held on 11th December, 2006 and endorsed by CAA Board in its 118th Meeting held on 16th and 17th January, 2007. Work was executed as per the approved PC-I and the Finished Surface level attained for Embankment in "Package Zero" was catered as Natural Surface Level in Package-1.
- (4) No elementary earthwork, executed under Package Zero was to be done again. Hence no loss to Exchequer.

d. **Opinion of Review Committee.** Findings of FIA-R and NCR are coherent and correct however in the overall perspective, the Committee is of the opinion:-

- (1) The decision was an outcome of expediency at all levels of CAA/ MoD for initiation of the Project owing to the direction from the Govt.

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- (2) The Package was executed well within PC I Cost i.e. Rs 902 Million against approved cost of Rs 1081 Million and no work (portion thereof) was redone or executed as part of Package-1.
- (3) There was also no significant time overrun.

11. Splitting of Project into 17 Packages

- a. **FIA-R**. This was another wrong decision that had an immense negative impact on the Project. In view of very limited, almost non-existent, construction management capability had the Project been kept limited to three Packages which were proposed initially, the Project would not have experienced the malaise of interface issues. The creation of Packages went on from 2007 to July 2009, when the final list of 17 Packages was issued. Even in 2014, there are still three Packages yet to be awarded. Here also we find the **then Project Directors Vikram Sodha, (A/PD), Brig Masood Salam (Late), Brig (R) Iftikhar Ali, Brig (R) Bilal Hameed and the Directors P&D Mr. Asif Bashir Ahmed and Mr. Vikram Sodha, and Mr. Mohammad Roohullah** responsible for this wrong decision. They were in charge of planning the Project and ensuring that correct decisions are taken.
- b. **NCR**. A project of this magnitude having highly technical nature necessitating precise sequencing should not have been split into so many packages. The Project Management Consultants (PMC), as per the "Minutes of Contract Negotiations" had clearly recommended division of work into two/three main packages. However this aspect was overlooked and likely reason appears to be the delay in timely provision of detailed design and the urge to show progress on ground. Technical appraisal /

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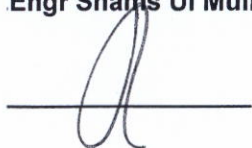
Investigation may be undertaken by an independent technical team in the instant issue.

- c. **CAA.** The splitting was necessitated due to following reasons.
- (1) For sake of wider participation and proper competition.
 - (2) For the purpose of better interface management.
 - (3) Failure of Firms to prequalify for the work collectively covered under one single Package.
 - (4) For convenience of handling through respective field, specialist contractors.
- d. **Opinion of Review Committee.** The findings of FIA-R and NCR are in sync and correct:-
- (1) This was the most critical decision of the Project.
 - (2) P&D Directorate of CAA being the sole technical arm of the Client i.e. CAA lacked the competency and vision to comprehend the implications/fall out of this arrangement.
 - (3) The decision for splitting of Project into small packages was taken in 2007 and its subsequent **effects of further splitting that continued thereof was a fait accompli. The apportioning of responsibility therefore lies at the time the said decision was taken.** FIA's contention of apportioning the blame on all subsequent Directors P&D Directorate of CAA and PDs of the Project is not correct.

12. **Making of PC-1 on Rough Estimates**

- a. **FIA-R.** This is another issue that laid the stone of wrong planning and inaccurate assessment of the Project. The PC-1 was made on rough estimates because the designs were not completed at that time. The decision of formulating PC-1 on rough estimates was taken in a meeting

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held on 03 July 2007 chaired by Mr. Farooq Rehmatullah as DG CAA, attended by Safdar Khan, Dy. DG CAA, Brig (R) Iftikhar Ali, Chief Project Director, Mr. Yusuf Kamal, Director Works & Development, Brig (R) Masood Salam (Late) PD NBBIAP, and Mr. Vikram S. Sodha, Director P&D. This wrong decision set the ground for inaccurate assessment of the Project which was **wrongly shown to the cost of Rs. 37 billion**. Many important items were missed out. The Project Management Consultant are also equally to be blamed as being technical experts, they should have objected to this and should have prepared an accurate PC-1. The above mentioned officers of CAA and the PMC, M/s LBG are guilty of taking a wrong decision which was detrimental to the Project from day one.

- b. **NCR**. The process of preparation of original PC-1(**Rs 37.0 Billion**) was faulty and many important aspects were over looked and it was not prepared strictly in line with the parameters of the Feasibility Report. This **PC-1 was formulated by M/S LBG and ECIL (Pvt) Ltd** and should have been strictly scrutinized by the CAA Management during the appraisal and approval stages.

c. **CAA**

- (1) Ground Breaking Ceremony of Islamabad Airport Project was performed on **7th April, 2007** by the then President of Pakistan and **target set for completion of the Project was 2010.**
- (2) At this moment design / cost estimates available was for "Airside Infrastructure Works (Civil Works)" And for rest of the facilities only conceptual design was available, As such only rough cost estimates could be prepared for these facilities. After detailed deliberations it

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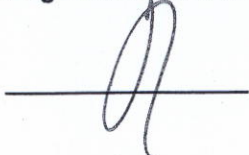
was decided to immediately prepare PC-1 based on data available at that stage.

- (3) It was initially presented before **CAA Development Working Party** (headed by DGCAA with members from Planning Commission, Finance Ministry and Ministry of Defence), in its **7th meetings** held on **19th March, 2008**.
- (4) Complete facts which necessitated preparation of PC-1 on the basis of conceptual design etc., were explained in detail to CAA Development Working Party (CAA DWP) who approved the PC-1 with the directives:-
 - (a) Airside cost estimates are firmed-up and therefore approved.
 - (b) Component-wise PC-I is to be prepared for the other subheads after detailed design.
- (5) Later on, CAA Board in its 123rd Meeting held on 28th March, 2008 also endorsed the recommendations of CAA DWP.
- (6) As evident from above, all actions were taken with a view to expedite the progress on IIAP and that nothing was concealed during the process of obtaining approval of PC-1 for Rs. 37 Billion.

d. **Opinion of the Review Committee**. The findings of FIA-R and NCR are in conformity. Committee is of the opinion that:-

- (1) An undue expediency appears to be one of the major reason coupled with an ambitious target date for completion (30 months) of the Project through hurriedly prepared / processing of PC I. In the aftermath of Ground Breaking Ceremony held on 7 Apr 2007, the Decision for formulation of PC 1 was thus taken on 3 July 2007 on

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fast track basis although enough time was available for due diligence.

- (2) **Prime onus** for all the shortfalls can be attributed to lack of competency and capacity of P&D Directorate being the Client's highest technical advisory entity within the CAA, which had the prime responsibility of preparation and scrutiny of the PC-I. **Secondary responsibility** can be attributed to PMC (M/s LBG and M/s ECIL) who failed in their responsibility to assist in preparing a comprehensive PC-I in conformity with their own Feasibility Report and Master Plan, missing out some essential components along with their indicative cost which is un-acceptable.

13. **Sub-Standard Performance Of PMC**

a. **FIA-R**

- (1) The performance of the Project Consultants, M/s LBG and ECIL has been a disaster for the Project. They failed to provide the required foreign manpower as per the contract. Interface issues, delay in the Project, increase in its cost and total mismanagement was a sequel to their inefficiency.
- (2) As early as 9th September, 2006, the then **Director P&D, Mr. Asif Bashir Ahmed** had written a strong letter / note to the then DG CAA that the performance of LBG was not up to the mark and their retention in the Project would be detrimental to it. He suggested invoking contract penal clauses but we see that no action was taken on this letter. It was only when Supreme Court intervened that action was initiated against LBG by the Project Director.

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- (3) Subsequently the **said decision was reversed** through another settlement with the Consultants and till date they are working on the Project.
- (4) The inaction on part of responsible CAA Officers (**Mr. Vikram Sodha, Brig (R) Iftikhar Ali, Brig (R) Bilal Ahmed, Mr. M Roohullah**), and the inefficiency on the part of the Consultants (M/s LBG and ECIL) is liable for punishment and the **amount paid to the Consultant is liable to be refunded**.
- b. **NCR**. The level of services provided by M/s LBG remained below the desired level. The informal exit of ECIL(Pvt) Ltd from the LBG Group due to below standard performance during initial stages of Project execution and inability of LBG itself to make available the class of professionals as per the terms of Contract were the main reasons for provision of extremely low services. However, the Client did not take appropriate action as per the contractual obligations. The engagement of M/s NESPAK as Project Management Consultants whereas they were already engaged as Design Consultants was also not a legally/contractually correct arrangement.
- c. **CAA**
- (1) It is true that services of M/s LBG were un-satisfactory from the beginning. On one hand actions were initiated to improve its performance, on the other hand their services were continued owing to following serious repercussions associated with Termination of their Contract:-
- (a) Delay in completion of the Project.


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- (b) Suffering of work due to non-availability of consultant's drawings. Thus providing grounds for the contractors to raise claims of idle charges.
- (2) CAA Executive Committee in its Meeting held on 11th & 12th January, 2010 was briefed by the then PD about slackness on the part of M/s LBG and their local JV partner. The available options for PMC Services related to NIIA Project, were explained.
 - (a) To terminate the services of M/s Louis Berger Group (LBG) USA – M/s Engineering Consultants International (Pvt) Ltd. (ECIL) Karachi Pakistan as Project Management Consultant on the basis of poor performance on NIIA Project.
 - (b) Hire services of M/s NESPAK – ADPIJV as PMC who was already working as Design Consultant of Airside Infrastructure Work.
 - (c) To hire services of some other Consultant for NIIA Project on terms and conditions based on the leftover activities related to PM Consultancy Services.
- (3) The decision given by CAA Executive Committee was "showed dissatisfaction on the performance of M/s ECIL and desired LBG to replace it for which alternative arrangements be suggested by them".
- (4) The matter was also brought in the notice of CAA Monitoring Committee in its Meeting held on 29th January, 2010. The CAA Monitoring Committee directed that "CAA should take immediate action for inclusion of M/s NESPAK in Project Management Consultant's Team".

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- (5) The matter related to inclusion of M/s NESPAK as part of Project Management team in place of M/s ECIL was also discussed in 131st Meeting of CAA Board held on 17th February, 2010. Later on, M/s LBG made M/s NESPAK as part of their Team in place of M/s ECIL.
 - (6) On intervention of the Apex Court in Sept 2013, the contract of LBG was revoked, the Consultants submitted a Review Petition and later on the Subject Contract was withdrawn vide letter No. PD (BBIAP)/6280/7/Proj/-550 dated 12th March, 2014.
 - (7) Project Management Consultant **M/s LBG** is however no more at the site and abandoned the Project at their own on 15th Oct, 2014.
- d. **Opinion of the Review Committee.** The Opinion of FIA-R and NCR is in conformity. The Committee is of the opinion that:-
- (1) PMC (M/s LBG and M/s ECIL) were **non performing entities from the inception of Project and could not deliver commensurate to the dictates of the Project.** M/s LBG also failed to meet its contractual commitments with regards to expert human resources at site. The inclusion of M/s NESPAK after exclusion of M/s ECIL in joint venture of PMC also failed to address the professional inadequacy of PMC.
 - (2) The **benign attitude of CAA** to take notice of the dismal performance of PMC from inception of Project is a reflection of **institutional failure** in which **no individual can be singled out.** However **P&D Directorate** and **PD Office** being the primary entities for contract operation with regards to consultants and contractors of the Project were **directly responsible** for inaction who should have


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taken action against PMC for their non-performance as per contractual provisions.

14. **Mismanagement of Various Packages**

a. **FIA-R**

- (1) While going through the details of the execution process of the Project we see clearly that nearly all Packages were severely mismanaged. Among the major ones that suffered from mismanagement were Packages 1, 3, 6, 7-B, 8-A, 8-B and 8-C. They were **started in a wrong sequence**.
- (2) No **access road** was provided, **possession of site** was not fully acquired, items like **pipes** that had to be provided by CAA, were **not procured** before award of the contract, no tangible effort was undertaken to solve the serious interface issues between the Contractors, designs and drawings kept on arriving late, resulting in delay in the Project and giving chance to contractors to demand claims and apply for extension to time.
- (3) This mismanagement started when the NBBIAP Project began and continued till the time the Supreme Court of Pakistan took Suo moto Notice of the issue. Inaction on the part of all DGs and Project Directors seriously damaged the Project.
- (4) Apart from the PMC and the Design Consultants, the Project Directors, Mr. Vikram Sodha, Brig (R) Iftikhar Ali Brig (R) Bilal Hameed, and Mr. Musharraf Khan are all liable to be punished for their inaction. Had they taken decisions on time, the Project would not have suffered so much.

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b. **NCR**

- (1) In fact this mega Project from its inception was beset by numerous problems basically generated due to inappropriate planning followed by an inefficient implementation strategy. The Planning and Development (P&D) Department of CAA being a technical setup had a pivotal role to play and provide due guidance to all concerned including the formulation of Contracts, their award and Operation. Apparently, this entity has been unable to perform and deliver as per the dictates of this mega Project, mainly due to lack of its technical expertise, capacity and resolve.
- (2) All contracts of this Project concluded were FIDIC based international contracts, which are meant to protect the legitimate interest of the Client as well as Consultants and Contractors. However, this is only possible if contract operation is closely monitored and appropriate actions are initiated in time as per the terms of the contract. In case of non/ sub- standard performance by the Consultants, it was the responsibility of the Project Director(s) to initiate action as per the relevant conditions of the contract and this should also have been overseen by the P&D department of CAA which had concluded the contracts.


c. **CAA**

- (1) The stance of CAA on this observation remains the same as reflected in para 10 above i.e Splitting the Project into 17 Packages:-
- (2) **Access Road**. Different accesses available failed / blocked for one or the other reason and the contractor of Package-1 negotiated with PECHS Society and procured / maintained the Access route, the

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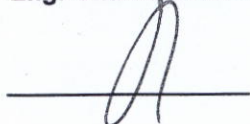
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cost of which though paid by CAA but will be shared by all users as per Dispute Resolution Board (DRB) decision on the subject. Subsequently Access was made as part of Package-8A regarding its reconstruction up keeping etc. As far as permanent access to the Airport is concerned it is to be undertaken by NHA for which tenders since processed.

- (3) **Possession of Site.** In spite of all efforts some pockets remained embedded but all squatters have since been evicted in March, 2014.
 - (4) **Procurement of Pipes.** It had no linkage / impact on the progress. The clarification is given at Para 26 under heading Hydrant Refueling System of this Report.
 - (5) **Interface Issues.** The Employer had no skill available for such issues, hence PMC was hired whose performance and CAA's stance / efforts have been discussed at Para 12 above.
 - (6) **The Claims Emerged.** Regarding handling of such claims a detailed procedures is specified in the contracts consisting of challenging the Engineer Decision in DRB, Amicable Settlement, Arbitratoral proceedings etc. which is being followed as per the dictates of the respective Contract.
- d. **Opinion of Review Committee.** The findings of FIA-R Report and NCR are almost similar. The Committee is of the opinion that:-
- e. Splitting of the Project into 17 Packages was the major reason which acted as a catalyst for all activities. It was like wading into a river without knowing swimming, the result would be obvious.
- (1) The other contributing factors were:-
 - (a) In competency and inefficiency of PMC during execution.

