

### **3. Pakistan Railways (PR)**

A comprehensive roadmap of reforms, complete with timelines, was developed in consultation with Pakistan Railways. The plan was shared with Pakistan Railways in July 2020 which, after the requisite inter-ministerial consultations, initiated a summary in end September 2020 and submitted the same for consideration of the Cabinet.

## **Background**

1. Pakistan Railways (PR) is one of the largest public sector enterprises in Pakistan. It is a behemoth that currently employs 68,750 people all over the country and for the financial year 2018-19 it had a total budgetary outlay of Rs. 87.3 billion. The organization is still governed primarily by the Railways Act of 1890 enacted by the British government. PR currently maintains about 11,700 KM of track and operates 480 railway stations. It has 468 locomotives and 1214 functional passenger wagons.

2. Since independence, PR has had a checkered history. There is no doubt that PR has great strategic value for the nation. In fact, PR played a very important role in the early economic development of the country. However, over the last few decades the organization has seen a major slump in performance and in recent years it has become one of the largest loss-making entities in possession of the government of Pakistan. 2011-12 marked the lowest point in the history of Pakistan Railways. Since that time the performance has improved slightly. However, fundamental reforms are urgently needed to turn around the organization. During the year 2018-19 Pakistan Railways generated a total revenue of 54.5 billion and received a subsidy of 32.8 billion from the Federal Government to cover for its losses. The pension liability is the single biggest problem facing the organization with Rs 31.3 billion spent on pensions during the year 2018-19. Expenditure on salaries and pension alone constituted 67% of the total expenditure in 2018-19.

3. The international best practice in railways all over the world is to encourage the participation of the private sector. Japan is widely agreed to have the most efficient railway system in the world and its railways ecosystem is completely dominated by private companies. The eventual long-term goal should also be the same in Pakistan. However, the first step in achieving this goal is to make PR profitable and efficient. There are examples where railways are being run efficiently in public sector. The best example is Deutsche Bahn AG in Germany which is one of the largest transport companies in the world. There are also good examples in our neighborhood. Indian Railways and China Railways are two public sector organizations that have much better performance as compared to Pakistan Railways. Valuable lessons can be learned from these organizations. This report recommends immediate reforms in five critical areas for immediate improvement in performance of PR.

## **Immediate Reforms**

### **I. Governance, Organizational Restructuring and Management**

4. **Appointment of the General Manager, Pakistan Railways:** There is a critical need to reform the office of the GM/CEO Pakistan Railways. This office is the single most important office with regard to the performance of the organization. The appointments to this office should be done meticulously. As per existing rules, all existing BPS-21 officers of PR are eligible for this post and the appointment is done by the Prime Minister's office. Unfortunately, the routine has been to appoint the senior most officer of PR in BPS-21 to this post who is usually retiring in a few months. This policy has had significant adverse effects on the performance of the whole organization. An officer nearing retirement has no motivation or energy to deliver. They also have no incentive to take risks, make hard decisions or promote

reforms. Any officer appointed as GM/CEO should at least have 2 or more years of service remaining. The ultimate goal is to amend the law and open up the position of CEO/GM to competent individuals with integrity, outside the Railway service.

5. Furthermore, the appointment of GM/CEO should be done through a thorough screening and interview process in which all eligible officers compete. A high-level panel should interview the short-listed candidates who will be required to make a presentation on the strategy to operate the PR and make it financially viable. The selection process for the CEO should be initiated at least 3 months prior to the retirement of the incumbent. The selection committee should rank each candidate on the following parameters:

- a) Past Service Record as reflected by PERs and Trainings records 40%
- b) Past Professional Experiences 20%
- c) Performance at the Interview 40%

**6. Performance Management of CEO/GM:** The GM should be appointed for a period of 2 years with the option of one-year extension in case of excellent performance. Upon appointment each CEO should sign a performance contract with the Railways Board which has been pre-approved by the Cabinet. The performance contract should have clear indicators with concrete quantifiable quarterly targets. Revenue targets for each revenue stream will form the integral part of this performance contract. Other indicators can include safety records, new reforms, passenger satisfaction surveys etc. The Railways Board should evaluate the performance of the CEO each quarter. In case the performance targets are not met, the board should censure the CEO and give him one more quarter to improve performance. In case the targets are again not met in the second quarterly meeting, the Board must recommend termination of services and early retirement of the CEO to the Cabinet. There should be no exceptions to this rule.

