CHINA ROLLS OVER $2BN DEPOSITS

ISLAMABAD: **China** has granted rollover of $2 billion SAFE (State Administration of Foreign Exchange) **deposits** for one year. “Yes,” Minister for Finance Ishaq Dar confirmed with a brief response when asked about getting rollover of $2 billion SAFE **deposits** here on Thursday. It was one of the requirements of the IMF for getting the rollover of Chinese SAFE deposits for meeting external financing needs in order to move towards striking the much-awaited staff-level agreement.

There are nine tables under the Memorandum of Economic and Financial Policies (MEFP) that require to be filled. One of the tables is related to the Net International Reserves (NIR) as an indicative target, which cannot be fulfilled without incorporating the external financing needs of the programme period till the end of June 2023.

TN 24-3-2023

IMF ‘NOT INTERESTED’ IN RELEASING LOAN TO PAKISTAN: EX FM

KARACHI: As Pakistan continues to woo the International Monetary Fund (IMF) to secure the much-needed bailout from the global lender, former finance minister Miftah Ismail claimed that the Washington-based lender is “not interested” in giving money to the cash-strapped nation.

Pakistan is now the only South Asian country that’s yet to secure a bailout from the multilateral lender as Sri Lanka clinched financing this week and Bangladesh pushes on with carrying out IMF-mandated reforms.

Pakistan has taken tough measures including increasing taxes and energy prices, and allowing its currency to weaken to restart a $6.5 billion IMF loan package. The funds will offer some relief to a nation still reeling from a dollar shortage that has raised the probability of the economy slipping into a recession ahead of elections this year.

Pakistan Muslim League-Nawaz (PML-N) leader Miftah, while speaking during a session titled ‘Pakistan in the midst of crisis’ organised by a private university in Karachi, said that when he was heading the Ministry of Finance, he spoke to the IMF officials and assured them that Pakistan would not make false statements or violate the agreement. However, when Ishar Dar was sworn in “he sabotaged the agreement”. He recalled that Pakistan has made sovereign commitments thrice and has then gone back on them. “Now the IMF is not interested in giving money to Pakistan,” he said, emphasising that the Washington-based lender doesn’t trust the government in Islamabad.

Regarding the petrol relief subsidy announced by the government on Sunday, Miftah said that he believes this formula would not be effective. “We provide subsidies on petrol by taking loans,” he said. Since the government announced the petroleum subsidy — which initially amounted to Rs50 per litre amount and was later increased to Rs100 per litre — several red flags were raised as analysts and economic experts have been criticising the move as it may jeopardise the ongoing struggle to convince the IMF board.

IMF’s resident representative for Pakistan Esther Perez Ruiz had also clarified that said the Washington-based lender wasn’t consulted on the government’s plan to raise fuel prices for wealthier motorists to finance a subsidy for lower-income people. “Fund staff are seeking greater details on the scheme in terms of its operation, cost, targeting, protections against fraud and abuse, and offsetting measures, and will carefully discuss these elements with the authorities,” she said. Warning of the risks, Miftah mentioned that if Pakistan defaults it will be a grave situation for the country as people belonging to the rich segment will bear the brunt but the poor people won’t be able to make ends meet. This is not the first time petrol price subsidies have been a sticking point for the IMF.

TN 23-3-2023

PICT PLANS $100M INVESTMENT, WITH A CAVEAT

KARACHI: One of the four container-terminal operators in Pakistan has vowed to bring in more than $100 million in fresh foreign direct investment shortly — provided that procedural glitches hindering the extension of its concession at the Karachi Port Trust (KPT) are removed immediately. Speaking to *Dawn* in a recent interview, Pakistan International Container Terminal Ltd (PICT) CEO Khurram Aziz Khan said the country’s only listed entity handling containerised cargo is planning a big-ticket investment in advanced equipment and technology following a net FDI of $20m in 2022. “We want to do it immediately. We may spend that money in the next 12 months if we reach an understanding with the government. We have six cranes that cost around $12-13m each. We want to add many more to achieve a quicker turnaround for vessels,” he said.

The point of contention is the terminal’s concession agreement with KPT for a period of 21 years commencing on June 18, 2002.