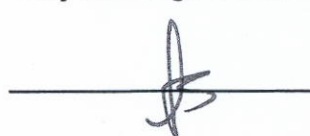
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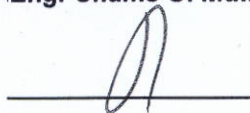
- (b) Non performing contractors.
 - (c) Non provision of Access Road by the Clients i.e CAA.
 - (d) Major decision of conversion of parallel Taxiway / Emergency Runway to Second Runway.
 - (e) Exponential enhancement in scope of Passenger Terminal Building (PTB).
- (2) The various Project Directors during execution phase can only be partially held responsible because the mismanagement was set in by default due to splitting of Project into packages and its resultant effects were beyond their control. Respective P&Ds on their part are also partially responsible for the in action at execution stage for same reason. Apportioning blame on senior CAA officials is not considered justified, as they had no technical expertise in Project formulation and to visualise the impediments involved in execution.

15. **Wrong Selection of Design Consultants M/s CPG**

a. **FIA-R**

- (1) Another flaw which was seen in the process of selection of the Design Consultant M/s CPG. The bids for Design Consultants were invited as early as 18 Oct 2005 and firms were shortlisted in February 2006. The **first evaluation** for the selection was done by **CAA Scrutiny Committee**. The **second evaluation** was done by **PMC, M/s LBG**. This was **different from the first one**. A novel method was then involved and for unknown reasons, a private firm, **M/s Meinhardt** was hired and asked to **evaluate the companies** for a **third time**.

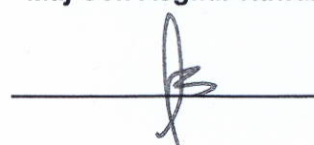
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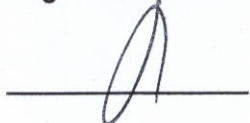


- (2) For the Passenger Terminal Building, **M/s CPG** emerged **second in ranking** while **ADPI stood first**. Ignoring all rules, negotiations were started with the second ranking M/s CPG, and ultimately they were given the contract on 24 March 2007. M/s CPG had no major credentials of designing Airports / PTB except working as a local partner on Changi Airport, Singapore.
- (3) The working of M/s CPG remained extremely poor right from the start. They did not have the required personnel and everything was left in the hands of the local partner ARCOP. Hence it was seen that M/s CPG were wrongly selected despite being in lower ranking in evaluation.
- (4) Here we find Mr. **Asif Bashir Ahmed** who was Director P&D at the time of evaluation and **Mr. Vikram Sodha** who was Director P&D, at the **time of awarding contract to CPG**, guilty of giving wrongful favour to M/s CPG in its selection. It was their job to have taken a stand as they were technical persons who knew the procedures very well. Their ineffective technical input encouraged the CAA Board to take wrong decision and violation of rules.
- (5) Though the **final decision of selection of M/s CPG** was taken by the **CAA Board chaired by Lt. Gen. (R) Tariq Wasim Ghazi (Chairman CAA Board / Secretary Defence at the time)**, the technical officers as named above should have advised the Board correctly and should have stuck to their decision.

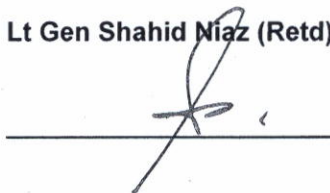
b. **NCR**

- (1) The delay in timely availability of required designs/drawings by the Contractors for execution of their respective works has been a sore

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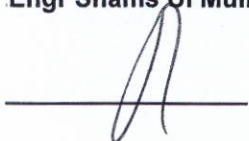
issue and also a major reason for overall delays and increase in costs. The Client (CAA) could not develop a system whereby the progress of design Consultants work could be tracked. Hence, there was no data available to ascertain/analyze the actual date of submission and the extent of delay caused.

- (2) Reportedly the quality of some of the completed drawings submitted by consultants were not up to the mark, resulting in preparation of more than the required number of shop drawings by the contractors. However, the management of CAA did not take any contractual action against the consultants, as per the available record. The frequent changes ordered and arbitrary decisions taken by the Management of CAA at various stages for altering the scope of project also contributed towards the delay in submission of design/ drawings by the respective consultants.

c. **CAA**

- (1) CAA Board took the unanimous decision for selection of M/s CPG, which was based on its collective wisdom. It may be noted further that a Board is nominated by the Prime Minister to run the affairs in a prudent manner.
- (2) CAA Board had the privilege to get the proposals of Passenger Terminal Building evaluated from any capable firm for the satisfaction of members before taking any decision. In this particular case the Board decided to get the proposals re-evaluated from a firm M/s Meinhardt and get its independent view regarding bid submitted by M/s CPG. It is matter of record that M/s Meinhardt remained in competition to M/s LBG and stood second in the bidding

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process for Project Management Consultancy which speaks of its professional competency.

- (3) Detailed deliberations / discussion took place in the **CAA Board's 117th Meeting** where all participants from CAA were heard and based on the collective input including that of M/s Meinhardt, The Board authorized CAA to negotiate with M/s CPG in first place and in case of disagreement, to engage M/s Kisho Kurokawa of Japan for negotiation.
- (4) CAA officials negotiated with M/s CPG in the best interest of CAA and reached at an amount which was appreciated by CAA Board as depicted in the FIA-R itself. It is evident from above that selection of M/s CPG as Design Consultants was made through a prudent process and in the best interest of the Project.

d. **Opinion of Review Committee.** Award of separate contracts for design of Land Airway side component and Passenger Terminal Building to two different consultants had its own advantage. This decision was apparently taken after due diligence with the involvement of CAA Board and scrutiny by a Firm. The short falls displayed by design consultants should have been dealt contractually by the P&D Directorate and PDs. However, there appears to be a problem at the Employer's side as well as the PMC (LBG) in failing to coordinate / implement the schedule of the delivery of the designs in sync with the project execution. Responsibility remain with the P&D Directorate.


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16. Hiring of Consultancy Firm M/s LBG Whose Heads Were Non Engineers**a. FIA-R**


- (1) During the course of the Inquiry we have come across many faulty decisions which created doubts whether the officials of CAA and M/s LBG were Engineers at all. We demanded all officials of CAA and of the Consultants to submit copies of their Engineering degrees or any other qualifications they had. A very alarming aspect has come to light. We have gathered that the heads of the Project Management Consultant, M/s LBG were not Engineers.
- (2) Clause 2.2 of Particular Conditions of the Contract states that: "the Employer shall ensure that the Engineers representative is a professional Engineer as defined in the Pakistan Engineering Council Act 1975 (V of 1975)".
- (3) Pakistan Engineering Council Bye Laws 1976 in Clause 67 & 68 clearly mentions: "A foreign consulting Engineer before embarking on any assignment in Pakistan shall get itself pre-registered with Pakistan Engineering Council".
- (4) The FIA team continuously wrote to the CAA to submit the qualifications of the Consultants and after various reminders CAA submitted the degrees / certificates of their employees including the senior officials of M/s LBG. It is interesting to see the qualifications of some of the officials and the posts on which they are / were working:-

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Serial	Name of Official	Post
(a)	Bruce A Thompson	Project Manager
(b)	Muchael Henry Pottinger	Dy Project Manager Coordination
(c)	Houn Dong Bark	Dy Project Manager PTB
(d)	Qiangsong Guan	Planning Manager
(e)	Robert Fluhr	Planning Engineer
(f)	Raymond Challis	Dy Project Manager, He is in Beijing for quite some time
(g)	Mortin Conisbee	Project Manager also remained Engineer Representative
(h)	James Moclung	He remained Engineer Representative
(i)	Mr Basrullah Jan	Materials Engineer
(j)	Mr Ghazanfar Ali Awan	Civil Engineer

- (5) It is incomprehensible as how they were hired and why CAA turned a blind eye to this unpardonable act especially when it was in their power to give the approval for the staff of the Consultants.
- b. **CAA.** The PMC M/s LBG has since been replaced and case forwarded to Pakistan Engineering Council (PEC) for blacklisting of the Firm where decisions will be taken considering all points raised by different quarters.
- c. **Opinion of Review Committee.** The finding of FIA-R appear to be correct as per the evidence provided. The P&D Directorate of CAA was responsible to ensure checking of the given facts as per mandatory evaluation / checks for establishing the credentials of the shortlisted contractors / consultants during scrutiny process and prior to award of


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contract. It was a failure of P&D Directorate at the time of award of contract in June 2006.

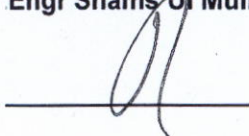
17. **Awarding of PTB Contract to a World Bank Debarred Firm M/s CSCEC**

a. **FIA-R.** While going through the details of all contracts, an issue has surfaced that the contract of Passenger Terminal Building was awarded to a Chinese Firm M/s CSEC that was debarred by the World Bank and that too knowingly by the CAA officials.

b. **CAA**

- (1) The contract for construction of "Passenger Terminal Building" was awarded to M/s CSCEC-FWO JV the lowest evaluated bidder, comprising M/s China State Construction Engineering Corporation Ltd. (CSCEC) China and M/s Frontier Works Organization Pakistan (FWO).
- (2) M/s CSCES name appeared on PPRA Website in the list of World Bank Debarred Firms, however, their name did not exist in the list of Debarred Firms in Pakistan. In PPRA Ordinance 2002 or PPRA Rules 2004 nothing has been mentioned that supports the contention about an entity which has been declared ineligible for award of World Bank financed contracts, becomes automatically debarred from participating in any procurement under PPRA.
- (3) There is nothing mentioned on PPRA's Website or any other source that would suggest that simply by virtue of M/s CSCEC's inclusion in the list of World Bank's Debarred Firms, the Firm is banned in any manner from undertaking construction projects in Pakistan.
- (4) M/s CSCEC Ltd.-FWO JV is also registered with Pakistan Engineering Council (License number EF-11 dated 29-3-2010),

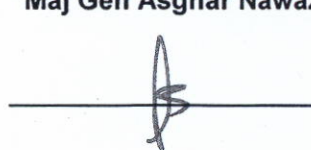
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under its Bye-Laws of 1987 for the purpose of execution of work at New Islamabad International Airport.

- (5) In view of applicable PPRA legislation and the JV having a valid PEC license, disqualifying or blacklisting of M/s CSCEC – FWO JV by Pakistan Civil Aviation Authority would have amounted to violation of PPRA Rules and render it liable to litigation by the joint venture, which may not have been possible for CAA to defend successfully in addition to wastage of time and resources.
- (6) The case was referred to Pakistan Engineering Council who responded that Pakistan Engineering Council has neither received any evidence / information regarding black listing of Foreign Firm by the World Bank at the time of submitting application nor at the time of issuing of Project specific license. PEC's Letter No. PEC/Const/C-A (F)/EF-11 dated Dec 23, 2013.


- c. **Opinion of Review Committee.** The Findings of FIA-R Report to the extent of China State Construction and Engineering Corporation being debarred by World Bank is correct, however the stance of CAA that M/s CSCEC was not on negative list of PEC holds ground. It was debarred for World Bank Projects only which did not disqualify China State Company from getting a project of GoP or its Organizations.

Findings Specific to NCR

18. Possession of Left Over Embedded Areas in the Acquired Land

- a. **NCR.** Possession of left over embedded areas in the acquired land be taken over immediately by the Project Authorities, in coordination with and assistance from the civil administration.


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b. **CAA**

- (1) Possession of left over embedded areas has since been taken over. The Honorable Prime Minister of Pakistan, visited IIAP, site on 20th March, 2014, and issued directive for immediate eviction of squatters from the Premise.
- (2) An operation through District Authorities was conducted and all squatters consisting of 11 Families were evicted from the Project Site and all houses demolished.


c. **Opinion of the Committee**. Action Completed.19. **The Additional Requirement of Land for Future Development**

- a. **NCR**. The Additional requirement of land for future development indicated by the Project authorities as about 1500 Acres needs to be deliberately worked out alongwith its cost effect and its present status by CAA.

b. **CAA**

- (1) A total of Land 2.0 Acres have been acquired whereas Notification under Section under 4 of Land Acquisition Act 1894 have been done issued for 1721 Acres and notification is under process for another 26 Acres. The detail graph reflected in **Annex L**.
 - (a) Rain Water Harvesting Dams.
 - (b) 3rd Runway & Other Airport Facilities.
- (2) Further process of acquisition is on hold as a result of PAC directive as under:-
 - (a) The Public Accounts Committee questioned the addition of another runway, when two runways were yet to be completed and directed the Principal Accounting Officer (PAO) to put on


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hold the acquisition of land till the Committee's final decision on the issue.

- (b) The Committee directed the PAO not to construct the third runway for the time being. The Committee warned that those, who violated its directives, would stand responsible and will be taken to the task.

- c. **Opinion of the Committee.** The delay in acquisition will add to cost over runs. The issue needs resolution at the highest level.

20. **New Access Being Devolved by NHA Through Thalian Interchange Link**

- a. **NCR.** There is a need to ensure that the new access being developed by NHA through the Thalian Interchange link be available within time for smooth execution of construction activities.

- b. **CAA**

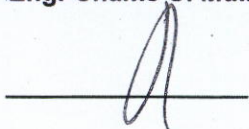
- (1) New Access developed by NHA through Thalian Interchange link is available since 16th Oct, 2014 for smooth execution of construction activities.
- (2) SOP for use of this access by CAA has been approved by Chairman NHA and approvals/extensions for use granted by Ministry of Communication.

- c. **Opinion of the Committee.** Action completed.

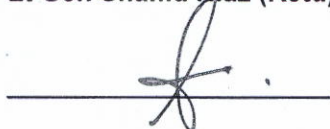
21. **Designing of Flexible Pavement Instead of Rigid Pavement**

- a. **NCR.** Factors that forced Design Consultant to opt for designing of flexible pavement for runways instead of rigid pavement, a report on this issue should also be furnished by the Design Consultants and PMC to know the exact position.

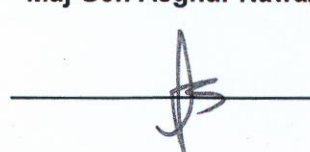
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b. CAA

- (1) Flexible Pavement for Runway and Taxiway was recommended in view of deep earth fill, which may result in settlement over period of time due to consolidation of compacted soil. Any settlement in flexible pavement can be easily repaired without interruption in the air traffic operations.
- (2) Before finalizing the Tender Document for Package -1 "Airside Infrastructure" the Design Consultant was very much concerned on height of fill as shown by the exchange of emails between Design Consultant and PM Consultant in Dec, 2007. The tenders were however issued in January 2008.

- c. Opinion of the Committee. The technical reasoning given for the adoption of flexible pavement for runways by CAA, based on the recommendation of the Design Consultants justify the decisions taken in that point in time by the technical experts / authorities of CAA.