**7. Operational Autonomy for GM:** The GM PR should be given operational autonomy to perform his/her functions. There should be no interference from the Railway Board or the Ministry. The Railways Board and Ministry should only oversee performance of the CEO and undertake policy formulation. The CEO/GM should not be called to the Ministry or by the Board for any meeting more than once every quarter.

**8. Reforms in Office of GM/CEO and Pakistan Railways Head Quarter:** The restructuring plan for Pakistan railways that has already approved by the PM should be fully implemented in the timelines already communicated. The CEO should be encouraged to utilize expert technical human resource through hiring of experts. In this regard the Ministry is in process of hiring of 4 technical advisors in MP1 scale for the Pakistan Railways HQ. More details are given in the Appendix A.

**9. Composition and Functions of the Railway Board:** Currently the Railway Board has 7 ex-office members and 3 members from the private sector. Out of the 3 current private members, 2 are retired civil servants. There is a need to immediately reconstitute the board and replace all the private members with eminent private sector leaders. Amendments in relevant laws to increase the number of private sector members to at least 5 including an expert from each of the following sectors is also recommended.

- i. Delivery companies like TCS, DHL etc.
- ii. Hospitality sector
- iii. Airlines

- iv. Land passenger transport
- v. Leading IT entrepreneur

10. The primary function of the board should be to monitor, guide and evaluate the performance of the management, recommend policies and approve the annual budget and audited financial statements.

**11. Role of the Ministry and Secretary:** The Ministry should only be involved in policy formulation for PR, liaison with the ministries and the agencies, legislative and Cabinet matters, international linkages etc. The Ministry should not be involved in the day to day operations of the PR and it should be refrained from unnecessary interference. In fact, it should only interact with PR through the Railway Board. In order to effectively perform policy formulation, the Ministry should have specialists in human resource management, finance and ICT. A seat for Technical Advisor in MP1 should be immediately created in the Ministry. The Technical Advisor may be given one more additional support staff in MP-II scale for assistance. The TA should perform the lead role in policy formulation under the guidance of the Minister, Secretary and the Board. The implementation of the policy should be done through the Railway Board.

## II. Operational Efficiency

**12. Separating PR into constituent companies:** In order to improve operational efficiency and management, it is necessary that Pakistan Railways should be divided into the following separate companies i) Freight Traffic Management Company (ii) Passenger Traffic Management Company (iii) Infrastructure Management Company (iv) Rail Traffic Regulatory Authority and (v) an independent ML-1 authority. The Ministry is already working on a restructuring plan and it should be completed within 4 months. More details are provided in Appendix A. PR has become a huge monolith consequently an ungovernable enterprise. The separation into these constituent units will make management drastically easier and yield immediate improvements in efficiency. The proposed organogram is shown in the Appendix B. As ML-1 is a multi-billion-dollar project under CPEC, it is not covered in this report except that an independent body should implement the project. Similarly, Karachi Circular Railway project is excluded from this report.

**13. Safety Measure:** As the present state of railway track is in a bad shape, causing a number of accidents, PR has introduced a comprehensive new 'Safety Audit Regime'. In addition, work has been started for immediate repairs to the vulnerable points, convert the un-manned gates into manned gates and do public awareness campaigns to improve safety. For the first time a high level quarterly workshop for the top management of PR about improvements in safety and security standards has also been started. IT based monitoring coupled with warning sirens and lights are being introduced to prevent future accidents on crossings. Illegal crossings are being removed. In the aftermath of the Tezgam tragedy, a comprehensive new fire safety regime has also been initiated. Capacity building of staff for improved safety standards has also been initiated. Railway Police also needs to be modernized and converted into a smart policing unit to detect, enforce and impose penalties on violators. More details are provided in the Appendix C. With the separation of the regulatory functions from the operations and with the formation of an independent Railway Traffic Regulatory Authority (RTTA) the inspection regime would be become effective as the regulator would have the powers to identify and enforce safety standard and impose penalties against the officials found responsible for the negligence in duty in ensuring safety. The key performance indicators of Divisional staff will have due weight given to safety of operations based on defined parameters.

14. Digital mapping of all manned, unmanned and unauthorized crossings with GPS coordinates and solar operated automatic public warning systems at unmanned level crossings will also improve safety and security of train operations.

15. The Provincial governments and district administrations are being approached to build underpasses/overhead bridges to eliminate unmanned/manned level crossings and eradicate unauthorized crossings.