PICT went to court in December 2021 to stop KPT from terminating the concession agreement or inviting bids for the award of a new contract. As a consequence, it obtained an interim injunction or stay order for the status quo. However, PICT remains "optimistic" about the extension of the concession agreement soon. Mr Khan's optimism is based on the fact that two container terminals — one operated by DP World at Port Qasim and the other run by Hutchison Ports at KPT — have already received some kind of extensions in their original concessions.

Terminals are expensive to build. Port authorities either renegotiate commercial terms with the operators towards the end of the concession period or go for fresh bidding altogether. In the latter case, the existing operator reserves the first right of refusal, which means it'll be asked to match the best bid to retain the mandate for terminal operations. "We're absolutely fine with that," Mr Khan said. So why did it obtain a stay order restricting KPT from inviting bids for a new award of concession?

"All we demand is that we be treated like everyone else. They facilitated other terminal operators. We should receive the same treatment," he said. PICT had "no option" other than seeking legal intervention as KPT failed to respond to its concerns about the concession "for the last five years," the CEO said. PICT is the smallest of the four container terminals with a 600-metre quay wall, earth retaining structures that allow the berthing of ships. Its market share in the total container handling business is around 20pc, according to Mr Khan. It handled about 287,000 containers in the first nine months of 2022, down 22pc from a year ago. Its net profit dropped 14pc to Rs2.2 billion over the same period.

Philippines-based International Container Terminal Services Inc is the ultimate sponsor of PICT with an 80.4pc shareholding at the end of 2021.

Dawn 24-3-2023

LIKELY HIKE IN POLICY RATE: T-BILLS ROR SOARS TO 22PC

KARACHI: Rate of return on short-term government papers rose to 22 percent on expected hike in the key policy rate at the auction held Wednesday.

The meeting of the Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) will be held on April 4, and the market is expecting further monetary tightening due to rising inflationary pressure.

In the previous emergent meeting held on 2nd March 2023, the MPC increased the policy rate by 300 basis points to 20 percent as fiscal adjustments and exchange rate depreciation led to a significant deterioration in the inflation outlook and a further upward drift in inflation expectations. The committee also rescheduled the next MPC meeting from April 27 to April 4, 2023. As the inflation remains high, analysts are expecting further 100 to 150 basis points increase in the key policy rate in the next policy meeting and the same trend was witnessed in the short term government papers auction held on March 22, 2023.

The State Bank conducted the auction for sale of Government of Pakistan Market Treasury Bills (MTBs) on Wednesday and received bids worth Rs 1.5 trillion. Most of the bids worth Rs 1.052 trillion bids were submitted for the 3-month T-bills, Rs 152.5 billion for 6-month and bids amounted to Rs 286.26 billion for 12-month short term government security papers.

The federal government aggressively borrowed Rs1.116 trillion at a higher cut-off yield to meet its financial needs. The target for this auction was Rs 900 billion. Cut-off yield of all papers also increased ranging 50 bps to 114 bps. The cut-off yield of 3-month rose by 100 bps to 21.9995 percent and the government raised Rs 949 billion. Some Rs 15.5 billion were borrowed against sale of 6-months MTBs and its price was set at 21.9901 percent, up by 114 bps. In addition, the cut-off yield of one year T-Bills rose by 50 bps to 21.4899 percent and the government raised Rs 151 billion.

In addition, the federal government borrowed some Rs 25 billion through Non-Competitive Bids. The total acceptance including Non-Competitive Bids was Rs 1.14 trillion.

CLEARANCE OF SME BANK DEPOSITORS' LIABILITIES: RS5.557BN SAVINGS FROM CLOSED ADB FMGP PROJECT LOAN TO BE USED

ISLAMABAD: The federal government has decided to use funds of Rs 5.557 billion savings from the closed ADB Financial Markets and Governance Program (FMGP), project loan to clear liabilities of SME Bank's depositors but there is still no plan for recovery of outstanding loans and employees' fate is in sight.

The Federal Cabinet, in its meeting held on March 17, 2023 approved a SME Bank winding up plan prepared by State Bank of Pakistan (SBP).

The Finance Division shared the background of the case that SME Bank Limited was established through amalgamation of Regional Development Finance Corporation (RDFC) and Small Business Finance Corporation (SBFC) in 2002 having 93.89 % shares of GoP, which was incorporated as a public limited company effective from January, 2002. The Bank aimed to exclusively cater to the financing needs of Small and Medium Enterprises (SMEs) to help stimulate SME development and pro poor growth in the country.