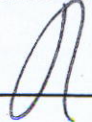
22. Conversion of the Parallel Taxiway / Emergency Runway into a Full Fledged Secondary Runway

- a. NCR. A detail technical appraisal and reasons for conversion of the Parallel taxiway / Emergency runway into a full fledged Secondary runway may be undertaken, with suggested measures for its optimum utilization.

b. CAA

- (1) CAA desired the Designer to examine the option to convert Parallel Taxiway / Emergency Runway into a Secondary Runway in line with that of JIAP Karachi and AllAP, Lahore, The idea was critically analysed by the Designer ADPI-NESPAK JV and raised certain issues, which were deliberated collectively in a follow up meeting on

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22nd Dec, 2010 under the Chairmanship of DGCAA and was attended by all Stakeholders like Director Operations, GM Vigilance, GM Aerodrome Standards, and the Designer M/s NESPAK.

(2) The following was decided:-

(a) The main Runway would be supported by secondary runway by declaring the full length parallel taxiway as the Secondary Runway.

(b) Asked the Designer to highlight the changes needed and its cost impact.

(3) Finally it was cleared by CAA on 12th March, 2011 with minor adjustment to design proposed.

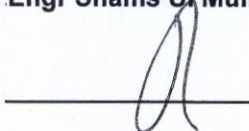
(4) The additional / variation work was undertaken through the same contractor who was already working on it.

c. **Opinion of the Committee.** This appears to be an administrative decision taken by the CAA after getting necessary inputs from the design consultants, though it is not in sync with the original feasibility / plan. No further action is suggested, but CAA must strive to utilize this Secondary Runway to its optimum level / usage.

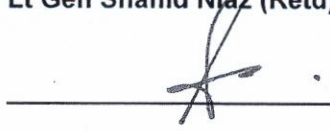
23. **Termination and Allowing Reconstitution of a New JV**

a. **NCR.** Termination and allowing reconstitution of a new JV (Lagan 60% TAPL 35% and Habib 5%) against all contractual norms by taking all the responsibilities of delays by the Project Management, has not only caused substantial delays but has also resulted in huge claims by the JV. Needs Investigation, Responsibility may be affixed in this case.

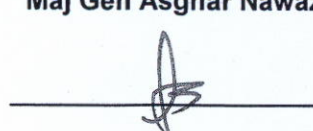
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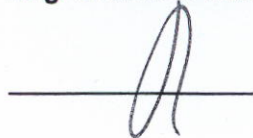


- b. **CAA.** No investigation was undertaken by Ministry of Defence:-
- (1) The original JV (M/s Lagan Construction Ltd – M/s Husnain Cotex Ltd/* (HCL) JV) was terminated due to slow progress achieved at site.
 - (2) Necessary notices were issued but of no avail. Finally, notice under Sub-Clause 46.1 (Rate of Progress) was issued by PMC on 2005 Oct, 2009.
 - (3) Final notice was followed up by PD IIAP and a case was initiated to invoke Termination Clause of the Contract. DG CAA however desired for a final meeting in the best interest of CAA and desired the contractor to come up with concrete proposal.
 - (4) The Meeting was held on 17th Dec, 2009 where among new timelines / milestones for completion of the outstanding work, reconstitution of JV provided by Director Lagan Construction was agreed for start with action state to ensure success of Package-1.
- c. **Opinion of the Committee.** The stance taken by CAA to the extent that the change of JV partner was allowed under the JV agreement and proper process was followed for its re-constitution is correct. However, if any claim on account of delays on part of the previous JV has been lodged the same may be contested by the CAA Project Authorities.

24. The Insertion of Sub-clause (e) Under the Heading "Certificate and Pavement" Clause 60.1

- a. **NCR.** The insertion of Sub Clause (e) under the heading Certificates and Payments Clause 60.1, in all ongoing contracts, has accrued the benefit to the contractors to lodge claims directly to the PMC. Needs investigation.

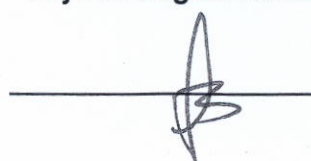
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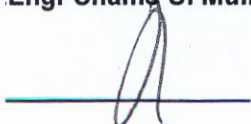
b. **CAA.** No investigation was undertaken by Ministry of Defence:-

- (1) The Clause 60.1 (e) could have been deleted from the Standard FIDIC documents, which is read as under "any other sum to which contractor may be entitled under the Contract".
- (2) It was however not done and PMC made payments of "other sums" through Interim Payment Certificate (IPC) as it appeared to be intended to include Claims and thus raised the question whether the monthly IPC would be a sufficient notice to satisfy Clause 53.1 (Notice of Claims).
- (3) This Provision was however, corrected later in two packages contracted after it had been pointed out in the Committee Report.
- (4) It was suggested "To address the issue of future claims, after due process of verification/authentication with detailed evaluation of causes and effects submitted by the PMC (Engineer) and accepted by the client may be provisionally paid according to contractual obligations".
- (5) **State of Claims**


Work Package	Amount Claimed	Amount Paid	Amount Subjudice	Balance Claim	Finally Settled
Pkg-01 Airside Infrastructure	10,441	4,084	(701)	6,357	Nil
Pkg-06 Hydrant Refueling System	477	-	-	477	Nil
Pkg-8A Landside Roads & Bridges	2,250	-	-	2,250	Nil
Total	13,168	4,084	(701)	9,084	Nil

c. **Opinion of the Committee.** In view of the amount involved on account of contractors Claims, all out efforts are required by CAA to seek for amicable

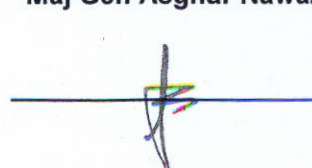
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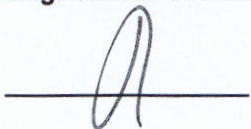


settlement first and also to follow the dispute resolution mechanism provided in the contracts. The CAA has conceded that having Clause 60.1(e) operative led to initiation of claims by the contractors and PMC continued recommending such payments to the Client through the normal Interim Payment Certificate (IPC) which the Client (CAA) was bound to pay in a specified period of time as per the terms of the contracts. It was basically due to **inappropriate formulation of the contract documents being responsibility of the Director P&D CAA who concluded these contracts**. It should have been visualized that this **provision shall lead to contractual and financial complications** for the Client. The Contractors who initiated Claims based on this provision cannot be blamed as it was a lapse purely on part of the Client (CAA).

25. **The Excess Space Created on the Completion of PTB**

- a. **NCR.** The excess space created on the completion of PTB, will most likely remain underutilized, though it has caused major design changes, delay in execution and enormous cost increase. Needs Investigation.
- b. **CAA**
 - (1) The **excess area of about 21000 Sq.m** is due to extension of piers, became available as eventual space that was created, out of Systematic Planning of Spaces Public – Main Circulations, Services, Mechanical & Electrical Rooms and also for Aesthetic approach for the overall Interior Layout.
 - (2) Such spaces will be utilized by end-users as storages, room / space extension if needed and Revenue gaining spaces.
- c. **Opinion of the Committee.** The CAA authorities have drawn up a plan to suitably utilize some of the excess area for “Revenue gaining spaces.”

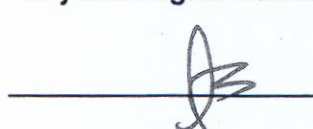
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This may require authentication through a technical study and development of a financial model.

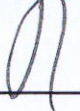
26. **Hydrant Refueling System**

- a. **NCR.** The "Hydrant Refuelling System" contract awarded to M/s Al-Tariq (Pvt) Ltd. In Feb, 2010, where in major item of work, laying of pipes involved 60% of the entire cost. The import / supply of the pipes were taken up by CAA, which caused a delay of six months in import and paved grounds for the contractor to raise idle claims. Needs Investigation.
- b. **CAA**
- (1) No direct procurement of pipe was done by CAA. In a Pre-Bid Meeting the intending bidders raised the requirement for opening of LC related to PIPE directly by CAA and was supported by PMC which was even otherwise in practice in CAA.
- (2) Supply and installation of Seamless Steel pipe 350mm and 150mm dia complete in all respect was catered in Bills of Quantities duly priced by the Contractor.
- c. **Opinion of the Committee.** The contention of CAA is accepted. No payment on account of delay in procurement of pipes be paid. It should be contested if already paid to the contractor.

27. **Restructuring and Strengthening of the Works Directorate**

- a. **NCR.** MoD may consider the restructuring and strengthening of the present Works Directorate, Technical Directorate (E/M Works) and the Planning & Design Directorate under a separate entity with in the CAA for better technical control and bringing in efficiency in its performance.


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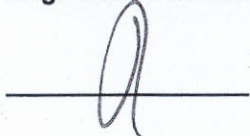
- b. **CAA.** No restructuring was done at Ministry level, however, for sake of better control and efficiency in performance, the organizational Skelton is reviewed as on required basis from time to time.
- c. **Opinion of the Committee.** The action is incomplete. The aspect requires due diligence especially with respect to questionable competence of P&D Directorate as evidenced in NCR and FIA-R.

Progress on Way Forward Proposed by NCR

28. Revision of PC-I

- a. **NCR Suggestion.** A thorough assessment / review of the components of the PC-1 be under taken by the CAA in coordination with PMC to establish the rationalized cost of the project while ensuring adherence to following parameters, before its final approval:-
- (1) The revision should only cater for left over items in the original PC-1, and especially those items which are of inescapable nature for the functioning of the airport.
 - (2) The PC-I should cater for normal allowable cost escalations and balance of work in the under execution contracts and the cost of these contracts be capped.
 - (3) No lump sum provisions be made Exact estimation for all items be indicated.
 - (4) To cover the cost of claims already paid and future claims, a lump sum provision has been made in the revised PC-I. The following course of action may be adopted:-
 - (a) Provision for covering the cost of claims already paid and finally settled / certified by the PMC & PMU be made only in the PC-I.

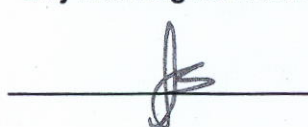
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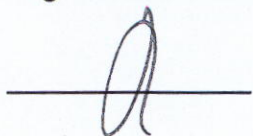
- (b) No provision be made in the revised PC-I for future claims, as it would be an indication to the contractors to lodge claims, besides as per prevailing practice such provisions are not allowed in the PC-I.
- (c) To address the issue of future claims, after due process of verification / authentication with detailed evaluation of causes and effects submitted by the PMC (Engineer) and accepted by the client may be provisionally paid according to contractual obligations. If required, a revision of the PC-I be undertaken, for the final cost of contracts.

- b. **Action by CAA.** Revised PC-1 prepared strictly in accordance with the recommendations of Niaz Committee Report has since been approved by CAA Board in April 2014 for Rs. 81 Bn. A copy of the same is made available to Apex Committee. (Annex I)
- c. **Opinion of Committee.** Action completed. The cost of various components approved in the Revised PC-I needs strict financial monitoring.

29. **Strengthening of PMU**

- a. **NCR Suggestion.** PMU needs to be strengthened, besides delegation of appropriate authority to the PD for facilitating site decisions
- b. **Action by CAA**
 - (1) Competent senior level staff posted in with one odd exception. Detailed report submitted already to the Review Committee, (Folder 3).
 - (2) The Project Director (PD) was vested with Administrative and Financial Powers by DGCAA in Nov, 2009 which was encroached by

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a number of directives / instructions. It has however been restored in Nov, 2014. The present incumbment is now exercising Administrative and Financial powers as those delegated in 2009 for the effective handling and timely completion of the project.

c. **Opinion of Committee.** Action completed.

30. **Requirement of Funds / Cash Flow**

a. **NCR Suggestion.** Requirement of funds / cash flows for balance of works be assessed by the PMC, and a financial plan developed for the project authorities to ensure such provisions. CAA should establish a robust budget line with appropriate contingency planning.

b. **Action by CAA**

(1) Required Cash Flow is being maintained by respective quarters and cash flow requirement as under has been communicated to HQCAA which will be arranged.

<u>Financial Year</u>	<u>Cash Flow</u>
2015 – 16	Rs. 20,004 (M)
2016 – 17	Rs. 16,037 (M)
Total:	Rs. 36,041 (M)
(2) Expdr upto June, 15	<u>Rs. 45,129 (M)</u>

c. **Opinion of Committee.** Reasonable degree of progress achieved.

31. **Additional Staff for PMC M/s LBG**

a. **NCR Suggestion.** PMC, Design Consultants and PMU have to immediately address the issue of deploying required technical staff on site for supervision and physical vetting of work. Alongwith this the mandatory requirement of Field Design Support Services. (FDSS) be ensured by the Design Consultants for achieving the completion targets.

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b. **Action by CAA**

- (1) The new PMC M/s Matt McDonald have deployed sufficient staff for supervision and physical vetting of work. List of such staff is furnished against point (ii) ante.
- (2) The deficiency of staff of PMU have also been made good and list furnished separately to the Committee
- (3) For FDSS, Contract of CPG has been extended upto 31.12.2015. Also ADPI – NESPAK services are under process for hiring through extension.

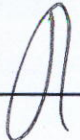
c. **Opinion of Committee.** Action completed.32. **Action Against Defaulting Consultant / Contractors**

- a. **NCR Suggestion.** The CAA may take immediate action against the defaulting consultants / contractors while remaining within the contractual provisions, after due consultation with the legal and financial experts. Where required EOT (extension of time) be granted in the contracts for regularization of payments being made, while keeping the Client's interest in view.


b. **Action by CAA**

- (1) The Project Management Consultants M/s LBG have been replaced.
- (2) Action all as admissible, against Contractors executing following Packages was taken:-
 - (a) **Package-06 (M/s Al-Tariq).** An amount of Rs. 59.36 (M) is with held on account of PAC Directive which will be reviewed after grant of Extension of Time at the time of Final Payment.
 - (b) **Package-8B (M/s Seimence).** The contract was terminated in Sept, 2013. The termination Letter was however withdrawn in

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Mar, 2014 on intervention of the Court of Law. A Meeting chaired by Dy DG CAA was held with contractor and the contract was revived on the mutually agreed conditions.

- (c) **Package-8C-I (Beixin-Gammon JV).** The Contract was terminated in Sept, and after litigation of over one year, the Contractor asked for out of Court Settlement in Sept, 2014. A meeting under the Chairmanship of Secretary Aviation was held on 16th Sept, 2014 and the contract was revived w.e.f. 2nd Dec, 2014 on the terms and conditions agreed mutually.

- c. **Opinion of Committee.** Reasonable progress achieved.

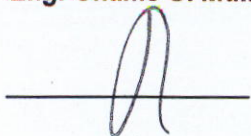
33. **Contractor's Claims**

- a. **NCR Suggestion.** The issue of contractor's claims is a sensitive issue, which needs careful handling. The amount of over Rs. 3.5 Billion paid "On Account" to the JV (Lagan – Tech- Habib), against claims has been made on recommendations of PMC (Engineer), based on provisional supporting record. PMC must be instructed to provide complete authenticated / verified record of these claims as per contractual obligations, before recommending fresh claims of the JV, Future claims of other contractors must also be dealt with, in a similar manner.

b. **Action by CAA**

- (1) A detailed presentation duly vetted by our Legal Consultants M/s AJURIS (Mr. Babar Sattar) was made to the Committee regarding updated disputes / claims a copy of the same is enclosed for ready reference.