**16. Outsourcing to Private Sector:** In the immediate future the PR should make maximum use of the private sector operators. Train operations for both freight and passenger traffic should be outsourced to private companies as ample demand for this exists. Previous ventures in this regard were profitable for both the private companies and PR. However, learning from past experiences, legal contracts for such collaborations should be carefully drafted and effectively enforced so as to prevent litigations. All commercially viable routes should immediately be handed over to the private sector. PR plans to outsource 15 passenger trains to private sector in the near future. This should be done along with freight trains. This first stage should be completed as soon as possible and the progress be reviewed by the Cabinet. Next stage is to develop the capacity for carrying containerized freight for which PR has to improve port connectivity and develop terminals for containerized traffic. The Ministry is working with the Maritime Affairs Ministry to divert this traffic towards Railway and help generate additional revenues.

**17. Track access regime** should be revived to allow for third party access to railway lines. The project underway for this purpose needs to be operationalized at the earliest. Private sector should also be encouraged to take over workshops and track and train maintenance.

**18. Electric Trains:** Fuel costs are about 16 Billion per year for Pakistan Railways. The recent low oil prices can be used to hedge future oil purchases. This can significantly reduce the operational costs for the next few years. However, in the long term there is a need to fully transition to HV electric lines and electric powered locomotives since they are more efficient and very environmentally friendly. In India 61.62% of the routes are electrified with 25 kV 50 Hz AC and they plan to run 100% of trains on electricity by 2024. Due to the recent completion of several energy projects under the CPEC, there is excess capacity in our power system. PR can directly work with IPPs which have large amount of idle capacity available with them. There should be a 10-year plan to transition completely to electric trains by 2030. 10% electrification of system should be ensured each year. This initiative can become an important project in PM’s vision for clean and green Pakistan.

### III. Financial Sustainability

20. Table 1 below shows the current revenue position of PR:

**TABLE I: Financial Situation of PR**

Description	Actual Revenue in Billions for 2018-19
Passenger Receipts	28.6
Freight	18.8
Total Sundry	4.5
Others	2.6

Revenue per passenger train	0.498 million
Revenue per freight train	2.72 million
<b>Total</b>	<b>54.5</b>

20. There is a clear room for significant improvements in revenue by shifting focus from passengers' trains to freight trains. Passengers trains on average need 85% occupancy just to break even on costs whereas freight trains are always profitable. Average revenue per freight train was 2.72 million last years as compared to 500,000 per passenger train. Freight traffic accounted for 35% of total revenues in 2018-19 even though only 11 freight trains were running daily as compared to 114 passenger tarins. Excess demand for freight transport exists that can easily be met by increasing the number of freight trains. The number of daily freight trains should be increased to 20 by the end of 2020. This can be achieved by setting the minimum number of passenger carriages on each passenger train to 18. Currently this number is 12 which is much lower than the effective usage rate. PR should target 40 daily freight trains by end of 2021.

21. All freight transport should be managed by Railway Freight Transportation Company. Transport of oil and coal from Karachi port is one area that has a lot of potential. Cargo transport to the SEZs, dry ports and Afghan border can be another game changer. With the operationalization of CPEC, the freight transport demand will increase exponentially and it can single handedly make PR a profitable enterprise. Terminal Facilities should be improved for this purpose. A Marketing specialist should be immediately appointed for soliciting freight business for the PR.

22. Income through Land Utilization: Utilization of land assets of Pakistan Railways can make a significant contribution in improving the financial health of the organization. Pakistan Railways has prime commercial land on either side of its tracks passing through the major cities. Table II below shows the details.

**TABLE II: Land in Possession of PR**

CITY	TOTAL RAILWAY AREA (in Acres)	AREA AVAILABLE (free from litigation or encroachment)	ESTIMATED VALUE (in Millions)
Karachi	6384	12.41	1312
Lahore	3610	9.96	1052
Rawalpindi	2674	7.86	831
Peshawar	437	1.92	203
Total	13,105	32.15	3398

23. As detailed above more than 99% of railway land is under encroachment or litigation. This is a very unfortunate state of affairs and needs urgent and strict action. Up to 20 feet of land along the tracks adjacent to major roads can be easily utilized for commercial activities like

smart markets, advertisements, billboards etc. These activities should be fully outsourced to private sector on PPP model or leasing. This land use policy will have the further advantage of preventing trespassing on tracks and permanently stop encroachments. This initiative alone can bring tens of billions of rupees in monthly rental revenue to Pakistan Railways. Computer based land management system (PRLMIS) and a leasing system is being developed by PR and should be fully implemented by the organization. A project management unit is being established to ensure that a dedicated permanent unit, staffed by senior officers of PR, manages and utilizes railway lands. This unit should eventually be converted into an independent railway land management company staffed by PR employees. In this regard consideration may be given to revive and revitalize the dysfunctional Railway Estate Development and Marketing Company Limited (REDAMCO) maybe revitalized. The highly commercial lands in major cities like Karachi, Lahore, Rawalpindi, Peshawar and Quetta which are free from encroachments should be utilized in the first phase.