The privatisation process of the Bank started in the year 2008 which remained unsuccessful. Second and third attempts of the privatisation of SME Bank made in December, 2015 and October, 2018 also failed due to lack of interest from potential investors. During the same period SME Bank Ltd. was facing various issues including negative equity of billions leading to non-compliance of Minimum Capital Requirement, liquidity short fall, limited branch network and employees' litigation matter, etc. After three failed attempts, the Cabinet Committee on Privatisation (CCoP), in its meeting held on December 26, 2022, approved delisting of the SME Bank from the privatisation program in order to enable Finance Division and the SBP to proceed further in the matter.

According to official sources, SBP was requested to share the way forward for SME Bank in the light of CCoP's decision. Accordingly, SBP shared a detailed winding up plan. Implementation of the proposed winding up plan would allow repayment of customers' deposits, closure of branches and gradual elimination of operational cost of the bank. These measures would facilitate orderly and timely winding up of the bank.

SBP maintained that SME Bank was insolvent and any other option to rehabilitate the bank or its merger with any other institution was not advisable, therefore, SBP suggested winding up of the SME Bank, which was included in the Memorandum of Economic and Financial Policies (MEFP) agreed with the IMF, the sources added.

SBP had intimated that an amount of Rs. 5.557 billion (savings from the closed ADB Financial Markets and Governance Program, project loan) was available with them. It had requested GoP's consent on winding down plan, as a way forward for SME Bank and to release funds to pay off SME Bank depositors which amounted to Rs 5.773 billion, in the first instance.

The Finance Division proposed that the action plan provided by SBP as a way forward for SME Bank's winding up may be approved and the funds amounting to Rs.5.557 billion available under ADB's FMGP loan account may be released to pay off majority of SME Bank depositors. During discussion, while highlighting the significance of SME sector in providing employment, some members urged that options should be explored to rescue the Bank, as enough funding for small and medium enterprises was not available in the financial market.

Citing example of 11 large US private banks, led by JP Morgan Chase, who came together to save First Republic Bank, the members suggested that a similar model may be replicated. Another possibility, of NBP taking over the SME Bank was also proffered.

The Minister for Finance explained that all options of privatisation, merger etc. had been explored but there were no takers. To stave off a run on the bank and to pay the depositors, the only viable alternative was winding up, and it would allow the SBP to utilize Rs. 5.557 billion savings from the closed ADB Financial Markets and Governance Program project loan.

The members also enquired about the fate of loans extended by the SME Bank. It was noted that this would be managed later, as recovery of outstanding loans would be the responsibility of the liquidator.

R 24-3-2023

'SHADY' CONTRACT TO CHINESE FIRM: SENATE PANEL ACCUSES WB OFFICE OF 'CONNIVING' WITH NTDC

ISLAMABAD: Raising serious questions over the award of contract of 765kV Dasu–Mansehra–Islamabad transmission line contract to a Chinese company, Senate Standing Committee Wednesday accused local office of the World Bank of conniving with the National Transmission and Despatch Company (NTDC) in this 'scam'.

Presided over by Senator SaifullahAbro, the Committee expressed displeasure during the briefing by NTDC official and sought copies of bidding documents, financial and technical criteria for $ 300 million project to be completed in one go or three phases.

Chairman Standing Committee argued that the award of the contract to M/s Sinohydro Corporation Limited China was non-transparent, accusing that local office of World Bank of conniving with NTDC to award contract to Chinese firm adding that Pakistan has to sink - either today or tomorrow.

The Committee sought document of financial bids and award of contract to Chinese firm but NTDC officials refused to share the document, saying it is not available as World Bank has barred NTDC from sharing it with anyone.

The NTDC officials further stated that in case such "confidential" documents are made available at the forum World Bank will cancel the loan. However, Chairman Standing Committee refused to accept clarification of NTDC official, saying that the Committee would get the documents as it is not bothered whether the loan is cancelled by the World Bank.

