

MINUTES OF THE 60TH MEETING OF THE BOARD OF TRUSTEES HELD ON 19th AUGUST 2002 AT 10:00 A.M IN THE BOARD ROOM EOBI HEAD OFFICE, KARACHI

The 60th meeting of the Board of Trustees of EOBI was held on Tuesday, the 19TH August, 2002 at 10:00 hours in the Board Room of EOBI Head Office, Karachi. Mr. Farhat Hussain, Secretary, Labour, Manpower & Overseas Pakistanis, Government of Pakistan being President of the Board, presided over the meeting.

2. The following attended the meeting:-

- | | | |
|----|---|-----------|
| 1. | Mr. Farhat Hussain
Secretary, Labour, Manpower
Overseas Pakistanis,
Government of Pakistan,
Islamabad. | President |
| 2. | Mr. Tauqir Ahmad
Joint Secretary (Labour),
Ministry of Labour, Manpower
& Overseas Pakistanis,
Islamabad. | Member |
| 3. | Mr. Mukhtar Haider Shah,
Joint Secretary Industries,
Government of Pakistan,
Islamabad. | Member |
| 4. | Maj.(R) Iqbal Ahmed
Secretary Labour, Punjab | Member |
| 5. | Raja Muhammad Abbas,
Secretary Labour, Sindh | Member |
| 6. | Mr. Abdul Ghaffar Soomro,
Secretary Labour, NWFP. | Member |

- | | | |
|-----|---|---------------|
| 7. | Mr. Riaz Akhtar,
Secretary Labour, Baluchistan | Member |
| 8. | Mr. Nazim F. Haji
Employer's Rep. Sindh | Member |
| 9. | Sardar Ali Ahmad Jogezi,
Employer's Rep. Baluchistan | Member |
| 10. | Ch. Zaheer Ahmed Taj
Employees' Rep. Punjab | Member |
| 11. | Mr. Abdul Aziz Abbassi
Employees' Rep. Sindh | Member |
| 12. | Mr. Muhammad Zaman
Employees' Rep. NWFP | Member |
| 13. | Mr. Sultan Muhammad
Employees' Rep. NWFP | Member |
| 14. | Mr. Muhammad Shafi Malik,
Chairman EOBI, | Member |
| 15. | Mr. Nooruddin Shaikh
Director General (F&I), EOBI | Member |
| 16. | Raja Faizul Hassan Faiz | Secretary BOT |

3. The meeting started with the recitation of Holy Quran by Mr. Zaheer Ahmad Taj.

4. The President welcomed the members to the 60th meeting. He said that the members were meeting after a lapse of more than two months. During this period the Institution has taken many steps towards solving the problems and putting the things in right direction.

ITEM NO. 1 TO CONSIDER CONFIRMATION OF THE MINUTES OF 59TH MEETING OF THE BOARD.

5. The President inquired whether there was any objection on recording of minutes. The Chairman informed that in the 58th meeting of the Board annual accounts of the Institution for year 2000-2001 were presented before the Board for confirmation/approval. Secretary BOT confirmed the position. The Board approved the minutes with the observation that the annual accounts for the year 2000-2001 stand approved.

ITEM NO. 2 TO CONSIDER PROGRESS ON THE DECISIONS TAKEN BY THE BOARD IN ITS 59TH MEETING.

6. The Board then took the report of the Institution on the decisions taken by the Board in its 59th meeting. The President inquired from the members if any of them have any comment on the report. The entire house showed its satisfaction on the report, thus the compliance report was approved unanimously.

ITEM NO. 3 TO CONSIDER PERFORMANCE OF THE INSTITUTION.

7. Explaining the performance of the Institution Chairman EOBI informed the Board that over the last five years the aggregate increase in the contributions remained 9% while the increase in benefit was more than 24%. He stressed that the Institution has to take measures to narrow down the gap. It has to strive hard for growth of the contribution income through improvement in administrative efficiency and also to review the pension scheme to make it viable after actuarial valuation.

8. He further informed the Board that the visits of the field officers to the establishment have been restricted they have been entrusted the work of data building. The Institution has standardized the Assessment procedure in accordance with law. In addition, various registers for recording assessment notices & demand notices etc have been introduced to ensure accuracy of arrears to streamline collection. The Regional Offices have been instructed to prepare lists

of defaulters, lists of establishments who have been found paying less contributions on the basis of evidence available with the Institution and lists of registerable cases who had not been registered. He informed the Board that by the grace of God the total collection of contribution in July this year was 28% higher than the figures of July last year. The employers realized their responsibilities under the law in view of data building exercise and persuasion through meetings, targeted approach and action based on solid evidence.

9. Mr. Muhammad Zaman said that the officers of the Institution had done their best in the past and evolved a procedure where they checked the defaulter establishments. Now they had been restrained from the inspection, which was a change. If some persons were not performing up to the mark, the entire system should not be revoked.

10. Replying to the observation of Mr. Zaman, the Chairman said that for effective monitoring of the performances an objective criteria for performance evaluation on scientific lines has been devised to rate the field officials on the basis of their actual performance. In addition to this for encouragement and boosting the zeal of officers a group incentive system is proposed to be introduced. If the Zonal Office, Regional Office or the Divisions related with generation of income of the Institution i.e. Investment, Real Estate etc, raise the collection of contribution or income from investment of the Institution and the rental income from the property including the capital gain thereon by 30% from the previous year, a reasonable percentage, as approved by the Board, of the amount in excess of benchmark over and above 30%, , should be distributed amongst the officials of the respective Zonal/Regional Office or the Division as the case may be. For award of group incentive the whole office, i.e. a Division/Zone/Region shall be treated as a unit and not the individual officer. The Field Office shall be treated as an integral part of the respective Regional Office. Similarly bench marks of performance for Finance, Audit and General Services Divisions shall be to curtail the Revenue Expenditure of the Institution by at least 10% from the previous year. They shall be entitled to a reasonable percentage of the saved amount, approved by the Board, exceeding 10% which shall be distributed amongst the officials of the respective Divisions.

The performance of other Divisions shall be adjudged for the meritorious reward of the fixed amount for the efficient performance of their work and achievement of the mile stones of the action plan framed on the basis of Institutional strategy. However the amount of incentive or reward should be set off against the payment of bonus due if any under the rules.

