

INTERNATIONAL
THE NEWS

Government getting money back because of judiciary: SC

November 23, 2011

ISLAMABAD: The Supreme Court of Pakistan observed on Tuesday that the government was finally recovering the money from Rental Power Projects (RPPs) after the intervention of the judiciary.

A two-member bench of the apex court comprising Chief Justice Iftikhar Muhammad Chaudhry and Justice Khilji Arif Hussain was hearing a suo moto case and two identical petitions filed by Federal Minister Faisal Saleh Hayat and PML-N MNA Khawaja Muhammad Asif against the Rental Power Projects (RPP). Shahid Hamid, the counsel for Walter, submitted before the court that Khawaja Tariq Rahim would join the court on Thursday.

Justice Khilji observed that darkness had become the fate of the poor masses while the government signed rental power projects and paid billions of rupees for machinery, with the end result that the companies kept the machinery idle and the government got nothing but less electricity.

Waseem Sajjad, counsel for former Minister for Water and Power Raja Pervaiz Ashraf, filed two civil miscellaneous applications and submitted that his client resumed the ministry on 21 March 2008 while the RPPs issue had been initiated much before.

The chief justice asked how many RPPs were signed during Ashraf's tenure. Sajjad replied that a few were signed when he was the minister but the policy was already there and the bidding process had almost been completed. He submitted that Gulf, Karkay, Reshma and Naudero were the main RPPs signed by his client's ministry. The CJP observed that no advertisement was floated for Karkey.

Waseem Sajjad submitted that when his client took over as minister, there was agitation all over the country against loadshedding and it had become an election issue, which was why Ashraf decided to continue with the RPP policy as it was the only short term and speedy remedy to overcome the crisis. He further submitted that all the decisions regarding the RPPs were taken by the ECC and the federal cabinet and were decided by the former government.

The CJP observed that Sajjad was himself part of the former government which had been unfaithful to the country. Sajjad submitted that shortage of electricity could not be doubted but his client had tried to be transparent by adopting International Criteria for Bidding (ICB). He submitted that the RPPs were undoubtedly expensive but the government had no other option to

overcome the shortage of power. He stated that rates were also approved by Nepra and as far as implementation was concerned, it was the duty of the line department and not Ashraf. He added that the increase in mobilisation amount was approved by the federal cabinet, not the minister.

The CJP asked him to clarify the responsibility of the minister under the Rules of Business. Justice Khilji asked him why Ashraf did not wait for other bidders. "Had he tried to get cheap electricity, he might have got some low bidders," Justice Khilji observed.

Sajjad submitted that no money was looted in this regard and every penny was recoverable. The CJ asked him how much money had been recovered so far and how much of it because of his client. Waseem Sajjad submitted that Reshma had returned all the money and interest would be paid soon. The CJP observed that this was due to the intervention of the judiciary not his client. He further observed that it was the duty of the minister to frame a policy but the RPPs were awarded without a concrete policy. "If you had any policy in this regard, just show it to us so that we know you did something in accordance with the law," an angry CJ added.

Waseem Sajjad submitted that he would talk about the policy during his arguments. Justice Khilji asked him to directly go to the policy if one existed. Waseem Sajjad submitted that ministers never made policy without the approval of the cabinet. The CJ responded: "All such things were the prime duty of the minister but your client did not bother about the success of his RPPs."

Waseem Sajjad replied that everything was transparent and could be seen on the website. He sought additional time and court was adjourned for today (Wednesday).

Registrar Nepra Syed Safeer Abbas submitted some documents but the CJ did not accept them and directed him to submit a comprehensive report on tariffs. The chairman CBR appeared and submitted that he had collected all documents concerning duties and machinery imported in this regard. The court directed him to submit a report on duties and owners of the machinery by today (Wednesday).