The Committee decided to hold a special meeting on NTDC to discuss its entire affairs/activities in detail. The Committee also decided to refer the case of Board members of entities of Power Division to Federal Investigation Agency (FIA) and National Accountability Bureau as Power Division did not comply with the instructions of the Standing Committee. Additional Secretary Power Division, ArshadMajeedMohmand informed the Committee that Board are being made more independent in light of the newly approved law about State Owned Entities (SEOs), applicable from last month. During the meeting CEO, QESCO informed that recovery from agriculture tube-wells in Balochistanis negligible as neither provincial government nor farmers are paying their bills; and farmers have been extended illegal tube-well connections. CEO QESCO further revealed that the company's circular debt is Rs 550 billion as bill recovery is not more than 30 per cent. He said, Rs 5 billion is added to the circular debt every month.

Senator Prince Ahmed UmerAhmedzai who raised the issue of agritubewell connections, revealed that farmers have established illegal tubewells to meet their water requirements. He said, Iranian oil products are being smuggled to Punjab, suggesting if a tax is imposed on smuggled oil products, at least some revenue can be generated.

The meeting was informed that a Joint Committee has been established to recommend criteria to solarize agri-tubewells in Balochistan.

Chief Executive Officer, KE, Syed Moonis Abdullah Alvi said that KE's recovery from agritubewell is 15 per cent which is not feasible, indicating that it would disconnect tubewells as Local Administration is not cooperating.

Joint Secretary (Power Finance) Power Division, refused to share IMF's demands with respect to recovery from KE, saying that Finance Ministry can respond to this question.

The issue of power breakdown in January 2023 also came under discussion. The Committee was annoyed at the Power Minister for not establishing an internal committee to probe the reasons for the fault.

Additional Secretary Power Division stated that a meeting of the internal committee constituted on the directions of Federal Cabinet will hold its first meeting on March 27, 2023. National Power Control Centre (NPCC), the System Operator is the key accused in the breakdown which will take action against its employees. However General Manager, NPCC stated that he has not received Inquiry Committee Report as yet. Briefing about CASA-1000, officials of Power Division informed that work on the project has stopped after the change of regime in Afghanistan as World Bank has also stopped funding to the project.

The Committee was further apprised that Tajikistan; Pakistan will complete their part of work on the project. It was stated that Pakistan will not have to pay any penalty if it completes its work by December 2023.

The Power Division official maintained that if the World Bank decides to release funding, it will take two years to complete the project.

GOVT TO APPROVE AMENDMENTS TO MASTER AGREEMENT MA, POWER PURCHASE AGREEMENT PPA AND NA OF UCH POWER

ISLAMABAD: The government is to approve amendments to Master Agreement (MA), Power Purchase Agreement (PPA) and the Novation Agreement (NA) of Uch Power (Private) Limited (UPL) as finalized by CPPA-G and the power project company, sources close to Managing Director PPIB told Business Recorder.

The Board of PPIB has also endorsed proposed amendments for onward submission to the Economic Coordination Committee (ECC) of the Cabinet for approval. UPL is a 586 MW indigenous low BTU gas-based Independent Power Producer (IPP), located at Dera Murad Jamali, District Naseerabad, Balochistan which was commissioned on October 18, 2000. UPL had executed the Implementation Agreement (IA) on November 19, 1995, PPA on November 23, 1995 and first amended and restated Gas Supply Agreement (GSA) on November 2, 1995 in related to the project.

The sources said, to determine an effective way to make per unit price of electricity generated by UPL more competitive and provide benefit to electricity consumers of the country, OGDCL and UPL discussed and agreed to cap Marker Price Index under the clause 2.8 of the GSA. UPL through its letter of October 14, 2022 informed GoP/PPIB that UPL and OGDCL have agreed to execute Amendment No.4 to the GSA to amend definition of the term 'Marker Price Index' in clause 1.5 of part 1 of Exhibit B to the GSA by including the following at the end of the definition as reproduced below for the sake of completeness:

"Marker Price Index" – A number computed to four decimal places which for any month equals (a) the base marker price, plus one-half of any positive difference between the marker price and the base marker price, divided by (b) the base marker price, where the marker price is determined in accordance with Paragraph 1.4 for the relevant price notification period in which such month occurs,

however, that all of any positive difference between the marker price and the base marker price shall be added to the base marker price in subsection (a) after the twentieth anniversary of the Commercial Operation Date (COD); provided further notwithstanding anything to the contrary in this Exhibit B, the Marker Price Index shall not exceed 2.8 from July 1, 2021."