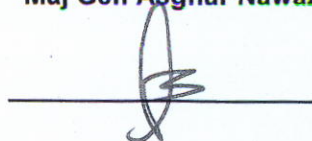
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- (2) It is to apprise further that the presentation on disputes / claims and way forward (arbitration and / or amicable settlement) has been made to CAA Board by Mr. Babar Sattar on 12th August, 2015.

c. **Opinion of Committee.** Reasonable progress achieved.

34. **Development of Fuel Farm**

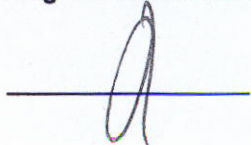
a. **NCR Suggestion.** The development and function of the Fuel Farm may be accorded priority. CAA needs to pursue this aspect on a priority basis.

b. **Action by CAA.** The work of development of the Fuel Farm have since been awarded to M/s PSO-APL JV and present status is as under:-

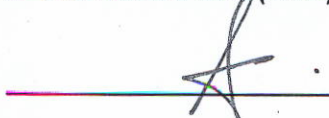
- (1) Concession and License Agreement signed between DG CAA and M/s PSO – APL JV.
- (2) 12 acres of land handed over to M/s PSO – APL JV for establishment of fuel farm facility
- (3) Site visit undertaken by M/s PSO-APL JV alongwith their newly hired design consultant M/s Petrochemical, on 14th July, 2015.
- (4) Design Consultant hired by JV mobilized on site and has undertaken topographic survey on 23rd July, 2015.
- (5) Project Director Site Manager of M/s PSO-APL JV also mobilized to site and established their site office on 4th Aug, 2015.
- (6) As of now M/s PSO – APL JV is evaluating applications received at their end from the Firms / Contractors for prequalification.

c. **Opinion of Committee.** Reasonable progress achieved. However the execution has to be expedited to ensure timely completion.

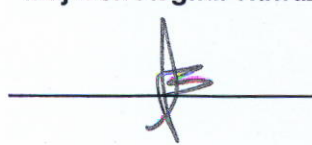
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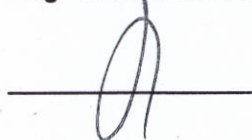
35. Progress of Peripheral Roads

- a. **NCR Suggestion.** CAA should follow up with M/O Communication, NHA, CDA, IESCO and Planning Commission for expediting the progress of peripheral Road network and Electric supply connection to NBBIAP.
- b. **Action by CAA.** Aviation Division and CAA HQ are in close liaison with all concerned departments, the progress on peripheral works is given hereunder:-
 - (1) **Peripheral Road Network.** Revised Tender Notice for Thaliana Link floated by NHA for Peripheral Road in the National Print Media on 29th Nov, 2014 but the work not yet awarded.
 - (2) Access Controlled Including Flyover ,Toll Plazas and Services Roads, the notice for invitation of bids published on 20th Feb, 2015 for a length of road about 13.5 KM but the Work not yet awarded.
 - (3) **Electric Supply Connection.** Planned a 132 KV Grid Station with a total cost of Rs. 665.2 (M) (50% borne by CAA and 50% funded by PSDP) which was to be commissioned on 04th August, has been made functional on 8th August.
- c. **Opinion of Committee.** Reasonable progress achieved however NHA need to expedite its parts of construction.

36. Concessionaire – Link Road

- a. **NCR Suggestion** In the context of construction of link road to NBBIAP, CAA has to provide assurance to NHA for timely operation of the airport failing which the Concessionaire (FWO) is to be compensated by NHA on the basis of projected revenue in case of delay in operation of the project.

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b. **Action by CAA**

- (1) The Construction of Link Road is under process by NHA and the work has not been awarded as yet. The detail report is depicted against point No (xi).
- (2) Apparently the IIAP will also be operational by the time these Access Roads are completed by NHA

c. **Opinion of Committee.** The point / observation is no more applicable as the link road to Airport is now being implemented as GoP funded Project and not on BOT basis.

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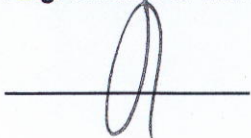


KEY FINDINGS

37. Progress on Implementation of Decisions of Honourable Supreme Court

- a. Contract of Air Marshal Khalid Chas DG CAA was terminated and officiating / acting charge handed over to AVM Khawar Hussain Dy DG CAA on 25 Sep 13.
- b. Air Marshal (Retd) Muhammad Yousaf was appointed as New DG CAA on 31 Oct 13 in compliance of CAA Recruitment Rules and PCAA Ordinance 1982.
- c. FIA's Enquiry based on tentative assessment made in Shahid Niaz Committee Report has been completed and under process at Mol for proceeding further on lodging of FIR and investigation of criminal preceding.
- d. Necessary measures have been taken by Govt to expedite the progress. A High Lvl Steering Committee headed by Additional Secretary Aviation with members from Ministry of P&D, NHA, Pak PWD, OFA and Dy DG CAA is in place.
- e. The Project has attained 84.50% physical progress and 58.0% financial progress as of 15 September 2015.
- f. Issues with contractors and consultants have been managed significantly.
- g. Contract of M/s LBG Project Management Consultant was not extended and it left the Project at its own on 16 Oct 2014 and new Project Management Consultant M/s Mott McDonald has been hired after due diligence / completion of codal formalities on 12 May 2015.
- h. Completion date as given by Prime Minister of Pakistan as 25 Mar 2015 has already lapsed. Revised completion date as envisaged by CAA is end of 2016.

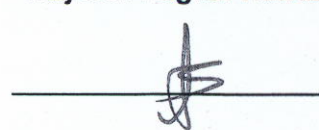
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- i. As per direction of Supreme Court, the over payment of Rs 1556.76 to M/s LHT JV was deposited. It was however later readjusted against liabilities of Contractor, after approval of Competent Authority and fulfillment of all contractual / legal formalities.

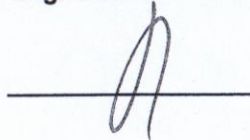
38. **Revision of PC I.** The revised cost of PC I is Rs. 81.170 million as against original cost of Rs.36.865 billion.

a. **Analysis of Increase**

Serial	Description	Enhancement (PkbN)		Net increase/ Decrease	
		Original Scope	Additional Scope	Cost	%age
(1)	Site Preparatory Works	1081	902	-179	-0.40%
(2)	Airside	10375	21381	11006	24.84%
(3)	PTB	14760	34295	19535	44.09%
(4)	Landside	5000	13636	8636	19.49%
(5)	Consultancy Services	1174	2730	1556	3.51%
(6)	Other Companies	503	3252	2749	6.20%
(7)	Project Management Unit	-	537	537	1.21%
(8)	Utilities	-	675	675	1.52%
(9)	Vehicles	-	78	78	0.18%
(10)	Land Cost	2000	923	-1077	-2.43%
(11)	Physical Contingency	972	711	-261	-0.59%
(12)	Price Contingency	1000	2050	1050	2.37%

- b. Cost decreased only in Package Zero from Rs.1081/- billion to Rs.902/- billion (completion cost) and physical contingency.
- c. Cost Over Run is attributable to following facts:
- (1) Fourteen out of seventeen packages were not at all costed in Original PC I.

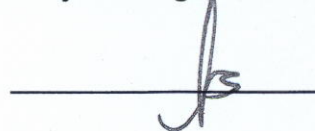
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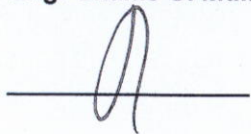


- (2) A major lapse is apparent when it is seen that in Passenger Terminal Building the Piling / foundation activity was missed out whereas the building was included in original PC I (less foundation).
- (3) Exponential increase of Rs 19,535/- Billion (44% increase) in Passenger Terminal Building and Rs 11,006/- Billion (24.84% increase) in Airside infrastructure mainly the Runway Construction.
- (4) PMC Consultant cost increased by Rs 816/- Million inspite of the established poor performance of the Consultant.
- (5) Contingencies / other expenditures record increase of Rs 3751/- Billion (8.74% increase) owing to time over run.

39. **Role of CAA Board and Senior Executives of CAA.** The FIA Inquiry Report questioned the role of CAA Board & DG CAA in overseeing the planning and execution of the Project. The role of Administrative Executives of an Organization and the Board needs to be seen in the holistic perspective as under:-

- a. All the DG CAA were either from Airforce or from the Organisation with no technical qualification, experience and knowledge about Project Management especially a mega engineering Project of the nature. Their reliance was thus on technical advice of P&D Directorate. The judgmental error based on the filtered input needs due consideration.
- b. Similarly, CAA Board though having a wide representation of experts didn't have the technical backup / insight to steer the Project in correct direction. It did play its part by regularly monitoring the progress and initiating the Inquiry through Shahid Niaz Committee in 2013. The decisions of CAA Board were also based on the recommendation of P&D Directorate.
- c. FIA Inquiry Team has also admitted the technical limitations of the CAA Board and while narrating the findings of Package Zero it states that "Their

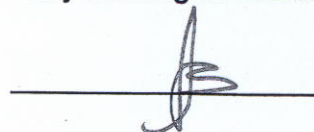
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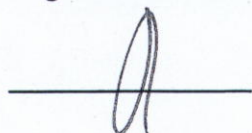
(P&D Directorate) assertions that CAA Board approved the Zero Package has no grounds as the CAA Board is not a Technical Forum to understand the engineering complexities and moreover we don't see any dissenting note put up by these officers had they opposed the decision of the CAA Board".

- d. Decision making is an arduous task. The tiered system of decision making with an apex board has a lot of merits especially the consultative mechanism it offers viz a viz diverse composition of the board itself. Wrong decisions after due diligence cannot be ruled out and in the instant case the building block of decision was contingent to the technical input from the experts i.e. P&D Directorate, PDs and consultants / designers.
- e. The CAA, MoD and CAA Board cannot however, be absolved of the responsibility that it didn't sustain the pressure of political expediency and aligned itself to setting up of an ambitious target of construction time, while overlooking the fact that CAA was undertaking the Greenfield Airport Project for the first time.

40. Resolution of Issues with Contractors & Consultants

- a. Mindful of the Contract intricacies, the Honourable Supreme Court in its Judgment asked that "Subject to the contractual agreements the consultants, designers and all other contractors to whom contracts have been awarded shall continue to complete the work". The FIA in its Inquiry Report has hinted at proceeding against the consultants, designers and contractors by lodging FIR and pursuing investigation. This needs to be objectively seen in the context of Supreme Court's decision/ guidance and the Opinion of Review Committee against findings of FIA-R and NCR.

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- b. The fall out of blanket FIR with disregard to legal aspects of contract(s) and in the absence of substantive evidence may impact the ongoing progress of Project work and may delay the completion of IIAPP. Prudence and focused approach is considered as a viable option.
- c. CAA and PD Office has made significant progress in cancellation of contracts and settlement of claims.

41. **Role of PMC M/s LBG.** The PMC failed to deliver as per its contractual obligations. The most blatant professional blunder it committed was the wrong preparation of PC-I, overlooking critical components of scope of work defined in Master Plan. This fact alone is suffice to comment upon PMC's questionable competency to manage the IIAPP. It is quite possible that to cover up the given lapse PMC played its part in splitting of Project into 17 packages which complimented predicament of cost and time over run, besides complexities by default.

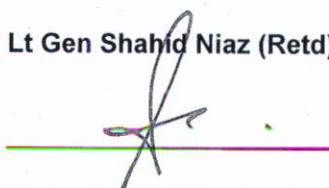
42. **Acquisition of Land.** The net futuristic requirement for acquisition of land has been finally established by CAA, commensurate to the Master Plan of IIAPP. The PAC Directive restraining CAA from further acquisition of 1721 acres, though in good spirit, will have financial ramifications with respect to cost escalation vis a vis acquisition now versus future (after construction / operationalization of IIAPP), more so also in the light of past experience of acquisition. This issue needs a realistic appraisal.

43. **Institutional Capacity of CAA for Execution of Mega Airport Project.** All the existing Airports of Pakistan were constructed by Airport Development Authority (ADA). However, after restructuring in 1992, the P&D Directorate of CAA was created in same year. The P&D Directorate had the experience of "Expansion of Existing Airports" i.e AllAP Lahore (over Rs 10 Billion from 1996 to 2003) and JIAP Karachi (over Rs 4 billion from 1990-1992) but it was never involved in planning and construction of a Greenfield Airport, besides the P&D Directorate at that point in time

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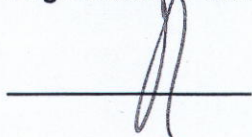
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was not fully geared up, or had the compatible expertise and also lacked competent technical leadership. The Committee hence finds that IIAPP was an "Institutional Failure" with respect to the capacity of CAA to handle the mega Project of such nature. The major facts supporting this argument are :-

- a. CAA was a client as well as user of the Airport.
- b. Administrative Executives lacked technical prowess and vision of project planning / execution.
- c. The P&D Directorate is neither configured nor equipped for mega projects with pronounced civil engineering outlook. From 2003 to 2015 it had seven Directors out of which only two were MS Civil, two were non engineers (MBA, MA Stat) and three had non civil engineering degrees (BE Avionics, MS Elect, MS Mech). It bears testimony to its curtailed technical orientation.
- d. IIAPP had sixteen PDs from 2003 till todate, unprecedented in a Project history with attendant consequences. (A violation of procedures / instructions of the Planning Commission for PD's)
- e. Financial Authority fully vested in CAA HQ and not delegated to PDs which had its effects on contract operations.
- f. The Project was executed at Islamabad while CAA including P&D Directorate was at Karachi. No efforts were made to bridge the geographic stretch by prepositioning of field office (s) at Islamabad, from the outset to exercise control. Resultantly, an imbalance was set in while P&D Directorate remained the focal point, all along and all consultants / contractors also realigned their focus to Karachi.
- g. Posting of Mr. Vikram Sodha as a PD after being Director P&D Directorate needs to be viewed in the context of "conflict of interest".

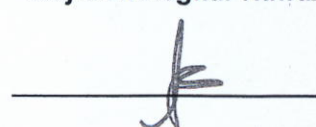
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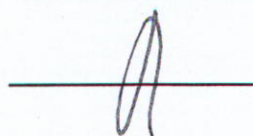
- h. Permitting NESPAK as co-partner with M/S PMC is another example of "Conflict of interest".