11. The Board appreciated the efforts put in by the Chairman and approved the Group incentive scheme for implementation.

12. While discussing the income/expenditure and occupancy status of EOBI House, the Board decided to lease out the building on long term basis.

ITEM NO. 4 TO CONSIDER MINUTES OF THE LAST INVESTMENT COMMITTEE.

13. The Board considered the minutes of the Investment Committee and ratified the same.

ITEM NO. 5 TO RATIFY AGREEMENT WITH KASB WITH REGARD TO THE INVESTMENT OF FUND.

14. The Board ratified the agreement with M/s Khadim Ali Shah Bukhari & Company Ltd.

ITEM NO. 6 TO CONSIDER AND APPROVE INVESTMENT STRATEGY.

15. The Board was apprised about the Investment Strategy. It was informed to the Board that the Institution wanted to invest in HUBCO as the expected dividend is likely to be more than 25% but could not do so due to condition of payment of 10% dividend for past three years by the company. The decision has to be taken urgently to avail the benefit of dividend which was due to be announced in two weeks time. President said that it would be considered and approved by the Ministry after consultation with the Finance Division. He assured that the decision would be conveyed to the Institution by 24th of August, 2002. The President informed the Board about decision of the Federal Government

regarding appointment of Mr. Farooq Awan, a BS-20 officer, as Investment Advisor, in the Institution and Director General. The Board approved appointment of Mr. Farooq Awan in the Institution as Investment Advisor and Director General. Regarding Investment Policy Guideline it was decided that the Investment Committee of the Board was authorized to take the decision in the interest of the Institution in consultation with the Investment Advisors. The amendments proposed, as per **Annex "A"** in the investment rules to make them more specific and remove the restriction of declaration of 10% for three years was approved, which shall be sent to Ministry for publication after vetting by law Ministry of Justice, Law and Parliamentary Affairs.

ITEM NO. 7 TO CONSIDER AND APPROVE INSTITUTIONAL STRATEGY.

16. The Board was informed that Data Entry function has been entrusted to the Beat Officers. Hence forth they would be responsible to enter entire data of their Beat at regional office. For this additional/technical job they would be allowed extra duty allowance of Rs.500/- per month. However when they acquire proper certificate from a recognized institution, they would be entitled to already existing Computer Allowance of Rs.2000/- per month.

17. The positions of Data Entry Officer at the Regional Office level are to be up-graded to that of Data Entry Supervisor (Grade-7). The entry level qualification for DES would be MCS/MIT/MBA(IT). The entry level education of the Data Entry Officers at Head Office would be as BCS/BIT/BBA(IT) with two years experience.

18. The present incumbent working as DEO would be given three years to acquire the qualifications prescribed above. The Institution would arrange their admission in recognized Institutes and would also bear 50% fee of the course under proper scheme. However if any officer did not qualify in accordance with the induction criteria of the Institution within the specified time period, his services will be dispensed with in accordance with the Service Regulations.

19. The DEOs having qualifications prescribed for Eos shall be considered for absorption as EO (Ops) and the EO (Ops) having BCS/MCS degree shall be considered for DES. Their cases shall be processed through the concerned selection committee. The

Institution shall carry out an exercise to determine cadre wise appropriate strength of each unit of the Institution throughout the country including the Divisions/Wings of the Head Office.

20. The present number of Executive Officers has been determined on the basis of one officer for every 125 establishments. Since self assessment scheme and automation had been introduced in the Institution, the strength of Executive Officers shall be determined on the basis of one officer for 250/300 establishments or 10,000 to 12000 insured persons. An in depth study shall be conducted to eliminate redundant additional tier.

21. In order to ensure complete impartiality and objectivity in promotion on merit NIPA course and Staff College Course shall be made compulsory for promotion to grade-10 and grade-12 of the Institution.

22. After clearance of NIPA course combined seniority of all cadres shall be maintained to give equal chances for promotion to higher grade to officers of all cadres. Their postings shall be made in various departments to give them varied experience needed for higher promotions. Senior most persons shall be nominated for the compulsory course.

23. A Uniform standardized system for appointment as Regional Head would be introduced. Reduction in staff and field positions at suitable levels shall be made to make the Institution vibrant and cohesive. The right sizing exercise shall be carried out in the light of above changes to determine proper strength for each unit for final approval of the Board.

24. The Board considered the Institutional Strategy of the Institution which had been circulated twice among the members of BOT and improved in the light of their comments and feedback from stakeholders. The President said that it was laudable exercise carried out by the Chairman of the Institution. The strategy had been evaluated by experts, members of BOT, all officers of the EOBI and stake holder. It represented their unanimous views. He appreciated the suggested exercise regarding determination of manpower

strength of the Institution and fixation of appropriate educational qualification for induction of officers at the entry level as described by the Chairman.

25. The Board approved the Institutional Strategy of the Institution as per **Annex "B"**, and desired that a committee should be appointed to conduct a detailed study regarding unit wise need of man power in the Institution on the basis of right man for the right job with recommendation to abolish the excess posts and determine the need for fresh recruitment wherever required, including abolition of additional tier.

ITEM NO. 8 TO RATIFY APPOINTMENT OF M/S AKHTAR HASSAN (PVT) LTD FOR NEXT ACTUARIAL VALUATION.

26. The Board ratified the appointment of M/s Akhtar Hassan (Pvt) Ltd for the next actuarial valuation already approved by the Ministry at remuneration of Rs. 4,83,500/-

ITEM NO. 9 TO APPOINTMENT OF AUDITORS FOR 2001-2002.

27. The Board discussed the issue of appointment of auditors for 2001-02. After thorough deliberation it was decided that Institution should consider the appointment of M/s M. Yousaf Adil Saleem & Co in view of their expertise and past experience. However justification for not approving M/s Ebrahim & Co may be given in writing to the Auditor General of Pakistan for his approval.

ITEM NO. 10 TO CONSIDER AND APPROVE REGULATION FOR REGULARIZATION OF POWERS OF THE CHAIRMAN.