The sources said, OGDCL, Oil and Gas Regulatory Authority and DG (Gas) office have provided their approvals/NoC on Amendment no. 4 to GSA, adding that since the change in GSA would be correspondingly reflected in a similar amendment to the definition of "Marker Price Index" in Clause 1.4 of Part 1-A of Schedule 6 to the PPA; hence in accordance to Section 17.1 of the PPA, it can be amended only by agreement between the Parties in writing.

The Section 17.1 of the PPA also states that: "no amendment of this agreement shall be effective if it materially increases obligation of the GoP upon termination of the Implementation Agreement or under the guarantee unless and until the GoP approves such amendment in writing".

Subsequently, UPL through its letter of October 14, 2022 requested PPIB/GoP to grant its approval for relevant amendments in the applicable project agreements (i.e. GSA and PPA), to enable UPL to execute the Amendment no. 4 to GSA and Amendment No. 4 to the PPA.

In order to seek the CPPA-G's point of view on the matter, especially with regards to impact on GoP obligations under the IA and the GoP guarantee through the proposed amendment, PPIB approached CPPA-G on November 11, 2022, pursuant to Section 24.1 of the IA and requested to review the changes proposed in the amendment, provide its concurrence as Power Purchaser, share a complete financial analysis of it , along with any adverse impacts on GoP obligations /liabilities, under IA and GoP Guarantee .

As per CPPA-G's analysis there would be no adverse financial implications because the per unit price of electricity generated by UPL shall be more competitive.

The Marker Price Index was previously capped at 3.9223/MMBTU and if it is capped to 2.8/MMBTU from July 2021, the electricity consumers will be benefitted to the tune of Rs. 4.9 billion from July 1, 2021 to September 30, 2022 apart from future financial savings till the term of PPA. In the meantime, CPPA-G through its letter of December 6, 2022 informed PPIB that the matter regarding Amendment No. 04 to the GSA and the PPA was presented before its Board of Directors in a meeting held on November 30, 2022, wherein following decisions were made:

i) Resolved that "Power Purchase Agreement (PPA) Amendment no. 4 to be signed between CPPA-G and Uch Power (Private) Limited be and is hereby approved"; (ii) further resolved that "CPPA-G management be and is hereby authorized to forward the PPA Amendment No. 4 to be signed between CPPA-G and UPL to Nepra and PPIB for seeking approval from ECC of Federal Cabinet" and; (c) further resolved that "after approval from ECC , CEO CPPA-G be and is hereby authorized to sign and execute PPA Amendment No.4 between CPPA-G and UPL".

In parallel, UPL, in a letter of December 14, 2022 requested PPIB/GoP for approval on the Amendment No. 05 of the GSA which relates to, inter alia, the extension of the term of the GSA.

Though GoP/PPIB is not legally obligated to issue consent for the extension as this is a bilateral agreement between UPL, and OGDCL which the parties have mutually agreed to extend pursuant to a commercial decision.

Nevertheless, GoP/PPIB in order to facilitate UPL can issue a consent to the Amendment No. 05 until the remaining term of the GSA with the condition that arrangement of gas for the project will be sole responsibility of UPL and further that for extended term of GSA GoP shall not be liable for payment obligations of OGDCL under the guarantee.

The PPIB, in its proposal already cleared by its Technical Committee proposed to its Board that since UPL power plant is supplying cheap and reliable electricity to National Grid and currently is at no.1 on NTDC's merit order list hence in order to proceed further, PPIB Board may consider Amendment No. 4 to GSA and Amendment No. 4 to the PPA for capping Marker Price Index. Further PPIB may also consider Amendment No. 5 of the GSA.

The Board of PPIB has also approved project specific amendments to the Implementation Agreements and Guarantee.

R 24-3-2023

RLNG POWER PLANTS OWNED BY NPPMCL: BOI ENGAGING ADQ AND IHC TO ASCERTAIN THEIR INTEREST

ISLAMABAD: The Board of Investment (BoI) is reportedly engaging Abu Dhabi Development Holding Company (ADQ) and International Holdings Company (IHC) to ascertain their interest in acquiring RLNG power plants owned by National Power Parks Management Company - Private Limited (NPPMCL), well-informed sources told Business Recorder.