44. **Progress of Work and Peripheral Facilities**

a. **Comparison of Progress**

Sr#	Packages	Name of Packages	Progress as of Jan 2013	Progress as of August, 2015
(1)	Package – 0	Site Preparatory Works	100%	Completed
(2)	Package – 1	Airside Infrastructure Civil Works	87.90%	Completed
(3)	Package – 7A	Airfield Lighting System / Vault Station	70.57%	95.46%
(4)	Package – 6	Hydrant Refueling System	94.56%	Subs. Complete
(5)	Package – 7B	NAVAIDS & ATC Equipment	Not Awarded	65.20%
(6)	Package – 8C1	ATC Complex & FCR Building	23.65%	83.00%
(7)	Package – 2	Piling/Foundation Work for PTB	100%	Completed
(8)	Package – 3A	Construction of PILE CAPS for PTB	100%	Completed
(9)	Package – 3	Passenger Terminal Building	8.16%	86.50%
(10)	Package – 4	Special System – Baggage Handling System	Not Awarded	Installation Commences in Nov, 2015
(11)	Package – 5	Signage, Counters, & Furniture	Not Awarded	Not Awarded
(12)	Package – 9	Aircraft Stand Equipment	Not Awarded	Letter of acceptance issued on 17 th Aug, 2015
(13)	Package – 8A	Land side Road Bridges Civil Works	48.55%	97.80%
(14)	Package – 8B	Power Supply and Telecommunication	14.75%	81.70%
(15)	Package –	Land Scaping Works	34.78%	Completed

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	8C2			
(16)	Package – 10	Cargo Complex	Not Awarded	Completed

b. **Major Conclusions**

- (1) An appreciable enhancement in progress of various packages has been achieved during the last 20 months. Airside Infrastructure Civil Works 01 and Passenger Terminal Building 03 being major works have an updated progress of 100% and 86.50% respectively, while overall progress of project stands at 84.50% as of 15th September.
- (2) Package-4. Special System – Baggage Handling System and Package-9, Aircraft Stand Equipment, recently awarded works will requires strict monitoring to confirm delivery/ installation in the scheduled time lines.
- (3) Package-5 Signage, Counters, & Furniture which is yet to be awarded require user specifications and need to be finalized at priority for timely implementation.


(4) **Development of Water Source and Supply**

- (a) As confirmed by the Project Authorities the requirement of NIIAP on commissioning in the 1st five years will be up to 02 MGD, which will increase to 04 MGD in next 6-15 years, with another increase in demand to 06 MGD in 16-20 years period and with ultimate figure of 7.5 MGD in next 20 to 50 years.
- (b) The planned Rain Harvesting RAMMA DAM, with capacity of 4893 Acre Feet, is under award and expected to be completed in 11 months. Future requirements are envisaged to be met through construction of KASANA DAM with capacity of 7829

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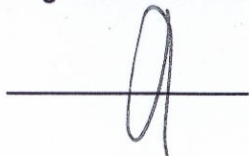




Acre Feet, for which feasibility study has been completed, it will have the potential to supply 5.3 MGD. Both these dams are approved projects and are to be funded through PSDP, and are expected to supply 8.6 MGD to meet the requirement of next 50 years MGD as confirmed by CAA Authorities. Current requirement of water for construction is being met through water Bowsers. Three smaller dams have already been constructed with in premises of the NIIAP to cater for horticultural needs.

- (c) The time line of one year for completion of Ramma Dam will also have an impact on the commissioning of the Airport, as water dependent systems will have to be extensively tested before commissioning for which timely completion is a pre requisite.
- (5) The overall pace of work has enhanced up during the last couple of months, however, the Project Directorate needs to be fully supported and helped through all means to complete the project as per revised schedule of work.
- (6) **132 KV Grid Station and Transmission Line at NIIAP**
 - (a) Work for laying of the transmission line and construction of the 132kV Grid Station has been completed and the grid station has been energized, which is currently under testing & commissioning.
 - (b) There are 16 x outgoing feeders from 132kV Grid Station for power distribution to different areas of the Airport. Out of 16 x feeders, 14 have been laid and terminated in Grid Station for

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connection. The work for the remaining 2 x feeders is likely to be completed by the end of 2015. Energizing of Airport feeders will be undertaken, as on required basis in phases and all these feeders are expected to be in operation by October 2016. The distribution feeders from the grid to various packages will be completed and tested in a phased program.

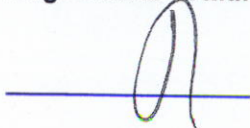
(c) This activity will require a close follow up as it will profoundly impact on commission of Airport.

(7) **Link Road to the Airport.** The work is being handled by NHA. This activity is very closely linked to its completion on time and in sync with the operationalization of the Airport. Hence NHA will have to ensure its completion by 31 December 2016 at all cost.

45. **Role of P&D Directorate.** The Committee having analysed the FIA-R Inquiry Report, Niaz Committee Report, Supreme Court Case Proceedings, Interview of selected CAA Post Officials, selected contractors, documentary evidences on record and exhaustive discourse amongst Committee itself is of the view that the Project of NIIA suffered cost and time over run because of following major reasons:-

- a. Political expediency by incumbent Govt of the time at the inception of Project induced an inflated urgency at the tiers of controlling Ministry (MoD), CAA and its P&D Directorate which resulted into faulty decisions, ambitious targets and professional lapses. The resultant effects during life cycle of Project was confused mismanagement and inordinate delays beyond the control of client, consultants and contractors.
- b. Role of P&D Directorate of CAA being Technical Pivot and advisory body of CAA Board and CAA Management was a failure at the most crucial

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phase of Project at its start thus laying down a fragile foundation at the outset. The most critical lapses attributed to P&D Directorate are:-

- (1) Absolute Failure in Technical Scrutiny for selection of Project Management Consultant being the most important consultant of the Project and an equal failure in monitoring of its performance / discharge of contractual obligation.
- (2) Undertook Following Wrong Decisions which had a profound impact on the Project:-
 - (a) Splitting of Project into 17 Packages.
 - (b) Conversion of Parallel Taxiway / Emergency Runway into Second Runway.
 - (c) Exponential increase in scope of PTB.
- (3) Failure to scrutinize the Original PC I of the PC 1 with respect to its alignment with Master Plan / Feasibility Report and non inclusion of essential components.

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RECOMMENDATIONS


46. **General.** IIAPP has remained a center piece of attention at National level for multiple controversies based on different perceptions and inquiries. The Project has been thoroughly seen from different prisms by different Committee's FIA and legal experts. It is a considered opinion of the Committee that this Chapter must come to an end in the best interest of the State to move forward while ensuring accountability of malafide intents and professional negligence, where found, in most focused manner. The Review Committee in its Recommendations has therefore endeavoured to be objective and realistic while deriving strength from the Judgement of Honourable Supreme Court of Pakistan.

47. **Apportioning of Blame / Accountability**

a. Aviation Division must initiate Departmental Inquiry / Departmental action against officials of P&D Directorate, CAA for lapses on account of following:-

- (1) Faulty Process of evaluation and Scrutiny for selection of M/s LBG as PMC (Project Management Consultants).
- (2) Acceptance / Processing of original PC-I (which had a lot of inadequacies) for approval, without due diligence and technical scrutiny.
- (3) Inappropriate formulation of Contract documents by having Sub Clause (e) under heading Certificates and Payments Clause 60.1 operative in all Contracts, thus losing control with respect to permissible additional claims by Contractors.
- (4) Allowing the IIAP project to continue with inherent inadequacies of the PC-1, No effort appears to have been taken for its rectification

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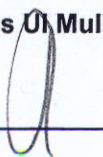
Maj Gen Asghar Nawaz




leading to grave consequences while the PC-1 itself was revised much later.

- b. Based on the technical opinion and findings as given in this report on various issues pertaining to Project Management of Site, Aviation Division should initiate action against concerned Project Directors of the given time period for inaction and inefficiency on their respective part.
- c. Aviation Division should also seek support of FIA to pursue investigation where deemed mandatory.
- d. M/s PMC needs to be penalized for its sub-standard performance and failure to deliver as per its contractual obligations. Institution of a legal proceedings against the Consultant should be considered by CAA after seeking legal opinion.
- e. The role of CAA Board was critically examined by the Committee with respect to the different technical / financial decisions under taken during the life cycle of the Project at different occasions. The Committee noted that CAA Board made decisions based on the technical input and advice coming through an institutional mechanism hence they bear no personal responsibility on account of following:-
 - (1) Splitting of the project into 17 Packages on the advice of P&D Directorate which finally led to cost / time over run.
 - (2) Decision for conversion of Parallel Taxiway / Emergency Runway into Secondary Runway.
 - (3) Decision to allow exponential increase in the Passenger Terminal Building (PTB) as per futuristic requirement without any technical evaluation / study conducted by CAA.
 - (4) Decision for selection of Design Consultant M/s CPG.

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- (5) Despite dismal performance of M/s LBG, non-initiation of action against the Consultant by CAA authorities.

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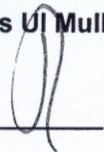


WAY FORWARD

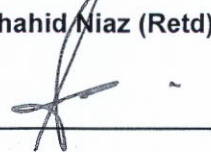
48. **Completion of IIAPP.** The realistic time line for completion of the project is contingent upon a number of factors, the Committee Recommends following:-

- a. To ensure completion of the project in the envisaged / revised Time Line (31st December 2016), an average progress of over 1.0% will have to be achieved every month in the remaining period, as the overall physical progress reported as of 15 September 2015 stands at 84.5%. Strict monitoring is therefore required on monthly basis through the Steering Committee and overseen by the CAA for ensuring completion of all under execution packages including rain harvesting dams, as per the scheduled time frame of the Contracts.
- b. The aspect of testing and commissioning of all Civil / Electro Mechanical (max upto six months) must be taken into account by CAA to give a final and realistic target date of Operationalization of IIAPP to the Government. As per Committee's assessment the final opening of the Airport cannot be before 31st March 2017.
- c. Contractual disputes and issue of Claims with Contractors / foreign Design Consultants be resolved preferably through amicable settlement. Cases requiring legal re-course should be identified after proper legal advice and accordingly pursued. Supreme Court Order Para 61 Sub Para VII & IX dated 25 September 2013 must however be kept in consideration.
- d. The performance of newly inducted Project Management Consultants (M/s Mot McDonald) must be reviewed from time to time by CAA Authorities / Steering Committee to ensure delivery of commensurate services for supervision of ongoing works.

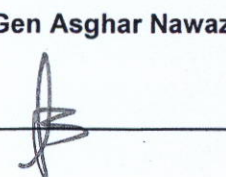
Engr Shams Ul Mulk



Lt Gen Shahid Niaz (Retd)



Maj Gen Asghar Nawaz




- e. PD outfit must be suitably strengthened. Enabling environment has to be provided by CAA through required cash flows and all necessary support. The pending Package(s) must be contracted on priority and awarded to contractors who have proven capability to deliver.
- f. The provision of water supply must be ensured within the planned time lines through strict monitoring. As a permanent and long term solution the requirement must be coordinated with CDA as part of the Agency's future plans.
- g. The ongoing work of Electricity Distribution Feeders from the Grid to various section of the Airport must be followed up with due diligence.
- h. The Road Link to the Airport being taken up by NHA must be coordinated by the Aviation Division with Ministry of Communication and NHA for its timely completion.
- i. Keeping in view the time line now established any shortfall identified by Steering Committee must be proactively reported and rectified for timely completion of the Project.


49. **Structural Reforms**

- a. Government must seriously consider re-establishment of a smart Airport Development Authority under Aviation Division and restrict the role of P&D Directorate of CAA for maintenance and works only.
- b. CAA, for the interim period, must restructure its P&D Directorate by defining / laying down the job description for its Key Staff members and job specification for its key staff members so as to ensure appointment and retention of such staff which has the requisite academic qualification and professional experience. This should be the criterion for reviewing the capacity of the current Consultants working on the job. It must induct

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- experts in Engineering Design, Construction Management, Quality Control, Contract Managers, Aviation Engineers and other relevant field.
- c. CAA Board must have co-opted technical members (experts in various fields) to help and render advice when dealing with technical matters / projects of such nature.
 - d. The CAA Board also needs to carryout reappraisal of its monitoring mechanism. The Board must adopt stringent measures to oversee and ensure timely completion of various activities for in time Operationalization of the Airport.

SIGNATURES OF SPECIAL REVIEW COMMITTEE

President:

(Engr Shams UI Mulk, Ex Chairman WAPDA)

Member (1):

(Lt Gen (Retd) Shahid Niaz, Ex Engineer-in-Chief)

Member (2):

(Maj Gen Asghar Nawaz, Chairman NDMA)

Engr Shams UI Mulk

Lt Gen Shahid Niaz (Retd)

Maj Gen Asghar Nawaz

CONFIDENTIAL

REFERENCES DOCUMENTS


1. Annexes of Shams UI Mulk Special Review Committee Report

- a. **Annex A** - Government of Pakistan, Cabinet Secretariat (Aviation Division) Note 3-2/2005-P&D dated 14 April 2015.
- b. **Annex B** - Composition of CAA Board Since Inception of Project.
- c. **Annex C** - List of DGs of CAA (2004 till to date).
- d. **Annex D** - List of Directors P&D Directorate of CAA.
- e. **Annex – E** - List of PDs of IIAPP.
- f. **Annex F** - Chronology of Events – Development of IIAPP.
- g. **Annex G** - Chronology of Award of Contracts (Package Wise).
- h. **Annex H** - Correlation of Project Executives, Contractor & Planning / Progress of Packages.
- i. **Annex I** - Comparison of Original and Revised PC-1.
- j. **Annex J** - Latest Progress Chart.
- k. **Annex K** - Acquisition Progress of Land.

2. Folders of Shams UI Mulk Special Review Committee Report

- a. **Folder 1** - Presentation of CAA HQ Legal Branch on Implementation of the Supreme Court Judgement.
- b. **Folder 2** - Presentation to Review Committee by Director Administration.
- c. **Folder 3** - CAA Response on FIA Presentation and Investigation Report
- d. **Folder 4** - CAA Response to Niaz Committee's General Recommendations.
- e. **Folder 5** - CAA Response to Niaz Committee's Proposed Way Forward.
- f. **Folder 6** - Presentation of PD on Progress Update of NIIA
- g. **Folder 7** - Statements of Ex Officials and Selected Contractors of IIAP.
- h. **Folder 8** - Minutes of CAA Board Meetings Discussed / Approved For IIAPP.


Engr Shams UI Mulk



Lt Gen Shahid Niaz (Retd)



Maj Gen Asghar Nawaz



3. Other Documents For Reference

- a. Shahid Niaz Committee Report (SRC).
- b. Federal Investigation Agency (FIA) Report.
- c. Judgement of Honourable Supreme Court of Pakistan.

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Engr Shams Ul Mulk

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Lt Gen Shahid Niaz (Retd)

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Maj Gen Asghar Nawaz

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Annex 'A'To Review Committee
Report on IIAPNo:3-2/2015-P&D
Government of Pakistan
Cabinet Secretariat
Aviation Division
*******CORRIGENDUM**Subject:- **CONSTITUTION OF COMMITTEE TO REVIEW THE VERACITY OF
SHAHID NIAZ COMMITTEE REPORT AND FIA INVESTIGATION
REPORT ON NEW ISLAMABAD INTERNATIONAL AIRPORT PROJECT.**Reference this Division's letter of even number dated 13th Feb, 2015 on the above
subject and to state that following amendments in TORs have been made:-

- FOR:** To review the veracity of Shahid Niaz Committee
Report and FIA investigation report keeping
in mind the directives of Honorable Supreme
Court of Pakistan on IIAP and suggest
suitable recommendations.
- READ:** To review the Shahid Niaz Committee Report
and FIA Investigation Report keeping
in view the directives of the Honorable Supreme
Court of Pakistan on NIIAP issued from time to time
and suggest suitable recommendations.