28. After thorough deliberations on the subject it was decided as under:

- i. The Board approved following additional power suggested by the Institution viz:

- a) To open or close offices of the Institution, other than the Head office, from time to time
 - b) To award merit certificate and sanction cash award up to Rs.10,000/-to the employee of the Institution in recognition of meritorious services rendered by him.
- ii. The draft regulations shall be notified as per procedure.
 - iii. Till finalization of the regulation, the powers already conferred on the Chairman by the Ministry and approved by the Board shall continue to be exercised by him.

ITEM NO. 11 TO CONSIDER AND APPROVE PANEL OF ADVOCATES AND SCHEDULE OF FEE.

29. The Board deliberated on the issue along with additional working paper submitted by the Institution regarding appointment of advocates on retainer ship by the Ministry of Justice. The Board approved the Schedule of fee proposed by the Institution placed as **Annex "C"**. However it was decided that the Chairman may approve the panel of advocates with the assistance of respective Zonal Heads. Regarding appointment of advocates proposed by Ministry of Justice, it was decided that the Ministry of Labour shall take up this issue with the Ministry of Justice as the services of such advocates were not required.

ITEM NO. 12 TO CONSIDER EDP PLAN.

30. The Board then took up the matter of IT Plan. The Chairman opined that the Institution should have a Technical Committee or Consultant to evaluate and proposals/plans regarding software as well as hardware so that we may select the best possible IT Solution. After detailed discussion it was decided that the Institution should consult the IT Division of the Ministry of Science & Technology, Computer Bureau and PRAL.

31. Mr. Nazim F. Haji was of the view that the Institution must nominate one officer who should co-ordinate with the consultant/vender as well as Ministry of Science & Technology, Computer Bureau and PRAL as the case may be.

32. It was decided that the newly appointed Director General (Investment Advisor) who has the expertise in IT also should look after this portfolio.

ITEM NO. 13 TO CONSIDER MATTERS RELATING TO HR.

33. The Board deliberated on item No. 13 along with additional item regarding HR Strategy. It was decided as under:

A. TERMS OF CONTRACTS APPOINTMENT

34. The Board considered and approved the addition of proviso in para 2 of the "Method of Appointment in Recruitment Procedure" for Staff and Officers as under:

'Provided that Board may direct to effect appointments on contract basis against all direct recruitment posts.'

In addition to above following monthly package was also approved for contact employees.

S.NO	GRADE/ SCALE	DESIGNATION	MONTHLY PACKAGE
1	1	Naib Quasid/Chowkidar	Rs.4000/-
2	2	Drivers/Quasid	Rs.4400/
3	3	Assistant	Rs.5000/
4	4	P. A.	Rs.5400/
5	5	P.S.	Rs.6400/
6	6	E. O.	Rs.7000/
7	7	A. D	Rs.9500/
8	8	D. D.	Rs.11500/
9	9	Director	Rs.16000/

In addition, Medical facilities and Casual & Sick Leave will be admissible.

B. CHANGES IN QUALIFICATION PRESCRIBED FOR THE POST OF EO/DEO/DPO/CO/PS/PA.

35. The Board after deliberations approved the proposed qualification at entry level of officers in operation and office cadre, Private Secretary and Personal Assistant as per **Annex "D"**.

C. PRE-REQUISITES OF THE POST OF ASSISTANT ENGINEERS AND JUNIOR ENGINEERS.

36. The Board approved pre-requisite i.e. qualifications, experience, age as per **Annex "E"**

D. REVISION OF NOMENCLATURE/RE-CONSTRUCTION OF SELECTION COMMITTEE ETC.

37. The Board approved amendment in EOBI Officers' Recruitment Procedure as proposed by the Institution. However it was decided that there would be one committee for appointment/promotion to the post of Assistant Director/Executive Officers. The approved constitution of the committees is enclosed as **Annex "F"**.

38. The Board further advised that since the quantification method of government had been adopted for evaluation of annual performance reports for promotion by the Institution, therefore, for assessing suitability and fitness of an officer full procedure of the government may be adopted.

E. REGULARIZATION/CONTRACT APPOINTMENT IN RESPECT OF 31 DAILY WAGES

39. The Board considered the regularization of 31 daily wages employees as suggested by the Institution. It was decided that the

matter of regularization may be legally examined and be presented in next Board meeting.

F. APPOINTMENT OF MR. MUHAMMAD BASHIR (RETIRED) AS DIRECTOR ON CONTRACT BASIS.

40. In the light of government policy the matter regarding appointment of ex-employees on contract basis, was not considered feasible.

G. APPOINTMENT IN RESPECT OF CHILDREN/ WIDOWS OF DECEASED EMPLOYEES.

41. The Board considered appointment in respect of children/widows of deceased employees. It was decided that in view of the agreement with the CBA, the survivors of the deceased staff members should be considered against the 20% quota. However the matter of survivors of deceased officers may be decided on merits.

H. APPOINTMENT OF DIRECTOR (HR).

42. The Board considered appointment of Mr. M. Meraj Nizamuddin and after thorough discussion on the matter approved his appointment as Director (HR) with immediate effect on regular basis with protection of his pay on merit as redressal of his genuine grievance of ignoring him despite his selection as No. I by the competent committee.

I. EXTENSION OF CONTRACT OF SERVICE IN RESPECT OF M/S ALI ASGHAR AND MUHAMMAD SALEEM AT NEW EOBI HOUSE (EX-AWAMI MARKAZ COMPLEX).

43. The Board considered extension in the contract period of Lt. (R) Ali Asghar, Engineer and Mr. Muhammad Saleem, Customer Services Officer and ratified the extension of one year on the existing terms and conditions of their service granted by the Chairman..

**J. RELAXATION OF ADVERTISEMENT
CONDITION FOR APPOINTMENT OF MISS
ATTYA JAFFERY AS DEO ON CONTRACT
BASIS.**

44. The Board discussed matter regarding relaxation of advertisement condition for appointment of Miss Attya Jaffery as DEO on contract basis and decided that the said appointment had already been approved by the Board in its 59th meeting and there was no need to refer the matter again to the Board.

45. At this stage Mr. Sultan said that the Board had approved two posts of Assistant at Quetta but no progress had been made by the Institution. The President directed that the case of appointment of two Assistant should immediately be processed.