The NPPMCL was put on active privatisation list on October 31, 2018 and the due-diligence for transaction was timely completed by Financial Advisory Consortium (N/s Credit Suisse) in Sept 2019. The Road Shows were also held at UAE and Qatar in December 2020. The privatisation process was interrupted by COVID- 19 outbreak (in 2020 & 2021) and due to the encumbrances associated with the entity. Presently efforts are underway to ascertain interest from potential investors globally. To facilitate investors and for expeditious processing of the transaction, Government has also enacted Inter-Governmental Commercial Transactions Act 2022, and meetings have been held with potential international investors.

Prime Minister, in the meeting held on February8, 2023 has also directed Power Division to follow up with TAQA-UAE. Meanwhile, the BoI in its correspondence of March 6, 2023 emphasized that ADQ and IHC will be engaged to assess their interest in acquiring NPPMCL.

Privatisation Commission in a letter to BoI claimed that it is making all out efforts for sale of NPPMCL, adding that PC also looks forward to BoI to facilitate as per its mandate in the maximum outreach to potential investors. As per the advice from BoI, PC will be available for conducting investor conference/road show along with Power Division at the destination(s) recommended by Board of Revenue.

According to sources, previous efforts of Privatisation Commission to sell two RLNG-fired power plants to Qatar or Saudi Arabia have not succeeded, after which more focus is being given on UAE companies.

R 23-3-2023

OGRA TO LAUNCH REVIEW OF EXCHANGE RATE ADJUSTMENT

KARACHI: Oil and Gas Regulatory Authority (OGRA) has assured the oil sector it would review the exchange rate adjustment mechanism after the oil sector identified serious flaws in it. OGRA held the meeting with the oil industry on Tuesday to discuss the mechanism of exchange rate adjustment. Representatives of the Oil Companies Advisory Council (OCAC), Oil Marketing Association of Pakistan (OMAP), CEOs and CFOs of Oil Marketing Companies (OMCs) attended the meeting. Sources told The News that the industry pointed out, barring PSO (being the bench marked company), an existential threat, which was mainly driven by the lack of a coherent policy and lack of understanding and interest on part of the regulator to protect the interest of all the stakeholders.

The representatives of the industry pointed out that in a regulated environment, it is the duty of the regulator to ensure that the respective industry gets a level playing field. They pointed out serious flaws in the current mechanism that envisioned a formula through which the actual forex losses could be recovered and disbursed. Instead, the industry pointed out serious leakages, whereby the existing formula was allowing forex recovery to companies that did not even import any cargos. Almost all top companies, including multinational players pointed out the serious flaws in the formula and demanded from the forum to fix the formula ensuring a level playing field for all the players at large. One of the participants suggested to create a pool for exchange losses recovery and disbursement whereby the actual losses would be reimbursed to the industry. The proposed pool system would ensure an air tight system with zero leakage. They said the pool would ensure that nobody intentionally or unintentionally takes any undue advantage.

Representatives of the OMCs also registered a serious concern that besides clear cut instructions given by the Minister of State on Petroleum, the regulator failed to initiate OMCs margins review, negative IFEM, and stock holding cost. They said that the regulator had only focused on negating the demands of the industry on exchange losses.

OMAP representative pointed out that the refusal of the regulator on creating a level playing field was not just causing huge losses to the OMCs, but was an existential threat.

The regulator’s current role is also seriously closing the doors for new foreign direct investment in the sector, which is an added failure of the current political system and in conflict of what the ministry has been saying, they pointed out. These things were also impacting the confidence of investors, and the ability of the sector to maintain strategic reserves, the OMAP representative said.

TN 23-3-2023

PTA LINKS FLOOR PRICE MECHANISM FOR CMOS TO CCP'S NOC

ISLAMABAD: The Pakistan Telecommuni-cation Authority (PTA) has linked floor price uplift mechanism for cellular mobile operators (CMOs) with no-objection certificate (NoC) from the Competition Commission of Pakistan (CCP) to follow de-regulated market principles, official sources revealed to Business Recorder.