**24. Railway Stations as Commercial Hubs:** The PMU established for real estate management should explore various PPP and JV partnership models with the private sector to upgrade the major stations into commercial hubs. High quality hotels should also be established through PPP in the vicinity of all major stations. The immediate target should be to initiate PPP/JV for Karachi and Lahore stations. Dedicated and specialist manpower should be in charge of these endeavors. It is very important that in all these PPPs and JVs, the legal contracts and agreements be meticulously drafted to prevent future litigation. It is therefore essential that the PR hire and maintain an eminent legal firm on retainer ship basis to manage all such contracts.

**25. Cost Control through reduction of Pension Liabilities:** On the cost side, pension liabilities constitute 36% of total expenditures and are becoming unsustainable. There are currently 123,673 pensioners of PR with a bill of 34.8 billion. This liability will exceed Rs 50 billion within the next few years. PR has completed the biometric verification of all pensioners. However, there is an urgent need to review the liberalized pension rules of 01-07-2015 to restrict benefits to widows of pensioners only. PR cannot afford to repay the existing pension liabilities from its own resources and therefore it is recommended that the GoP takeover these existing liabilities and pay them through the annual subsidy allocated to PR. No further subsidy should be given to the organization. For future liabilities PR should immediately establish a pension fund on the same model as the Pakistan Post pension fund and transition to a defined contribution pension plan.

**26. Immediate freeze on all permanent employment:** It is critical that there should be an immediate freeze on all new permanent employment in Pakistan Railways without any exceptions. New employees should only be hired on contract basis and this contractual employment should be given legal cover through relevant rules so that these employees cannot be regularized in the future. All non-technical posts that have remained vacant for more than one year should immediately be abolished.

**27. Interventions for cost checking and voluntary retirement scheme:** Future liabilities can further be reduced by enforcing an effective carrot and stick policy. It is common knowledge that absenteeism is quite rampant in PR especially at the landed facilities like the workshops. Using latest IT and biometric techniques including CCTV absenteeism can be effectively detected and should automatically lead to significant pay deductions. In complement to these interventions an attractive golden handshake scheme for early retirements should be introduced. Considering the long-term impact of pension liabilities, packages up to 5 million may be justified to make this scheme attractive. IT systems should also be deployed to check oil pilferages and fictitious maintenance works.

**28. Welfare and Special Initiatives department,** which has many non-core activities such as hospitals, dispensaries and schools, should be wound up and these non-core activities be outsourced to the other relevant government departments, private sector or NGOs.

**29. Reorganization of Territorial Operating Divisions reorganization:** The present job description of the Divisional Superintendent should be revised and revisited so that they can focus on efficiency of operations such as punctuality, service delivery, safety, customer facilitation and convenience on board and off board. They should not be burdened with non-core activities such as marketing and load management which ought to be handled by specialists.

**30. Manufacturing Facilities:** The Pakistan Locomotive Factory, Risalpur, Moghalpura workshops, concrete sleeper factories should be evaluated in terms of their manufacturing and repair capacity, human and technical resources and financial and managerial processes to determine if they can meet current and future requirements of Pakistan Railways. Transfer of technology through joint ventures with foreign companies may be explored as an option.

#### **IV. Human Resource and Capacity Building**

31. The present working strength of Pakistan Railways is 68,750. It is proposed that through retirement and outsourcing this strength should be reduced to 58,950 in next three years.

**32. Specialist Human Resource:** Specialists recruited by the Ministry should carry out an audit of the human resource requirements under the proposed restructuring plan and identify the skill gaps and redundancies. The redundant staff should be placed in a surplus pool and the vacancies caused by their exit should be abolished. Permanent employments at all tiers should be immediately banned throughout the organization and all future appointments in PR be made on contractual basis.