(Iftikhar Ahmed Mir)
Sr. Joint Secretary
20-02-15

- i) Mr. Shams-ul-Mulk
Ex-Chairman WAPDA
- ii) Lt. Gen (R) Shahid Niaz
Ex-Engineer-in-Chief's Branch
And Ex-member (I&M)
Planning Commission
- iii) Rep of Engineer-in-Chief's Branch
GHQ, not less than Brig.

Copy to:-

1. DG CAA, Karachi.
2. PD, IIAP, Islamabad - with the request to extend all the Secretarial assistance /
cooperation including provision of copies of the above reports to the Committee,
transport, focal person and other paraphernalia.

Project Directorate IIAP	
PD	<input checked="" type="checkbox"/>
CNS/ELECTS	<input type="checkbox"/>
ANS	<input type="checkbox"/>
FINANCE	<input type="checkbox"/>
E&M	<input type="checkbox"/>
CIVIL	<input type="checkbox"/>
HORT	<input type="checkbox"/>
CONTRACTS	<input type="checkbox"/>
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COOPS	<input type="checkbox"/>
QA&C	<input type="checkbox"/>
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PDCC	<input type="checkbox"/>
OTE	<input type="checkbox"/>
PMC	<input type="checkbox"/>
Dairy No.	1198
Date:	23-02-15



Annex B

To Review Committee

Report on IIAP

Composition of CAA Board

Period	Composition
May, 2004 (102 meeting held on 26-05-15)	<p>Chairman Lt. Gen. (Retd) Hamid Nawaz Khan Secretary Defence</p> <p>Members Air Marshal Tanvir Mehmood Ahmad Vice Chief of Air Staff</p> <p>Syed Jalil Abbas Secretary Culture, Sports, Tourism</p> <p>Syed Bilal Ahmed Special Secretary Military Finance</p> <p>Air Marshal (R) Pervez Akhtar Nawaz DG CAA</p> <p>Maj. Gen. (R) M. Ashraf Chaudhry Additional Secretary Defence</p> <p>Maj. Gen. Muhammad Azam General Officer Commanding, Army Aviation Command</p> <p>Mr. Javed. Malik Secretary Planning</p> <p>Mr. Abdulah Yusuf Chairman Central Board of Revenue</p> <p>Mr. Ahmed Saeed Managing Director PIAC</p> <p>Maj. (R) Muhammad Anwer Khan Secretary CAA Board</p>



<p>October 2004 (104th meeting held on 15-10-2004)</p>	<p><u>Chairman</u> Lt. Gen. (Retd) Hamid Nawaz Khan Secretary Defence</p> <p><u>Members</u> Air Marshal Tanvir Mehmood Ahmad Vice Chief of Air Staff</p> <p>Syed Jalil Abbas Secretary Culture, Sports, Tourism</p> <p>Syed Bilal Ahmed Special Secretary Military Finance</p> <p>Air Marshal (R) Pervez Akhtar Nawaz DG CAA</p> <p>Maj. Gen. (R) M. Ashraf Chaudhry Additional Secretary Defence</p> <p>Mr. Javed. Malik Secretary Planning</p> <p>Mr. Abdulah Yusuf Chairman Central Board of Revenue</p> <p>Mr. Ahmed Saeed Managing Director PIAC</p> <p>Mr. Basit Ahmed Sultan Bokhari Member National Assembly</p> <p>Mr. Kalim-ur-Rahman President Askari Commercial Bank</p> <p>Mr. Qasim Rabbani Executive Director Invest Capital & Securities</p> <p>Mr. M. Hanif Aurakzai Secretary CAA Board</p>
<p>2005- 2006</p>	<p><u>Chairman</u> Lt. Gen. (Retd) Tariq Waseem Ghazi Secretary Defence</p> <p><u>Members</u> Air Marshal Tanvir Mehmood Ahmad Vice Chief of Air Staff</p> <p>Air Marshal (R) Pervez Akhtar Nawaz DG CAA</p> <p>Maj. Gen. (R) M. Ashraf Chaudhry Additional Secretary Defence</p>



	<p>Mr. M.Humayun Farhori Secretary Planning</p> <p>Mr. Munawar Hameed Chairman Pak Intellectual Property Rights Organization.</p> <p>Mr. Tariq Kirmani Managing Director PIAC</p> <p>Mr. Basit Ahmed Sultan Bokhari Member National Assembly</p> <p>Mr. Kalim-ur-Rahman President Askari Commercial Bank</p> <p>Mr. Qasim Rabbani Executive Director Invest Capital & Securities</p> <p>Mr. M Izhar-ul-Haq Additional Secretary Military Finance</p> <p>Mr. M. Hanif Aurakzai Secretary CAA Board</p>
Jan 2007	<p><u>Chairman</u> Lt. Gen. (Retd) Tariq Waseem Ghazi Secretary Defence</p> <p><u>Members</u> Air Marshal Rashid Kaleem Vice Chief of Air Staff</p> <p>Farooq Rahmatullah DG CAA</p> <p>Maj. Gen. (R) Mir Haider Ali Khan Additional Secretary Defence</p> <p>Mr. Zia-ur-Rehman Secretary Planning</p> <p>Mr. Munawar Hameed Chairman Pak Intellectual Property Rights Organization.</p> <p>Mr. Tariq Kirmani Managing Director PIAC</p> <p>Mr. Basit Ahmed Sultan Bokhari Member National Assembly</p> <p>Mr. Khawaja Iqbal Hassan President NIB Bank</p> <p>Mr. Qasim Rabbani Executive Director Invest Capital & Securities</p>



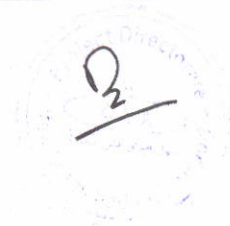
	<p>Mr. M Izhar-ul-Haq Additional Secretary Military Finance</p> <p>Mr. M. Naism Zafar Secretary CAA Board</p>
<p>Jan 2011 (134th meeting of CAA Board)</p>	<p><u>Chairman</u> Lt. Gen. (Retd) Syed Athar Ali Secretary Defence</p> <p><u>Members</u> Air Marshal Tahir Rafique Butt Vice Chief of Air Staff</p> <p>Mr. Sohail Ahmed Secretary Planning</p> <p>Maj. Gen. (R) Mir Haider Ali Khan Additional Secretary Defence</p> <p>Mr. Sarshar Ahmad Khan Additional Secretary Military Finance</p> <p>Capt. Nadeem Khan Yousufzai DG CAA</p> <p>Capt. Muhammad Aijaz Haroon Managing Director PIAC</p> <p>Mr. Munnawar Hamid Chairman BOC Pak Ltd</p> <p>Mr. Siraj Kassam Teli Director Pakistan Beverage Ltd</p> <p>Mr. Shaukat Ali Rana Rana Law Associates</p> <p>Mian Muhammad Mansha Chairman MCB Ltd.</p> <p>Mr. Khurshid Anwar CFO / Secretary CAA Board</p>
<p>March 2011 (136th Extraordinary meeting of CAA Board)</p>	<p><u>Chairman</u> Lt. Gen. (Retd) Syed Athar Ali Secretary Defence</p> <p><u>Members</u> Air Marshal Tahir Rafique Butt Vice Chief of Air Staff</p> <p>Mr. Sohail Ahmed Secretary Planning</p>



	<p>Maj. Gen. (R) Mir Haider Ali Khan Additional Secretary Defence</p> <p>Mr. Sarshar Ahmad Khan Additional Secretary Military Finance</p> <p>Air Marshal Vice Marshal Riaz ul Haq A/DG CAA</p> <p>Mr. Iqbal Ahmed Qarshi Chairman /Chief Executive Qarshi Industries</p> <p>Mr. Zahid Hussain Chief Executive Borjan (Pvt) Ltd.</p> <p>Mr. Shaukat Ali Rana Rana Law Associates</p> <p>Fauzia Saleem Khan CFO / Secretary CAA Board</p> <p>Capt. Nadeem Khan Yousufzai Managing Director PIAC</p> <p>Mr. Siraj Kassam Teli Director Pakistan Beverage Ltd.</p>
November 2011 (139 th meeting of CAA Board)	<p><u>Chairman</u> Lt. Gen. (Retd) Syed Athar Ali Secretary Aviation Defence</p> <p><u>Members</u> Air Marshal Tahir Rafique Butt Vice Chief of Air Staff</p> <p>Mr. Javed Mahmood Secretary Planning</p> <p>Maj. Gen. Raja Muhammad Arif Nazir Additional Secretary Defence</p> <p>Mr. Sarshar Ahmad Khan Additional Secretary Military Finance</p> <p>Air Marshal (R) Khalid Choudhry DG CAA</p> <p>Mr. Iqbal Ahmed Qarshi Chairman /Chief Executive Qarshi Industries</p> <p>Mr. Zahid Hussain Chief Executive Borjan (Pvt) Ltd.</p> <p>Mr. Shaukat Ali Rana Rana Law Associates</p>

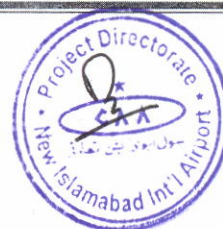


	<p>Capt. Nadeem Khan Yousufzai Managing Director PIAC</p> <p>Mr. Siraj Kassam Teli Director Pakistan Beverage Ltd.</p> <p>Fauzia Saleem Khan CFO / Secretary CAA Board</p>
<p>June 2012 (141st meeting of CAA Board)</p>	<p><u>Chairman</u> Nargis Sethi Secretary Defence</p> <p><u>Members</u> Air Marshal Farhat Hussain Khan Vice Chief of Air Staff</p> <p>Mr. Asif Bajwa Secretary Planning</p> <p>Maj. Gen. Raja Muhammad Arif Nazir Additional Secretary Defence</p> <p>Mr. Shabbir Ahmad Additional Secretary Military Finance</p> <p>Capt. Nadeem Khan Yousufzai DG CAA</p> <p>Mr. Iqbal Ahmed Qarshi Chairman /Chief Executive Qarshi Industries</p> <p>Mr. Zahid Hussain Chief Executive Borjan (Pvt) Ltd.</p> <p>Mr. Shaukat Ali Rana Rana Law Associates</p> <p>Air Chief Marshal (R) Rao Qamar Suleman Chairman / CEO PIAC</p> <p>Mr. Siraj Kassam Teli Director Pakistan Beverage Ltd.</p> <p>Dr. Fazlullah Pechuho CFO / Secretary CAA Board</p>
<p>Sept 2012 (142st meeting of CAA Board)</p>	<p><u>Chairman</u> Lt. Gen. (Retd) Asif Yasin Malik Secretary Defence</p> <p><u>Members</u> Air Marshal Farhat Hussain Khan Vice Chief of Air Staff</p>

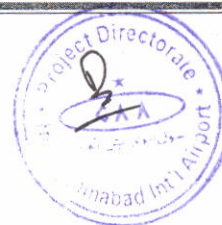


	<p>Mr. Muhammad Javed Malik Secretary Planning</p> <p>Maj. Gen. Raja Muhammad Arif Nazir Additional Secretary Defence</p> <p>Mr. Shabbir Ahmad Additional Secretary Military Finance</p> <p>Capt. Nadeem Khan Yousufzai DG CAA</p> <p>Mr. Iqbal Ahmed Qarshi Chairman /Chief Executive Qarshi Industries</p> <p>Mr. Zahid Hussain Chief Executive Borjan (Pvt) Ltd.</p> <p>Mr. Shaukat Ali Rana Rana Law Associates</p> <p>Air Chief Marshal (R) Rao Qamar Suleman Chairman / CEO PIAC</p> <p>Mr. Siraj Kassam Teli Director Pakistan Beverage Ltd.</p> <p>Dr. Fazlullah Pechuho CFO / Secretary CAA Board</p>
Nov 2012 (143 rd meeting of CAA Board)	<p><u>Chairman</u> Lt. Gen. (Retd) Asif Yasin Malik Secretary Defence</p> <p><u>Members</u> Air Marshal Farhat Hussain Khan Vice Chief of Air Staff</p> <p>Mr. Muhammad Javed Malik Secretary Planning</p> <p>Maj. Gen. Raja Muhammad Arif Nazir Additional Secretary Defence</p> <p>Mr. Shabbir Ahmad Additional Secretary Military Finance</p> <p>Air Marshal (R) Khalid Choudhry DG CAA</p> <p>Mr. Iqbal Ahmed Qarshi Chairman /Chief Executive Qarshi Industries</p> <p>Mr. Zahid Hussain Chief Executive Borjan (Pvt) Ltd.</p>

	<p>Mr. Shaukat Ali Rana Rana Law Associates</p> <p>Mr. Muhammad Junaid Yunus MD PIAC</p> <p>Mr. Siraj Kassam Teli Director Pakistan Beverage Ltd.</p> <p>Mr. Zahid Aqeel CFO / Secretary CAA Board</p>
<p>Jan 2013 (144th meeting of CAA Board)</p>	<p><u>Chairman</u> Lt. Gen. (Retd) Asif Yasin Malik Secretary Defence</p> <p><u>Members</u> Air Marshal Farhat Hussain Khan Vice Chief of Air Staff</p> <p>Secretary Planning</p> <p>Maj. Gen. Raja Muhammad Arif Nazir Additional Secretary Defence</p> <p>Mr. Shabbir Ahmad Additional Secretary Military Finance</p> <p>Air Marshal (R) Khalid Choudhry DG CAA</p> <p>Mr. Iqbal Ahmed Qarshi Chairman /Chief Executive Qarshi Industries</p> <p>Mr. Zahid Hussain Chief Executive Borjan (Pvt) Ltd.</p> <p>Mr. Shaukat Ali Rana M/s Rana Law Associates</p> <p>Mr. Muhammad Junaid Yunus MD PIAC</p> <p>Mr. Siraj Kassam Teli Director Pakistan Beverage Ltd.</p> <p>Mr. Zahid Aqeel Secretary CAA Board</p>
<p>Jan 2014 (147th meeting of CAA Board)</p>	<p><u>Chairman</u> Mr. Muhammad Ali Gardezi Secretary Aviation</p> <p><u>Members</u> Air Marshal Athar H. Bukhari Vice Chief of Air Staff</p>



	<p>Mr. Hasan Nawaz Tarar Secretary Planning</p> <p>Mr. Amjad Ali Toor Additional Secretary</p> <p>Lt. Gen. (Retd) Salahuddin Tirmizi</p> <p>Air Marshal (Retd) Najib Akhtar</p> <p>Additional Secretary Finance</p> <p>Air Marshal (R) Muhammad Yousaf DG CAA</p> <p>Mr. Qazi Azmat Isa CEO Pakistan Poverty Alleviation Fund</p> <p>Mr. M. Bashir Janmohammed Chairman Wstbury Group of Companies</p> <p>Mr. Zahid Aqeel Secretary CAA Board</p>
Jan 2014 (147 th meeting of CAA Board)	<p><u>Chairman</u> Mr. Muhammad Ali Gardezi Secretary Aviation</p> <p><u>Members</u> Air Marshal Athar H. Bukhari Vice Chief of Air Staff</p> <p>Mr. Hasan Nawaz Tarar Secretary Planning</p> <p>Mr. Amjad Ali Toor Additional Secretary Aviation Division</p> <p>Lt. Gen. (Retd) Salahuddin Tirmizi</p> <p>Air Marshal (Retd) Najib Akhtar</p> <p>Additional Secretary Finance</p> <p>Air Marshal (R) Muhammad Yousaf DG CAA</p> <p>Mr. Qazi Azmat Isa CEO Pakistan Poverty Alleviation Fund</p> <p>Mr. M. Bashir Janmohammed Chairman Wstbury Group of Companies</p> <p>Mr. Zahid Aqeel Secretary CAA Board</p>
July, 2015	<p><u>Chairman</u> Mr. Muhammad Ali Gardezi Secretary Aviation</p>