The CMOs had demanded moratorium on quality-of-service, roll out obligations, moratorium on Universal Service Fund (USF) and R&D fund reduction from two per cent to one per cent for one year duration and floor price uplift mechanism of voice and data to optimise base price. The Ministry of Information Technology and Telecommunication asked the PTA to provide response on the issues and furnish legal procedure as per rules. Official sources revealed that the PTA informed the MOIT that the Authority may consider data floor price demand by operators subject to the NOC from the CCP.

Sources revealed that some operators are providing data a lower tariff to their subscribers, which is do not suit to bigger operators and hence the later wanted a fix base price, after operators can set their own prices. However, the PTA has linked the revision and sitting floor price with CCP NOC to avoid monopoly of some operators.

Sources in the PTA further stated telecom is de-regulated sector in the country, and hence, it can fix floor price at its own, unless all operators agree. In such situations, the CCP is the relevant forum to ensure competition and market principles to avoid monopoly, the sources added. The PTA has, however, rejected the CMOs demand of placing moratorium on quality of services and agreed on placing moratorium on rollout obligations on case-to-case basis.

E-VEHICLES: NEECA REVISES BUILDING CODE FOR ENERGY PROVISIONS, CHARGING RULES

ISLAMABAD: Following instructions of the Prime Minister, National Energy Efficiency & Conservation Authority (NEECA) revised building code for energy provisions and charging infrastructure regulations for E-vehicles.

The new Energy Conservation Building Code 2023 has been presented and approved by the Technical Committee of NEECA on March 21, 2023. The code has been developed by a technical committee of experts from various government departments across the country, and subsequently reviewed by an advisory committee comprising developers, builders, and field experts and practitioners. Furthermore, to incorporate modern research and add value to this code, it has also been reviewed by experts from academia.

This energy conservation building code (ECBC-2023) encompasses building envelope optimization, passive design of buildings, building insulation, retrofitting of existing buildings to convert them into energy efficient ones, monitoring devices for energy analysis, renewable and geothermal energy potential in buildings, and energy management systems.

Through the implementation of this code, the overall energy demand of the building sector can be significantly reduced, up to 45%, resulting in the saving of millions of public funds. Furthermore, this code will also promote the construction of environment-friendly buildings, leading to a potential reduction of GHG emissions by 35% and improved climate-resilient characteristics of buildings. Talking to Business Recorder, Managing Director NEECA, Sardar Moazzam said that NEECA has developed the Electric Vehicle Charging Infrastructure Regulations 2023 to ensure that consumers are protected, and power grids are not overloaded due to substandard charging facilities. The proposed EV charging regulations are duly approved by the Technical Committee of NEECA's Board.

The EV charging regulations set a series of standards that will help ensure a more efficient and consistent EV charging network. Specifically, these regulations are directed at making EV charging infrastructure user-friendly, accessible, and reliable. It is also intended to manage future EV sales growth, ensuring they don't overload the power grid and cause disruptive blackouts.

GAME DEVELOPERS CONFERENCE GDC IN SAN FRANCISCO: US CG IN LAHORE INAUGURATES FIRST-EVER 'PAKISTAN PAVILION'

LAHORE: At the Game Developers Conference (GDC) hosted in San Francisco, California, US Consul General in Lahore William K Makaneole formally inaugurated the first-ever "Pakistan Pavilion," a trade booth at which more than 35 Pakistani game developers are showcasing their products to the US and international vendors and investors.

As per the details shared by the US Consulate General Lahore, the pavilion, jointly established by a USAID Investment Promotion Activity (IPA) and the Pakistan Software Houses Association (PASHA), along with corresponding networking meetings will develop partnerships that grow Pakistan's gaming sector, increase US investment in Pakistan, and further cement the California-Punjab Sister Province/State initiative signed in January.

Consul General Makaneole also formally launched the Green Gaming Challenge Awards, which would support game developing firms registered in Pakistan with up to US 100,000 dollars to develop games that create awareness about climate change and highlight ways to mitigate climate-related challenges. The IT gaming sector of Pakistan was growing quickly, and this investment, through a USAID IPA, would increase IT exports from Pakistan and cultivate investment opportunities for international investors in Pakistani mobile gaming firms. Commenting on this, Consul General Makaneole said: "Using games to educate the public about climate change was a great way to address this global concern. Our aim was to encourage development of games that foster awareness about climate change and highlight steps individuals can take to tackle this global challenge. We are proud of the US-Pakistan Green Alliance framework, a partnership which jointly addresses the climate crisis and improves access to renewable energy."