33. The recruited human resource specialists should also develop new human resource policies for the organization from induction and recruitment to training, performance management, career planning, compensation and benefits, severance and retirement and make these policies transparent.

**34. Reforms in Training:** The Railways Training Academy in Walton used to be one of the world class training institute for Railways. However, the standards at the academy have deteriorated significantly over the last few decades. The training modules are mostly outdated. As an example, the driving courses still focus on manual locomotives even though most of the engines now being used are electronic and use latest gadgets like EFI systems. Such courses need to be completely redesigned. There is a need to immediately reinvigorate the institute and reform it. The training institute should be given resources, autonomy and capable leadership. Linkages with leading national and international universities should be developed. An external performance audit of the training institute by a reputed national/foreign institute should be performed within the next six months.

**35. Abolishment of Railway Cadre:** PR currently has three streams of officers a) Civil Engineering b) Mechanical Engineering c) Traffic and Commercial. Direct recruitment through FPSC is done for the Civil and Mechanical Engineering streams. Officers for the Traffic and Commercial stream are recruited through CSS. There is no justification for this anomaly. In fact, such differences in recruitment processes create unnecessary hurdles in achieving organizational unity. Therefore, it is recommended that the railways cadre in CSS exam should immediately be abolished. All recruitment of officers in PR should be done directly through FPSC. This reform will have the further advantage of introduction of much needed specialists in the traffic and commercial stream. Officers already in the Traffic and



Commercial cadre would continue to serve according to the terms and conditions under which they were recruited.

## V. Automation and Digitization:

**36. Automation of PR:** Pakistan Railways has recently made considerable progress in automation of business processes and utilization of ICTs. In this regard IT systems have been developed for e-ticketing, earning and accounting, court case management, customer's registration etc. Work is also being done on IT based operational support systems including toll and fuel management, safety management, freight traffic, rolling stock maintenance, e-office, HRMIS, e-procurement and more.

37. In parallel to the above, there is an immediate need to implement a high-quality organization wide enterprise resource planning (ERP) system in PR to better manage the business functions and integrate all the above-mentioned operational support systems. Such an integrated system is critical for improved human resource management, business intelligence, financial management, inventory and customer facilitation. This project should be completed within 6 months.

38. There is also a critical need to develop online decision dashboards for all the top executives of the organization and the Ministry. These dashboards will provide real-time IT based monitoring of all trains, tracks, stations, inventories, assets, cash flows etc. The dashboards should be customized to facilitate decision making at each operational tier. These IT systems should be operationalized within 6 months.

## Conclusion and Recommendations

39. In conclusion, there is room to significantly improve performance of Pakistan Railways in the near future. Immediate targeted interventions can yield great results. In the long term, the privatization of railway sector should be the main goal of the government. The major recommendations to improve performance in the short term are again reiterated as under.

### Governance Reforms

Sr.	Recommendations	Timeline
1.	The selection process for the new GM PR should be immediately initiated and completed at the earliest.	30.09.2020
2.	GM Pakistan Railways should be appointed through a meticulous process and given complete operational autonomy. The selected candidate should at least have 2 years of service left after the date of his appointment.	Ongoing
3.	The GM should be appointed for an initial period of 2 years and on appointment he/she should sign a performance contract with the Board with quarterly targets.	Ongoing
4.	Railway Board should perform vigorous performance appraisal of the GM and his management team. In case performance targets are missed for two quarters, the services of the GM should be terminated.	Ongoing

5.	Railway Board and the Ministry should not interfere in day to day operations of Pakistan Railways.	Ongoing
6.	Railway Board should be reconstituted by inducting private sector experts in business, logistics, finance, legal advisory etc.	30.01.2021
7.	The appointment of 4 technical experts in MP1 scale in PR HQ.	30.10.2020
8.	A seat for Technical Advisor to the Minister in the ministry should be created and an expert appointed.	30.12.2020