**K. APPOINTMENT OF ASSISTANT ENGINEER /
JUNIOR ENGINEERS/ EXECUTIVE OFFICERS/
DATA ENTRY OFFICERS/ PERSONAL
ASSISTANTS.**

46. The Board in consideration of 'Institutional Strategy' approved creation of two posts of Data Entry Supervisors to cater the need of Computer Division beside five already existing/vacant posts. The Board also approved appointments against the available vacancies of Assistant Engineer, Junior Engineers, Executive Officers, Data Entry Officer, Private Secretaries and Personal Assistants on contract basis.

**L. QUALIFICATION PAY/ COMPUTER
ALLOWANCE.**

47. The Board observed that since the two payments are of different in nature, i.e. one is Pay and the other is allowance, therefore these two payments can be made to an employee on their eligibility.

M. REGULARIZATION OF SERVICE IN RESPECT OF AD-HOC EMPLOYEES.

48. The Board directed that the decision of Hon'able Supreme Court of Pakistan be implemented in letter and spirit and the services of the employees may be regularized as per EOBI (Employees Service) Regulation, 1980.

ADDITIONAL ITEMS

A. GROUP INCENTIVE

49. As discussed in para 10, Chairman explained the Group Incentive Scheme in detail and highlighted the following salient features and modus operandi of the scheme to solicit Board's approval:-

- a. A reasonable percentage (to be approved by the Board) of income exceeding 30% (Contribution & Real Estate) shall be distributed amongst the officials of the income generating units i.e. Zonal Office, Regional Off, B&C Division, and Real Estate etc.
- b. A reasonable percentage (to be approved by the Board) of return exceeding 30% of capital invested shall be distributed amongst the officials of the Investment Division.
- c. A reasonable percentage (to be approved by the Board) of amounts saved from Revenue Expenditures exceeding 10% shall be distributed amongst the official of Finance, Audit & G.S. Division.
- d. The performance of the other division would be adjudged for the meritorious reward of fixed amount for their efficiency and performance towards efficient performance of their work and contribution towards achievement of milestones in implementation of action plan based on approved Institutional Strategy.

- e. However, the amount of group incentive would be set off against the amount paid as Bonus due, if any.
- f. The improvement in efficiency and performance of revenue earning departments alongwith achievement of milestones in implementation of the Action Plan shall also be given due weightage while determining the percentage of excess revenue for distribution among income generating units.
- g. The individual members of the group who are adjudged to be non-punctual or facing any disciplinary proceedings on account of misconduct/inefficiency shall not be given their share in the amount of group incentive where the head of the unit certifies inefficiency, misconduct or non-cooperation in team work.

B. EOBI OPERATIONAL & PROCEDURAL MANUALS

50. The Board appreciated the work done by the Institution in preparation of Operational & Procedural Manual. The Board after due deliberations approved to award task of finalization of manual to M/s A.Z.M. Computer Services (Pvt) Ltd, Management & Computer Consultants at a fee of Rs.275,000- plus 10% as out of pocket expenses. It was decided that the Institution may consider certification of ISO-9001-2000 after enforcement of new Operational Manual.

C. AGENCY AGREEMENT WITH NATIONAL BANK OF PAKISTAN.

51. The Board while considering the working paper observed that the Institution should build up its in-house facility of Trading House. However it was desired that the Institution may take decision in consultation with the adviser and terminate agreement with National Bank with mutual consent after in-house arrangements for execution of orders.

D. CREATION OF A POST OF DIRECTOR (LAW) IN THE INSTITUTION AS LEAVE RESERVE AND REGULARIZATION OF PAYMENT OF PAY AND PERKS TO P.S. TO MINISTER FROM EOBI.

52. In the light of instruction of the Ministry of Labour regarding requisition of services of Raja Faizul Hassan Faiz, Director (Law) & Secretary BOT, in the public interest, for posting as Central Labour Advisor (BS-19) in the Ministry for 2 years. During the posting he would draw all the pay and allowances of the post being presently held by him as Director (Law) from EOBI. It was further desired that if the post under deputation reserve did not exist, a post might be created with approval of the BOT which might be filled either by promotion, transfer or by fresh appointment as deemed appropriate as per rules. The Board approved creation of a post of Director (Law) as leave reserve and payment of pay and allowance/perks to Raja Faizul Hassan Faiz from the Institution.

53. The Board further regularized the payment of Pay & Perks, including TADA etc, to Mr. Shahid Hussain P.S. to Minister, who was appointed on deputation in EOBI and was posted in the Ministry.

54. During discussion on the issue the Board directed that in future only those issues should be put up to it, where the Chairman had no power to decide the same.

E. EOB (CONTRIBUTIONS) RULES.

55. The Board was informed that to further facilitate the employer, for intimation of any change in the employment a self contained simple form has been devised and in case of no changes in the employment the employer should not be bothered to submit any return and the particulars in the last return would continue to be valid for accounting and record building.

56. The Board approved the devised form PR-02B as per **Annex "G"** for inclusion in EOB (Payment of Contributions) Rules.

F. DISBURSEMENT OF LOANS TO THE UNIONIZED STAFF MEMBERS.

57. The Board was informed that as per its decision taken in 59th meeting the disbursement of loan was restricted to the amount equal to recoveries made on account of loans to the employees in each quarter. There is no such limit on loans under CBA agreement. After imposition of this limit there was rush of loan applications hence recovery did not match the loans granted. It was therefore proposed that the quarterly limit may be relaxed.

58. The Board approved relaxation of the quarterly limit on disbursement of loans to the employees.

G. WAIVING OF OUT-STANDING AMOUNT AGAINST LATE HAROON SIDDIQUE (EX-DMG/BS-20) BEING HARDSHIP CASE.

59. The Board considered the working paper in the light of letter issued by the Cabinet Division, Establishment Secretariat and waived the amount of Rs.119,663 being out standing against Late Haroon Siddique.

H. INTRODUCING VOLUNTARY RETIREMENT SCHEME

60. The Board discussed the salient features of Voluntary Retirement Scheme and Golden Shake/Early Retirement Scheme. After deliberation in details the Board approved the salient features of the schemes , but did not agree to the following:

- a. CGI/VGI coverage till superannuation.
- b. Post retirement medical facility.
- c. Additional incentive, a payment equal to three months basic pay. for each year of balance service (short of 20 year) upto completion of 20 years of service or date of superannuation whichever is earlier subject to a maximum of 30 months' basic pay.