Addressing the participants via a video message, California State Representative Chris Holden said: "I am delighted that the Green Gaming Challenge Awards were an opportunity to put into action the principles of the California-Punjab Sister State Agreement. We have an opportunity to further deepen our cooperation and enhance trade and investment in the technology sector."

TECHNICAL OBJECTION SHOULD NOT OBSTRUCT DISPENSATION OF JUSTICE: LHC OBSERVES IN SELL AGREEMENT OF INHERITED PROPERTY CASE

LAHORE: The Lahore High Court has held that technical objection should not come in the way of dispensation of complete and substantial justice and same should not be allowed to defeat justice.

The court allowed a petition and set aside the impugned order of the trial court which failed to give any findings with regard to the reliefs of perpetual injunction and specific performance of the agreements to sell.

The court directed the trial court to make necessary correction in its order and decree keeping in view plaint and evidence of the petitioner.

The court observed an act of a court should not prejudice any party and added the courts have jurisdiction to correct the clerical or arithmetical mistakes or errors caused due to accidental slip or omission in a judgment, decree or order. The aim of the procedural provisions is to safeguard the interest of justice instead of defeating the same and such power can be exercised at any time, the court added.

A court under section 152, C.P.C. is not only competent to correct clerical or arithmetical mistake in the judgment, decree or order but may correct accidental slip or omission as well, the court added.

The court further said it is the basic principle of administration of justice that the courts are sanctuaries of justice and in exercise of authority to do exdebito justitiae (to say wrong and to suppress a mischief to which a litigant is entitled). The law favours adjudication on merits, the court concluded.

The petitioner pleaded that through agreement deeds and power of attorney defendants the respondents received consideration of their shares in cash and if any defendants did not execute any writing, he received his share orally.

Therefore, the said defendants have no concerned with the suit property and they are bound through their written as well as oral agreements to execute registered deed in his favour.

The petitioner proved through evidence that suit property was belonged to their predecessor namely Muhammad Shafi and after his demise inherited to his legal heirs and defendants through different agreements to sell agreed to transfer their share in his favour and also executed a registered general power of attorney in this behalf.

The trial court only granted relief for declaration by declaring that plaintiff and defendants are legal heirs of deceased Muhammad Shafi but failed to give any findings with regard to the other reliefs of perpetual injunction and specific performance of the agreements to sell. In this scenario petitioner moved the application for correction of the order/decree and got relief.

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SWISS REGULATOR DEFENDS ITS DECISION TO WRITE OFF AT1 BONDS

March 23, 2023

ZURICH, March 23 (Reuters) - Switzerland's financial market regulator FINMA defended its decision to impose steep losses on some of Credit Suisse (CSGN.S) bondholders on Thursday, saying the decision was legally watertight.
On Sunday, Switzerland announced a multi-billion franc rescue of Credit Suisse, which will see it taken over by UBS.

As part of that deal the Swiss regulator said 16 billion Swiss francs ($17.49 billion) of the lender's Additional Tier 1 debt to be written down to zero, while shareholders received some compensation.

The decision that prioritised shareholders over AT1 bondholders rattled the $275 billion AT1 bond market, prompting a sharp fall in prices on Monday. Some Credit Suisse AT1 bondholders are seeking legal advice.

"The AT1 instruments issued by Credit Suisse contractually provide that they will be completely written down in a 'viability event', in particular if extraordinary government support is granted," FINMA said.

"As Credit Suisse received extraordinary liquidity assistance loans secured by a federal default guarantee on 19 March 2023, these contractual conditions were met for the AT1 instruments issued by the bank," it added.

Tier 2 bonds will not be written down, FINMA said.

FINMA Director Urban Angehrn said that "a solution was found on Sunday to protect clients, the financial centre and the markets".

European regulators on Monday stepped in to say they would continue to impose losses on shareholders before bondholders - unlike the treatment of bondholders at Credit Suisse.

In a bid to boost confidence among bondholders, UBS (UBSG.S) said on Wednesday it would buy back 2.75 billion euros worth of debt it sold just days ago.

https://www.reuters.com/markets/europe/swiss-regulator-gives-information-about-credit-suisse-bond-write-down-2023-03-23/