### Operational Reforms

Sr.	Recommendations	Timeline
1.	PR should be separated into 5 constituent companies for better management.	30.12.2020
2.	A new Safety Audit Regime has been introduced. Immediate repairs to the railway tracks, converting unmanned gates to manned facilities, digital mapping of crossings, automatic warning systems and incorporation of other safety measures have been initiated.	Initiated and to be completed by 30.03.2021
3.	Track access regime should be restarted.	30.12.2020
4.	Fuel price hedging options may be explored considering the currently low oil prices.	Ongoing
5.	Complete transition to electric trains and lines should be targeted by 2030, with a 10% electrification target each year.	30.06.2021 and 30.06.2030
6.	Private sector should be encouraged to run trains, maintain lines and operate stations. All commercially viable routes should be immediately handed over to private sector. 15 passenger trains and 2 freight trains should be outsourced.	30.9.2020
7.	All commercially non-viable routes that are needed for socio-economic reasons be immediately identified and approved from the Cabinet. All other financially non-viable routes should immediately be closed. This exercise should be completed in two months.	30.9.2020
8.	PPP and JV agreements should be drafted with assistance from eminent legal firms which may be hired on retainer basis.	Ongoing
9.	Railway police needs to be reformed and converted into a smart and specialized policing unit.	30.12.2021

## Financial Reforms

Sr.	Recommendations	Timeline
1.	Freight transport should be given primary importance by Pakistan Railways. The number of daily freight trains should be increased to 20 trains by end of 2020. This number should further be increased to 40 by end of 2021.	30.12.2020 and 30.12.2021
2.	Freight Transportation Company should be empowered to manage all freight traffic and it should focus on transport of oil, coal, and cargo traffic bound for SEZs, dry ports and Afghan border. It should also upgrade its terminal facilities.	Ongoing
3.	A marketing specialist should be immediately appointed for soliciting freight business for the PR.	30.10.2020
4.	All encroached lands should be got vacated through assistance of the Supreme Court.	Ongoing
5.	A dedicated land management unit should be established to utilize railway land assets and a computerized land management system be made operational.	30.01.2021
6.	PPPs and JVs should be explored to utilize the railways land. Railway stations should be transformed into commercial hubs. Work on upgradation of Karachi and Lahore stations through PPP/JV should start by March 2021. Up to 20 feet of railway track land adjacent to major roads in all cities should be developed for commercial purposes including shops, billboards etc. and work in this regard be initiated by March 2021.	30.03.2021
7.	Government of Pakistan should immediately take over the current pension liabilities of PR and pay them through the annual subsidy given to the organization.	Immediate
8.	PR should establish a pension fund on the model of Pakistan Post and transition to defined contribution pension model.	30.08.2020
9.	All non-core activities of Welfare and Special Initiative Departments should be outsourced.	30.06.2021
10.	There should be an immediate and complete freeze on all permanent employment in the organization. All new employment in Pakistan Railways should be on contract basis only.	Immediate and Ongoing

### **Human Resource and Capacity Building Reforms**

Sr.	Recommendations	Timeline
1.	The current working strength of PR should be reduced to 58,950 in three years	01.08.2023
2.	Human resource specialists should immediately be hired by the Ministry to perform an audit of the human resource requirements of the organization and then draft a comprehensive human resource management policy for the PR.	30.09.2021
3.	An attractive golden handshake scheme should be introduced to reduce future pension liabilities.	30.3.2021
4.	The Railway cadre in CSS should be abolished and all direct recruitment of officers in PR should be done directly by FPSC.	01.01.2021
5.	The Railway Training Academy in Walton should be immediately be reformed and completely revitalized. External performance audit should be conducted.	30.12.2021
6.	Job descriptions and organograms of Divisional Superintendents should be revised	30.03.2021
7.	Third party capacity audit of manufacturing facilities should be conducted	30.03.2021

### **Automation Reforms**

Sr.	Recommendations	Timeline
1.	Attendance of existing staff should be ensured through latest IT and biometric techniques like CCTV. Absenteeism should be penalized through automatic hefty pay deductions.	30.03.2021
2.	Automation and use of IT in PR should be the cornerstone of any reform process. A state-of-the-art ERP system and IT monitoring systems with dashboards be deployed in six months.	30.01.2021

### **DECISION**

The Cabinet in its meeting held on 27<sup>th</sup> October 2020 approved the Railways Restructuring Plan with the following stipulations: -

- a) The issue of transfer of pension to GoP would be further discussed by the sponsoring Division with the Finance Division and a mutually acceptable solution would be presented to the Cabinet for approval.

- b) Defined timelines for implementation of each initiative, under the restructuring and revival plan, shall identify and include the agencies responsible for each initiative.

The Cabinet further directed that the Cabinet Committee on Institutional Reforms (CCIR) shall regularly monitor those to obviate any delays.

### **CURRENT STATUS**

CCIR has undertaken first review of the progress made by the Railways Division in its meeting held on 21<sup>st</sup> January 2021.