61. The Board however desired that the financial implications of the draft scheme may be put up after the comments/response is received from the employees for final approval.

DATE AND VENUE OF THE NEXT BOARD MEETING

62. The Board decided that the 61st meeting would be held at Peshawar tentatively on 24th September, 2002.

63. There being no other item for discussion, the meeting ended with a vote of thanks to the Chair.

Annexure-A

A brief of existing & proposed changes in EOB (Investments) Rules, 1979.

Permissible Investments: (Existing)	Permissible Investments: (Proposed)
(a) In Government securities;	a) In Government securities; such as Treasury Bills (TB), Pakistan Investment Bonds (PIBs), Euro Bonds, etc.
(b) in Government-guaranteed securities;	(b) in Government-guaranteed securities; such as WAPDA Bonds, etc.
(e) in debentures or loans stocks of, or other securities for money issued by, of loans to any such authority, corporation or company, or interest-bearing deposits in such non-guaranteed banks as have paid dividends of not less than ten per cent, per annum on their respective ordinary share capital for the two accounting years, or have paid interest in full on debentures issued or other money obligations incurred by them and have not defaulted in the repayment or the principal thereof during thirty-six months immediately preceding the day on which investment is made;	(e) in debentures or loans stocks of, or listed/unlisted TFCs or other securities for money issued by, of loans to any such authority, corporation or company, or interest-bearing bank deposits, deposit accounts, term deposits and COIs in such non-guaranteed or commercial banks as have earning record of not less than twenty per cent, earning per share (EPS) per annum for the two accounting years, have a minimum credit rating of BBB , have paid interest in full on debentures issued or other money obligations incurred by them and have not defaulted in the repayment or the principal thereof during thirty-six months immediately preceding the day on which investment is made;
(f) in ordinary or preference shares of any such authority or corporation or of such a company listed with any stock Exchange in Pakistan, as has paid dividends of not less than ten per cent, per annum on its ordinary share capital for three accounting years immediately preceding the year in which investments is made;	(f) in ordinary or preference shares or mutual fund of any such authority or corporation or of such a company listed with any stock Exchange in Pakistan, or any unit trust scheme of public and private sector , as has earning record of not less than twenty per cent, earning per share (EPS) per annum (twenty percent p.a. per unit in case of unit trust scheme) for the three accounting years immediately preceding the year in which investments is made;



EMPLOYEES' OLD-AGE BENEFITS INSTITUTION

(Under Labour Division)

Government of Pakistan

INSTITUTIONAL STRATEGY

Approved by: **Board of Trustees**
August 19, 2002

FOREWORD

Mr. Muhammad Shafi Malik, Chairman EOBI, took office on 2nd May 2002. He prepared a draft paper titled as "**Transformation of Employees' Old-Age Benefits Institution into State Pension Authority**" on the basis of quick analysis of the working of the Organization. The draft was circulated to Senior Management in the Ministry, Members of Board of Trustees, Divisional and Zonal Heads of EOBI. The draft was discussed with eminent experts, Divisional Heads, all ranks of employees and finally in All Pakistan Zonal Heads Conference on 10th July 2002. The opinions of experts annexed reveal that the effort has been appreciated and technical input has been provided which has been accepted to improve the value of the work. After getting feedback from all stakeholders, the draft has been

converted into “**Institutional Strategy** for **Employees’ Old-Age Benefits Institution**”.

The **Vision, Mission, Values, Strategy** and **Action Plan** have been fully owned by all stakeholders. The **Institutional Strategy** has also been appreciated by Members of Board of Trustees. It represents complete policy document constituting foundation for the Action Plan and principles of policy for each Division of the Institution. Some portions of the plan are already under implementation. It is now for the Divisional & Zonal Heads and employees of the Institution to implement remaining portions, Action Plans and translate the same into “Schedule of Activity for Implementation”. I, as President of the Board of Trustees, hope that all stakeholders shall cooperate to improve the efficiency and effectiveness of the Institution and put in all efforts towards achievement of **Vision & Mission** of the Institution.

(Farhat Hussain)

President EOBI BOT/Secretary
Labour, Manpower & Overseas Pakistanis
Government of Pakistan

BOARD OF TRUSTEES OF EOBI

- | | | |
|-----|--|-----------|
| 01. | Mr. Farhat Hussain
Secretary,
Labour, Manpower &
Overseas Pakistanis Division,
Government of Pakistan. | President |
| 02. | Mr. Muhammad Shafi Malik
Chairman,
Employees' Old-Age Benefits Institution | Member |
| 03. | Mr. Tauqir Ahmed
Joint Secretary,
Labour, Manpower & O.Seas Pakistanis Division
Government of Pakistan | Member |
| 04. | Mr. Mukhtar Haider Shah
Joint Secretary (Industries)
Ministry of Industries,
Government of Pakistan | Member |
| 05. | Mr. Javed Syed
Joint Secretary,
M/o Commerce, Govt. of Pakistan | Member |
| 06. | Mr. Dost Muhammad
Financial Adviser,
Labour, Manpower & O.seas Pakistanis | Member |
| 07. | Major(R) Iqbal Ahmed
Secretary Labour,
Government of the Punjab | Member |
| 08. | Raja Muhammad Abbas
Secretary Labour,
Government of Sindh | Member |
| 09. | Dr. Abdul Ghaffar Soomro
Secretary Labour,
Government of NWFP | Member |
| 10. | Mr. Riaz Akhtar
Secretary Labour,
Government of Baluchistan | Member |

11.	Mr. Danish K. Monnoo Employers' Representative Punjab	Member
12.	Mr. Nazim F. Haji Employers' Representative Sindh.	Member
13.	Mr. Nooruddin F. Daud Employers' Representative NWFP	Member
14.	Sardar Ali Ahmed Jomezai Employers' Representative Baluchistan	Member
15.	Ch. Zaheer A. Taj Employees' Representative Punjab	Member
16.	Mr. Abdul Aziz Abbasi Employees' Representative Sindh	Member
17.	Mr. Muhammad Zaman Employees' Representative NWFP	Member
18.	Mr. Sultan Muhammad Employees' Representative Baluchistan	Member
19.	Mr. Nooruddin Sheikh Director General(Finance), EOBI.	Member
	Raja Faizul Hasan Faiz, Director (Law)	Secretary