Members

Air Marshal Athar H. Bukhari
Vice Chief of Air Staff

Mr. Hasan Nawaz Tarar
Secretary Planning

Mr. Amjad Ali Toor
Additional Secretary Aviation Division / DGCAA

Lt. Gen. (Retd) Salahuddin Tirmizi

Air Marshal (Retd) Najib Akhtar

Additional Secretary Finance

Mr. Qazi Azmat Isa
CEO Pakistan Poverty Alleviation Fund

Mr. M. Bashir Janmohammed
Chairman Wstbury Group of Companies

Mr. Zahid Aqeel
Secretary CAA Board



Annex CTo Review Committee
Report on IIAP**ISLAMABAD INTERNATIONAL AIRPORT PROJECT (IIAP)****LIST OF DIRECTOR GENERAL OF CAA (2004-TILL DATE)**

Sr No	Name	Period
01	Air Marshal(R) Pervez Akhtar Nawaz	22-08-2003 – 21-08-2006
02	Mr Farooq Rehmatullah	22-08-2006 – 21-08-2008
03	Air Cdre(R) Junaid Ameen	26-09-2008 – 08-09-2010
04	Mr Nadeem Khan Yousufzai	09-09-2010 – 17-02-2011
05	Air Marshal(R) Khalid Chaudhry	13-05-2011 – 01-04-2012
06	Mr Nadeem Khan Yousufzai	02-04-2012 – 04-11-2012
07	Air Marshal(R) Khalid Chaudhry	05-11-2012 – 04-11-2013
08	Air Marshal(R) Muhammad Yousuf	05-11-2013 – 02-07-2015
09	Mr Amjad Ali Toor, Addl Secy Avn Div	03-07--2015 – Till date



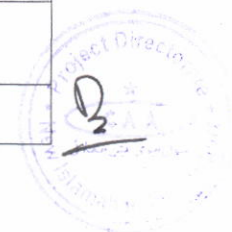
ISLAMABAD INTERNATIONAL AIRPORT PROJECT (IIAP)**LIST OF DIRECTOR PLANNING & DEVELOPMENT (2004-TILL DATE)**

Sr No	Name	Period	Qualification
01	Mr Salahuddin Arshad	18-10-2003 – 16-05-2004	M A (Stat)
02	Mr Asif Bashir Ahmed	17-05-2004 – 22-02-2007	MBA
03	Mr Vikram S Sodha	23-02-2007 – 05-03-2008	MS Civil
04	Mr Vikram S Sodha	06-03-2008 – 19-01-2010	-do-
05	Sqn Ldr (R) Ahsan Malik	07-05-2010 – 30-12-2010	BE (Avionics)
06	Mr Muhammad Rauhullah	13-01-2011 – 25-01-2014	MS Elect
07	Mr Mubashar Zafar	17-01-2014 – 31-07-2015	MS Mech



Annex ETo Review Committee
Report on IIAP**INCUMBANCY STATEMENT - PROJECT DIRECTORS**
ISLAMABAD INTERNATIONAL AIRPORT PROJECT

S. No.	Name	CAA No.	Period		Qualification	Remarks
			From	To		
1.	Air Cdr Shahid Naveed (Retd)	OF2035	24-7-2003 (F/N)	23-07-2004 (A/N)	BSc (War Studies)	-
2.	Brig M. Tauseef Uz Zaman Khan (Retd)	OF2006	8-2-2005 (F/N)	15-09-2005 (A/N)	MSc (War Studies) BSc (Civil Engg)	-
3.	Mr. Vikram S. Sodha	OF1166	16-9-2005	01-03-2007 (A/N)	MS (Civil Engg)	Acting Charge
4.	Brig Masood Salam (Retd)	OF2510	1-3-2007 (A/N)	11-09-2007	MSc BSc (Civil Engg)	-
5.	Brig Iftikhar Ali (Retd)	OF2511	12-09-2007	24-03-2008 (A/N)	MSc (Electrical) MBA BSc (Engg)	-
6.	Mr. Vikram S. Sodha	OF1166	25-03-2008 (F/N)	25-05-2008 (A/N)	MS (Civil Engg)	Additional Charge during Ex-Pakistan leave of Brig (Retd) Iftikhar Ali
7.	Brig Iftikhar Ali (Retd)	OF2511	26-05-2008	18-10-2008 (A/N)	MSc (Electrical)	-
8.	Brig Bilal Hameed (Retd)	OF2646	15-10-2008 (A/N)	20-01-2010 (F/N)	BSc (Honors) BE (Civil Engg)	-
9.	Mr. Vikram S. Sodha	OF1166	20-01-2010 (F/N)	10-04-2012 (A/N)	MS (Civil Engg)	-
10.	Mr. M. Musharraf Khan	OF1596	10-4-2012 (A/N)	30-11-2013 (A/N)	BSc (Civil Engg)	-
11.	Air Vice Marshal (Retd) Riaz Ul Haq	OF2653	30-11-2013 (A/N)	11-02-2014 (A/N)	MSc (Management & Military Science) BSc (Honors)	-
12.	Mr. Nadir Shafi Dar	OF1495	11-02-2014 (A/N)	19-02-2014	MBA (Executive)	The officer joined duty on 11-2-2014 but posting was cancelled.
13.	Air Vice Marshal (Retd) Riaz Ul Haq	OF2653	20-02-2014 (F/N)	24-03-2014 (A/N)	MSc (Management & Military Science) BSc (Honors)	-
14.	Brig Mushtaq Ahmed (Retd)	OF3256	24-3-2014 (A/N)	11-07-2014 (A/N)	MSc (Defence Technology) BSc (Civil Engg)	-
15.	Air Vice Marshal (Retd) Riaz Ul Haq	OF2653	11-07-2014 (A/N)	01-10-2014 (F/N)	MSc (Management & Military Science) BSc (Honors)	-
16.	Brig Pervez Hayat Khan (Retd)	OF3284	1-10-2014 (F/N)	Till date	MSc (Structural Engg) BSc (Civil Engg)	-



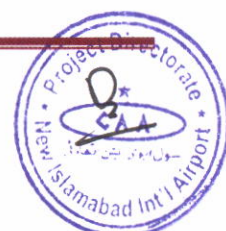
Annex F






To Review Committee
Report on IIAP

New Islamabad International Airport Project

Project History in Chronological Order

Project Events/ Milestone	Date Achieved
 Project Conceived by CAA	1984
 Site Selection	March, 2005
 Contract signing of PMC M/s Louis Berger Group – ECIL - JV	6 th Jan, 2006
 Feasibility of New Islamabad International Airport by M/s AeroportDeParis – NESPAK JV	June, 2006
 Master Plan submitted by M/s Louis Berger Group, USA	Sept, 2006
 Award of Package for Site Preparation Package - 0	19 th Dec, 2006
 Contract Signing of Infrastructure Design Consultants M/s ADPi-NESPAK	24 th March, 2007
 Contract Signing of Terminal Building Design Consultant M/s CPG	24 th March, 2007
 Ground Breaking Ceremony. (President of Pakistan, General Pervaiz Musharaf and Prime Minister of Pakistan Mr. Shaukat Aziz)	7 th April, 2007
 Prime Minister's Visit (Prime Minister Mr. Raja Pervaiz Ashraf)	17 th Sept, 2012
 Transfer of Project from Ministry of Defense to Aviation Division	7 th June, 2013
 Niaz Committee Report finalization	23 rd Jan, 2013
 Orders / Decision of Supreme court	25 th Sept, 2013



 FIA inquiry (Started)	13 th Sept, 2013
 Prime Minister's Visit (Honorable Prime Minister Mr. Muhammad Nawaz Sharif)	20 th march, 2014
 M/s Louis Berger Group (PMC) Contract Expired	May, 2014
 Placed in position - Office of The Engineer (OTE) – Stop Gap Arrangement	16 th Nov, 2014 to 15 th June, 2015
 Hired New PMC M/s Mott MacDonald Group – MMPakistan	16 th June, 2015



New Islamabad International Airport
Chronology of Events of Different Packages

Annex G
To Review Committee
Report on IIAP

Sr. No	Packages	Letter of Acceptance	Contract Signing Date	Date of Commencement	Contractual completion	Phy Progress As of Sep (%)	Financial Progress As of Sep (%)	Remarks
OO	Package 0 (Site Preparation works)	19-Dec-06	8-Feb-07	9-Feb-07	8-Feb-08	100.00	100.00	
A	Airside							
A1	Package 1 (Airside Infrastructure)	10-Jun-08	24-Jul-08	1-Aug-08	27-Aug-10	100.00	99.10	
A2	Package 7A (Airfield Lighting System)	5-Jun-09	1-Sep-09	10-Sep-09	9-Mar-11	96.00	94.00	
A3	Package 6 (Hydrant Refueling System)	14-Oct-09		3-Feb-10	26-Apr-11	98.00	84.96	
A4	Package 7B (Nav aids, MET Equipment)	23-Jun-12	10-Dec-12	19-Jan-13	18-Nov-13	66.00	55.63	
A5	Package 8C-1 (ATC Tower / FCR / RRB)	8-Sep-10	11-Dec-10	4-Jan-11	30-Jun-12	85.00	57.62	Terminated on 5th Sept, 13 Reinstated on 2nd Dec, 14
B	Passenger Terminal Building							
B1	Package 2 (Piling / Foundation)	27-May-09	1-Sep-09	4-Sep-09	3-Jun-10	100.00	100.00	
B2	Package 3A (Pile Heads / Foundation)	16-Nov-10	5-Jan-11	15-Jan-11	14-May-11	100.00	100.00	
B3	Package 3 (Terminal Building i/c E&M)	20-Apr-11	6-Jun-11	8-Jun-11	25-Aug-13	88.00	58.10	
B4	Package 4 (Special Systems) (BHS, FIDS, CCTV, Wlan, ACS, MECS,	5-Jan-15	9-Mar-15	15-Apr-15	13-Apr-16	10.00	0.00	
B5	Package 5 (Furniture & Signage)							
B6	Package 9 (Aircraft Stand Equipment)	17-Aug-15						
B7	Package 10 (Cargo and Allied Facili.)					100.00	100.00	
C	Landside							
C1	Package 8A (Landside Infrastructure)	15-Jul-10	14-Sep-10	16-Sep-10	12-Sep-12	99.00	99.69	
C2	Package 8B (Power & Telecom.)	15-Jul-10	12-Aug-10	16-Sep-10	12-Sep-12	83.00	52.44	
C3	Package 8C-2 Phase 1 (Landscaping)	28-Feb-12	21-Jun-12	30-Jun-12	26-Dec-12	99.00	97.33	Terminated on 5th Sept, 13 Reinstated on 21st March, 14
C4	Package 8C-2 Phase2 (Landscaping)	20-May-13		27-Jul-13	Terminated			Terminated on 26-Jul-14
C5	Package 8C-2 Phase3 (Landscaping)							
	Overall Project status					80.00	70.00	

PROGRESS OF PACAKAGES

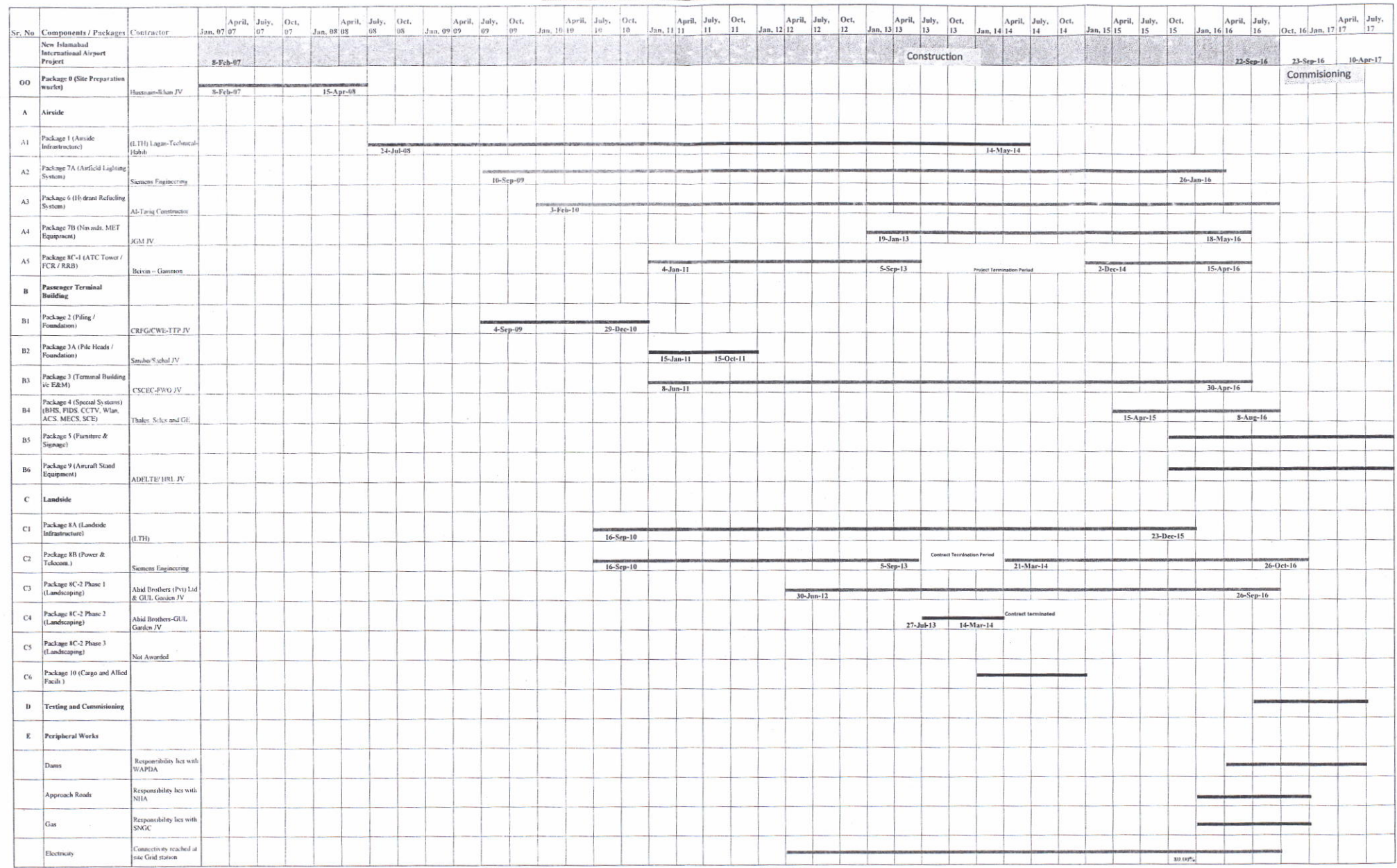
Serial	Description	Years											
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
1	DGs CAA		Air Marshal Pervez Akhtar Sep 04 - Aug 06		Mr Farooq Rehmatullah Sep 06 - Aug 08		Air Cdr Junaaid Amin Sep 08 - Sep 10	Nadeem Yousafzai Oct 10 - Feb 11	AM Khalid Choudhry Mar 11 - Mar	Nadeem Yousafzai Apr-Oct 12	AM Khalid Choudhry Nov 12 - Jul 13		
2	Project Directors IIAPP				Brig (R) Iftikhar Jan 07 - Oct 08	Brig (R) Bilal Nov 08 - Feb 10	Vikram Sodha Mar 10 - Apr 12		Musharaf Khan May 12 - Jul 13				
3	CAA Directors P&D Directorate		Asif Bashir Ahmed Oct 04 - May 06		Mr Vikram Sodha Jun 06 - Feb 10								
4	Site Selection		Mar 05										
5	Contract signing of PMC M/s LBG - ECIL - JV			6 Jan 06									
6	Feasibility of New IIAP by M/s Aeroport Deparis - NESPAK JV			Jun 06									
7	Master Plan submitted by M/s LBG, USA			Sep 06									
8	Award of Package for Site Preparation Package - 0			19 Dec 06									
9	Contract Signing of of Infrastructure Design Consultant M/s ADPI-NESPAK & Terminal Building Design Consultant M/s CPG				24 Mar 07								
10	Ground Breaking Ceremony (President of Pakistan, General Pervaiz Musharaf and Prime Minister of Pakistan Mr. Shoukat Aziz)				7 Apr 07								
11	Transfer of Project from Ministry of Defence to Aviation Division										7 Jun 13		
12	Niaz Committee Report finalization										23 Jan 13		
13	Orders / Decision of Supreme Court										25 Sep 13		
14	Packages Airside - (PC - 1)			Sep 06	Feb 07 - Feb 08	May 08	Aug 08 - Aug 10	May 08	Sep 09 - Mar 11	May 08	Feb 10 - Apr 11	May 08	Jan 13 - Nov 13
						May 08							
						May 08							
						May 08							
						May 08							
						May 08							
						May 08							
						May 08							
15	Packages - PTB (Pessenger Terminal Board)					May 08	Sep 09 - Jun 10	May 08	Jan 11- May 11	May 08	Jun 11 - Aug 13		
						May 08							
						May 08							
						May 08							
						May 08							
						May 08							
16	Packages - Landside					May 08	Sep 10 - Sep 12	May 08	Sep 10 - Sep 12	May 08	Jun 12-Dec 12		
						May 08							
						May 08							
						May 08							
						May 08							
	Legend: Advertisement Date & follows activities till contract signing												
	Project Completed												
	Project In Progress												