NEED FOR REFORMS IN EOBI

Make EOB Scheme viable and credible;

Improve image of EOBI by eliminating corruption & inefficiency;

Reduce expenses to make the Institution economical, efficient and effective;

Improve record keeping through computerization to reduce compliance cost;

Transform the Institution into a service oriented organization;

Improve systems and procedures to make decision making and implementation transparent to restore and maintain confidence at stake-holders;

Ensure quality of manpower by fixing proper standards for fresh recruitment and improving capabilities and attitude of existing manpower;

Promote participative management through constant liaison and consultation with all stake-holders to make the Institution progressive, dynamic and responsive;

Improve Risk-Management.

2. VISION:

To be a viable, credible, progressive Institution devoted to provision of Social Security to all persons in service of Pakistan.

3. MISSION

To transform EOBI into a viable, progressive and self-sustained organization, capable of providing retirement benefits to all citizens in service of Pakistan with active support of employers and employees to promote economic prosperity of all stakeholders.

4. VALUES

Transparency

Trust

Team work

Integrity

Professionalism

Meritocracy

Courtesy

Fairness

5. OBJECTIVES

Extend Coverage of “State Pension Scheme” to all persons employed in Pakistan over a reasonable period.

Transform the EOB Scheme into a viable and popular “State Pension Scheme” (SPS) for providing security of subsistence pension to all employees at most economical cost.

Transform EOBI management into most efficient, economical and effective machinery for operating Public Pension Scheme.

Promote voluntary registration by employers & employees and payment of contributions by making the Scheme more attractive and least cumbersome.

Ensure generation of maximum income from the investment through honest, transparent and professional management.

Ensure disbursement of due benefits promptly & gracefully.

6. STRATEGY

Constant review of processes, policies & procedures in consultation with stakeholders to improve viability, service, economy and efficiency;

Introduce ‘Participative Management’;

Undertake ‘Structural Re-organization and Adjustment’;

Improve ‘Human Resource Management’;

Improve ‘Risk Management’;

Frame and implement comprehensive EDP Plan and modern technology;

Undertake concrete measures for reduction in compliance cost and removal of irritants;

Improve service to pensioners by introduction of measures to boost self respect and human dignity;

Popularise the Scheme through education of employers & employees by most effective media campaign;

Ensure expeditious dispute resolution through tripartite meetings;

Ensure maximum use of facilities, opportunities and services offered by national and international organizations for achievement of above objectives;

Make best use of lessons learnt from past-experience of the Institution, the experience of developing/developed countries and comparable national institutions;

Establish useful linkages, contacts and coordination with sister organizations working for labour welfare;

Build in-house strong capabilities/capacity of crucial special skills like actuarial valuation, management of investment portfolio and EDP. Meanwhile utilize advice/service of best consultants in specialized fields;

Convert EOB Scheme into a State Pension Scheme (SPS) for employees based on defined contribution and benefit by mutual participation of employers and employees;

Introduce legal changes to promote voluntary compliance, minimize discretion, remove anomalies and improve efficiency/service.

Concentrate on core activity and high income generation in most desirable ways in accordance with overall macro economic policy.

Adopt a Code of Conduct on the pattern of Code of Conduct for Civil Servants – 1964.

7. ACTION PLAN

Key activities of EOBI are enumerated below:-

Registration of employers;
Registration of employees;
Collection of Contribution;
Distribution of Benefits.

The Action Plan prepared in the light of vision, mission and strategy in respect of key activities is as under:-

7.2.1 Registration of Employers:

I. Pension Scheme: Registration in State Pension Scheme (SPS)

should be mandatory and not voluntary.

II. Progressive Flat Rate Scheme: The Scheme should be simple, easy to understand and implement. Keeping in view recommendations of experts,

Scheme based on Progressive Flat Rate Contribution and fixed benefits determined by sound actuarial valuation should be introduced*.

III. Participation of Employees: Contribution may be made by employer and employee, which should gradually be increased to enable enhancement in benefits on graduated scale. A sample of proposed Scheme based on actuarial estimation is placed as annex I for conceptual clearance and approval. It shall be firmed up after proper actuarial valuation based on latest statistics.

IV. SELF-ASSESSMENT SCHEME: The Scheme should encourage automatic voluntary registration. Self-assessed contribution should be accepted with provision for test-check/audit of a reasonable %age of cases on the principle of risk management through parametric selection based on relevant information, consequent forced registration and assessment according to evidence.

Test-checks and Audits should be approved, supervised and monitored by Zonal Offices.

Exemption/waiver for past liabilities may be given where no employee has registered himself with EOBI or where no proceedings for registration have been initiated by EOBI. Draft proposal is placed as annex-II.

* "Averting Old-Age Crisis"; World Bank's October 1994 Study "Possible Future Developments in EOB Scheme" by Samiul-Hasan

Forced registration and assessment of demand may be made on the basis of material evidence collected through internal survey, where registerable establishments do not register on their own.

Map Survey of industrial and commercial establishments shall be conducted to collect information from all possible sources without contacting the employers to build up complete record of all employers and the evidence necessary for identification of registerable cases. The information shall be authenticated by Regional Head and test-checked by Zonal Head. Details of the Scheme are placed at annex-III.

Targets of registration shall be fixed on the basis of potential of registerable cases and suppression of contribution.

Efforts shall be made to develop standard norms of various industries in collaboration with employer and employee representatives, chambers, associations etc. Registration shall be made and contribution determined on the basis of number of employees under moral pressure of associations of trade and industry.

Quality of orders for forced registration and assessment of demand for contribution shall be ensured by confrontation of evidence collected and

compiled through survey, quoting parallel cases and standard/norms of industries in fool-proof manner.

REGISTRATION OF EMPLOYEES:-

Employers' Directories based on information collected through map-survey shall be compiled indicating Beats, Regions and Zones by EDP. The system shall generate list of registerable cases based on standard parameters, which may be subjected to audit.

The audit programme shall be approved by Zonal Head. It shall be closely monitored and supervised by him to ensure that no harassment is caused and contribution is determined on fair and justifiable basis.

The number of employees shall be ascertained from the attendance registers, employee cards, pay roll registers, wage registers, payment record or other relevant evidence.

DETERMINATION OF CONTRIBUTION:

Amount of monthly contribution shall be determined by multiplying number of employees with amount of fixed contribution.

8. VIABILITY

The rate of fixed contribution shall be determined on the basis of authentic actuarial valuation report by one of the two most well-known actuaries namely M/s. Akhtar & Hassan (Pvt.) Ltd. OR Sidat Hyder Morshid Associates (Pvt.) Ltd.

Actuarial valuation shall be made every three years instead of five years.

No change in the pension schemes involving enhancement of financial obligation of the "State Pension Authority" shall be made without actuarial valuation and provision for matching finances to meet the resource gap.

Statutory period of actuarial valuation shall be reduced from five to three years and actuarial certificate attached to financial statement to certify financial health of the Scheme.

Transparent systems and procedures shall be enforced and periodic meetings shall be held with representatives of employers & employees to solicit their views on ways and means of generation of maximum income from contribution, investments and other possible avenues.

At appropriate time, the Institution shall be got ISO 9000 certified to establish credibility of Institution by international standards.

State Pension Scheme shall be backed by Government guarantees.

9. IMAGE BUILDING

Eradication of corruption by designing the scheme, system and procedure which eliminate the possibility of corruption;

Minimize contact with employers by E.Os.

Minimize discretion by switching over to system of indirect verifications;
Close monitoring, supervision and audit;

Improve registration record of employers, employees, contributions and supply computer-generated ledger of Accounts periodically for reconciliation and confirmation;

Cleaning of records by de-registration of defunct units, waiver/write off of irrecoverable arrears and reflect correct picture in Monthly Progress Reports, fixing realistic targets and reflecting correct figures in Accounts & Financial Statement;

Revive annual communication of cumulative contribution to the credit of each employee;

Generate list of defaulters showing contributions not paid or less paid through computer;

Generate list of persons whose pension shall become due during the year with exact dates and amount of pension through computer;

Publicize the measures taken to improve transparency, viability and credibility of the Institution;

Hold seminars, workshops to discuss the reforms with national and international experts.

The name of the Institution may be changed from EOBI to "State Pension Authority (SPA)". In contrast to Private Pension companies the name of EOB Scheme shall be changed to State Pension Scheme (SPS).

10. REDUCE EXPENSES

Set up a joint Economy Committee of officers and staff to review expenses and suggest ways and means to reduce the same.

Right sizing the strength of the Institution;

Restructuring to reduce redundant tiers of hierarchy;

Reduce number of Zonal Offices and delegate powers to make administrative adjustments such as closure of field offices not needed, making adjustments of officers and staff within the zone according to work load;

Make best use of Information technology/and EDP systems;

Belt-tightening by all concerned;

Review of vehicle use and entitlement of petrol/sui-gas limit in view of reduction of visit to employers;

Economy in use of telephone through improvement in system – telephone expenses limit.

Systematic and economical ways of maintenance of buildings & vehicles and assets;

Economy drive in use of stationery, electricity and other routine expenses;

Regulate travelling;

Control over-time;

Improve system of medical reimbursement to check misuse of facility by unscrupulous elements.

LEGAL REFORMS

Restrict payment of pension where contribution has not been paid by the employers;

Amnesty for fresh registration and correct declaration of employees with payment of correct contribution;

The information of contribution for State Pension Scheme not to be utilized for any other law;

Simple pension scheme based on fixed contribution and benefits to be made;

Actuarial Valuation to be made every three years;

No change in contribution and benefit or other provisions having financial implications to be made without actuarial valuation.

The Board may co-opt any person having special technical knowledge and skill in relevant field like actuarial valuation, investment management, information technology etc. for specific purpose. He may attend as many meeting as required by the Board.

CONSENSUS ON THE FOLLOWING ISSUES HAS YET NOT BEEN EVOLVED.

Introduce penalty for misuse of self-assessment;

Accord power to collect information for determination of number of employees or wages being paid from authorities concerned;

Accord power to recover contribution from Directors where the same can not be recovered from the Private Limited Companies;

Universal self-assessment scheme with provision for test-check of cases selected on the basis of parameters.

12. AMENDMENTS IN REGULATIONS

Constitution of De-Registration Committees shall be changed to include employer and employee representative from local chambers nominated by respective members of Board of Trustees approved by the Board;

Rate of statutory increase may be raised from 1-1/2% to 2% per month to reduce incentive for non-payment of contribution;

Provision for reference of invalidity cases to medical superintendent shall be made in case of difference of opinion among members of Medical Board.

#* Annual financial health certificate for “State Pension Scheme (SPS)”, given by the Auditors along with audit report to promote credibility of Scheme, shall be prescribed;

#* Method of Implementation to be evolved.

13. REVISION OF PROCESSES

Process of waiver shall be reviewed to simplify and remove unnecessary hurdles. Write off shall be allowed to be done by various authorities with limits of amounts.

Process of de-registration shall be simplified.

Adjudication and court cases shall be given effect and demands reduced subject to audit.

ADMINISTRATION

14.1 ADHERENCE TO PRINCIPLES OF ADMINISTRATION:

Lay down standard parameters of performance for all jobs in field and Head Office;

Evolve a system of performance related incentives;

Ensure objective evaluation of performance;

Postings, transfers & promotions be made on the basis of performance;

Recruitment Policy to be revised to match job-classification/job description with job-specifications. Induction at E.O. level to be made purely on merit. Following qualifications may be prescribed:-

M.Com

MBA

MPA

C.A. Inter

MA/M.Sc. (Economics/Maths/Statistics)

LL.B

Computer

Literate.

Training at all levels shall be enshrined in the culture of the organization;

Manual of Operations, Accounts, Audit to be prepared and updated annually;

Annual Reports shall be prepared by all Zonal and Divisional Heads to reflect implementation of reform programme and their contribution in improvement made in their Zone/Division;

Proper pursuit of court cases;

General Administration to be separated from Real Estate Division and Training from Publicity Wing. Both shall be placed under Human Resource Division. The later shall also be responsible for dealing with associations & CBA.