ISLAMABAD INTERNATIONAL AIRPORT PROJECT (IIAP)
OVERVIEW OF REVISED PC-1

S. No	Description	Original PC-1		Revised PC-1		Variance	
		Cost	% age	Cost	% age	Cost	% age
00	Site Preparatory Works	1081	2.93%	902	1.11%	-179	-0.40%
A	Airside						
A1	Package 1 (Airside Infrastructure)	10375	28.14%	15132	18.64%	4757	10.74%
A2	Package 7 A (Airfield Lighting System)	0.00		1547	1.91%	1547	3.49%
A3	Package 6 (Hudrant Refueling System)	0.00		1293	1.59%	1293	2.92%
A4	Package 7B (Nav aids, MET Equipment)	0.00		1822	2.24%	1822	4.11%
A5	Package 8C-1 (ATC Tower / FCR / RRB)	0.00		1587	1.96%	1587	3.58%
	Total	10375	28.14%	21381		11006	
B	Passenger Terminal Building						
B1	Package 2 (Piling / Foundation)	0.00		402	0.50%	402	0.91%
B2	Package 3A (Pile Heads / Foundation)	0.00		418	0.51%	418	0.94%
B3	Passenger Terminal Building	14760	40.04%	24580	30.28%	9820	22.16%
B4	Package 4 (Special System) (BHA, FIDS, CCTV, Wlan, ACS, MECS, SCE)	0.00		5055	6.23%	5055	11.41%
B5	Package 5 (Furniture & Signage)	0.00		1268	1.56%	1268	2.86%
B6	Package 9 (Aircraft Stand Equipment)	0.00		2572	3.17%	2572	5.81%
	Total	14760	40.04%	34295	42.25%	19535	44.09%
C	Landside						
C1	Landside Infrastructure	5000	13.56%	8159	10.05%	3159	7.13%
C2	Package 8B (Power & Telecom)	0.00		2431	2.99%	2431	5.49%
C3	Package 8C-2 Phase 1 (Landscaping)	0.00		81	0.10%	81	0.18%
C4	Package 8C-2 Phase 2 (Landscaping)	0.00		124	0.15%	124	0.28%
C5	Package 8C-2 Phase 3 (Landscaping)	0.00		690	0.85%	690	1.56%
C6	Package 10 (Cargo and Allied Facilities)	0.00		1000	1.23%	1000	2.26%
C7	Package 8C2-2 (Land side Building)	0.00		651	0.80%	651	1.47%
C7	Package 8C2-2 (Construction of state Loung)	0.00		300	0.37%	300	0.68%
C7	Package 8C2-2 (Construction of Custum immigration)	0.00		200	0.25%	200	0.45%
	Total	5000	13.56%	13636	16.79%	8636	19.50%
D	Cunsultancy Services						
D1	PM Consultants	374	1.01%	1190	1.47%	816	1.84%
D2	Design Consultants	800	2.17%	1540	1.90%	740	1.67%
	Total	1174	3.18%	2730	3.37%	1556	3.51%
E	Misc works						
E1	Other Components	503	1.36%	3252	4.01%	2749	6.20%
E2	Project Management Unit	0.00		537	0.66%	537	1.21%
E3	Utilities	0.00		675	0.83%	675	1.52%
E4	Vehicles	0.00		78	0.10%	78	0.18%
E5	Land Cost	2000	5.43%	923	1.14%	-1077	-2.43%
E6	Physical Contingency	972	2.64%	711	0.88%	-261	-0.59%
E7	Price Contingency	1000	2.71%	2050	2.53%	1050	2.37%
	Total	4,475.00	12.14%	8,226.00	10.15%	3,751.00	8.46%
	Total	8,447.00	12.14%	13,200.00	10.15%	4,753.00	8.46%

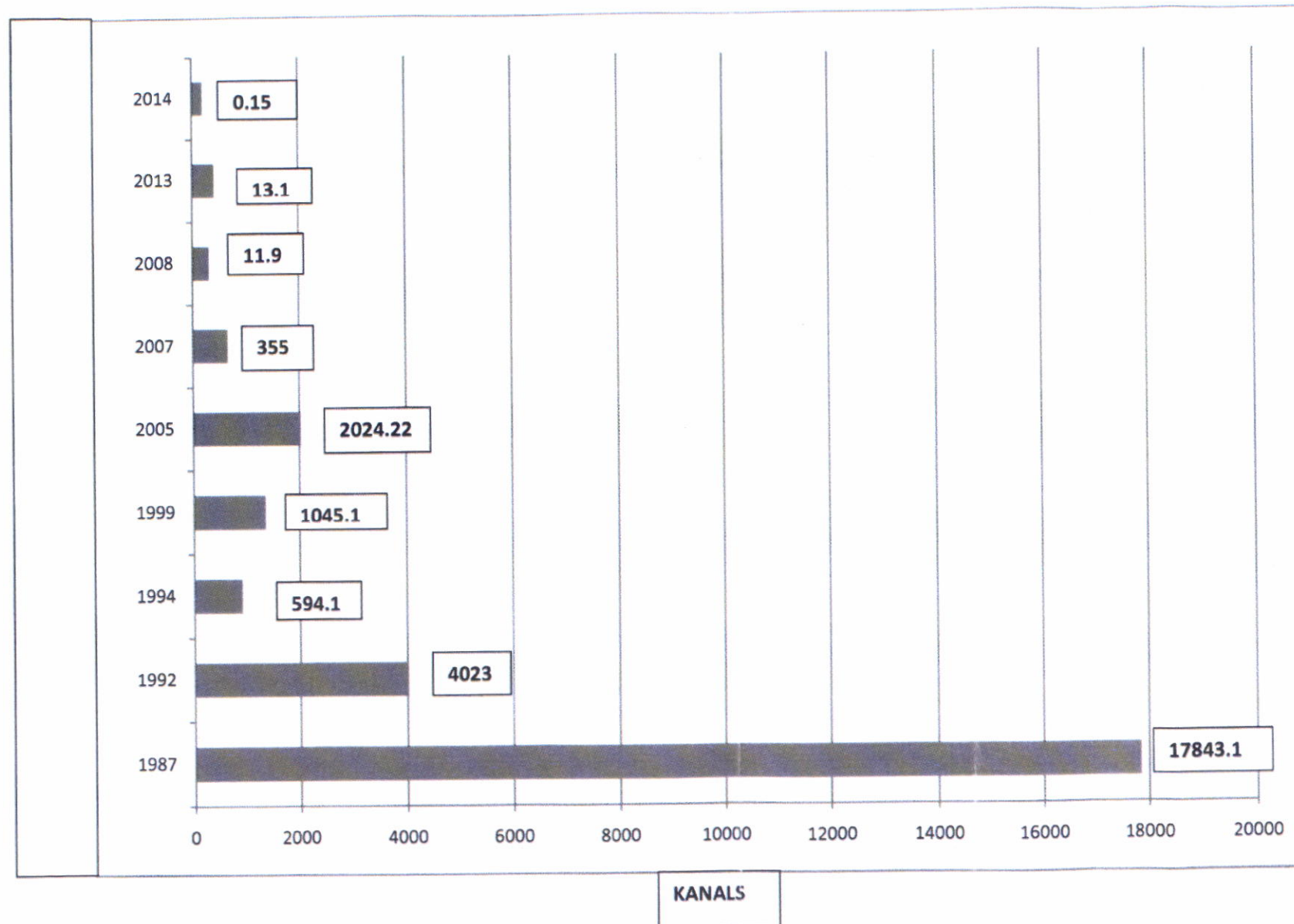
New Islamabad International Airport Bar Chart of Different Packages

Annex J
To Review Committee
Report on IIAP



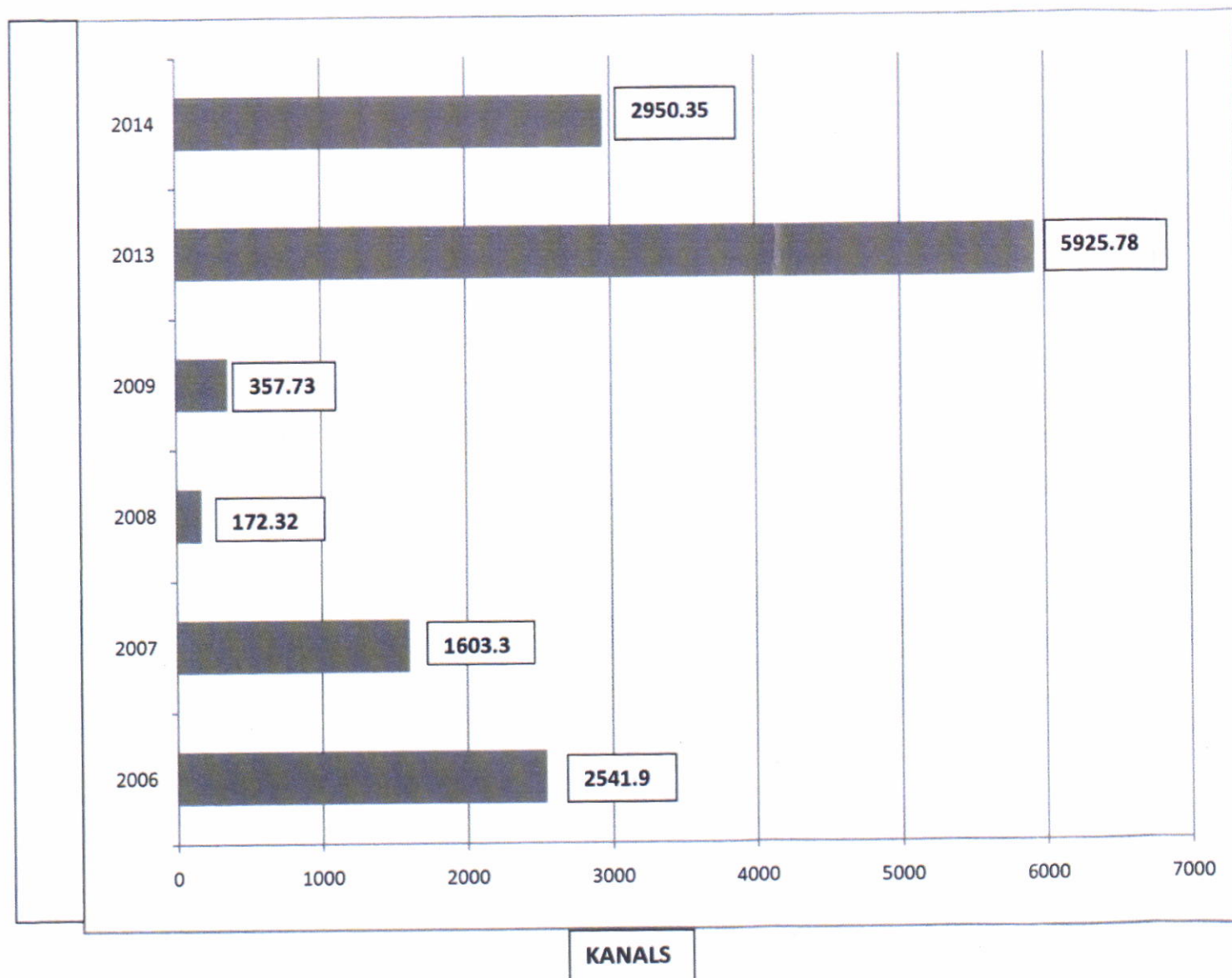
Legend: Components completed Components in Progress Components in Planning

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LAND ACQUIRED IN DIFFERENT YEARS FOR NEW ISLAMABAD INTERNATIONAL AIRPORT

TOTAL ACQUIRED:
25909.67 KANALS
=3238.7 ACRES

LAND NOTIFIED IN DIFFERENT YEARS FOR FUTURE REQUIREMENTS AT NEW ISLAMABAD
INTERNATIONAL AIRPORT



TOTAL NOTIFIED:

13551 KANALS

= 1694 ACRES

REQUIRED FOR:

- 3RD RUNWAY
- RAIN HARVESTING DAMS
- SECURITY