Training & Research functions shall be combined and developed.

Short Training Programmes to implement reforms shall be organized at Head Office and Zonal level by Human Resource Division.

Training Scheme for Actuaries shall be prepared in collaboration and coordination with State Life Insurance Corporation on the pattern of SLIC Scheme.

Training of Investment Managers shall be arranged by the Investment Adviser in the process of advice and execution of the job.

Personnel of specialized skills may be inducted on deputation or hired on contract till in-house capability is built up.

Career Planning shall be made on scientific lines.

Recruitment, Postings & Promotions shall be made on merit strictly adhering to the principle of right man for the right job.

Performance Evaluations shall be made on the basis of pre-determined performance parameters.

A scheme for Voluntary Retirement may be designed by making the retirement attractive and beneficial on the pattern of SLIC Scheme.

Discipline shall be enforced objectively to deal with cases of corruption, inefficiency and indiscipline.

Notified or surprise visit of field offices shall be made by senior officer to check operation, discipline, punctuality and adherence to law & rules.

Number of Zones to be reduced by merging smaller Zones.

Zones may be made effective through delegation of functions and powers:-
Power to adjust manpower and field officers in consultation with Head Office;

Power to write off arrears up to Rs.5,000/-;

Power to sanction leave of subordinates

- Casual Leave
- Earned Leave

Functions of Zones may be defined as under:-

Parametric selection of cases for audit under self-assessment scheme;

Monitoring, Inspection and supervision of Regional Offices;

Training and Refresher Courses, seminars and workshops for officers & staff;

Supervision of operation for collection of information for map survey;

Evaluation and recommendation of standard norms of employment in specific industries for approval by Head Office;

Post Audit of regions and supervision of internal Audit cells in Regions;

Preparation of Zonal revenue and expenditure accounts;

Protection and maintenance of Real Estate and properties of the Institution falling in jurisdiction of the Zone;

Removal of genuine grievances of pensioners;

Ensure delivery of intimation letters and regular payment of benefits to deserving insured persons;

Evaluate & monitor performance of Regional and Field Offices;

Liaison with Labour Department, Chambers, Associations of Employers & employees;

Provide guidance and assistance to subordinate offices.

15. COMPUTERIZATION

MANAGEMENT INFORMATION SYSTEM (MIS):

After re-engineering of processes, a comprehensive integrated EDP Plan shall be prepared to cater for the following:-

Collate Map Survey data and generate list of potential registerable cases.

Establish online links with important sources of data like utility companies and labour welfare departments.

On the basis of data collected from various sources, generate list of probable cases of under-statement of contribution to form basis for parametric selection for audit.

After comparison of information provided by the employer, collected by the department and actual collection of contribution reported by the Banks in form PR-03, generate list of defaulters alongwith the amount of contribution not paid or less-paid.

Complete employer-wise individual accounts of Insured Persons and generate statements of their accounts alongwith intimation letters.

To build-up comprehensive integrated database comprising of essential requirement for determination of pension and generate the list of persons entitled for pension on 10th of July each year showing the names and dates of retirement alongwith the amount of pension.

Introduce computerized accounting.

Generate standard formats for Inter-Office Memos and statutory notices.

Introduce and encourage use of e-mail through Internet facilities.

Computerize Human Resource record and use it as basis for Career Planning;

Generate grading list of officers on the basis of pre-determined performance parameters.

Generate Weekly and Monthly Progress Reports.

Compile and process data required for Actuarial Valuation.

Maintain complete record of Demand & Show Cause Notices issued.

Maintain Demand & Collection Register and generate list of net amounts recoverable from employers/employees.

Maintain arrears ledger accounts of employers/employees and generate list of defaulters as and when required.

Training on the programmes developed by EDP. All Executive Officers shall be imparted training to enable them to work completely independently. Accurate data entry in respect of their Beats shall be the responsibility of Executive Officer concerned.

Keeping the hardware & software up-date in accordance with changes in systems/procedures and development of technology.

Build and maintain proper web-site to display legal changes, provide facility of down-loading forms and other information considered necessary for achievement of objectives of the Institution.

Maintain constant liaison with EDP Departments of respective banks to ensure automatic record keeping, reconciliation, coordination, eliminate duplications and minimize time and cost of data processing.

Make best use of the web-sites of establishments and other organizations displaying information relevant for research, operations or future development of EOBI.

Provide relevant information to employers and employees at Head Office and Regional Offices regarding their ledger accounts, payments through reception desks, helplines etc.

Develop software for efficient processing of proposals and Management of Investment Portfolio.

Develop software for efficient Management of Real Estate.

REAL ESTATE

Due to the low rate of return and difficulties in management in Real Estate business, the investment in the Real Estate shall be given lower priority. Only good bargains pertaining to clear titled commercial plot/building may be executed for own offices of the Institution.

Purchase of buildings in residential areas shall be avoided to eliminate the problems of commercialization fee etc. and un-easy access.

Small offices in commercial areas with high potential for increase in value may be constructed/purchased with provision of accommodation for banks or reputable national institutions performing related functions.

One or two room on the pattern of Bachelor Officers Quarters may be reserved/constructed for use of employees of the Institution at reasonable rent. In bigger cities, at least one furnished room may be reserved for visiting officers to minimize hotel expenditures.

No property shall remain unutilized to avoid deterioration of value and unnecessary fixed costs like watchman, electricity etc.

Illegal occupation of the properties shall be checked by entrusting the responsibility of protection of property to the local Regional/Zonal Heads. They shall not only have constant watch on properties in their jurisdiction but shall also evaluate good proposals for profitable use and sale of buildings. They shall make suitable recommendations at appropriate time for purchase/sale etc. of properties.

Vacant plots if found profitable for construction, shall be so constructed or sold when found feasible to avoid non-utilization charges.

The new construction, additions/alterations and major repairs and maintenance shall be carried out preferably through government controlled consultants i.e. NESPAK, PEPAC, REMCO, FMCL etc. Contractors for each job shall be pre-qualified for work at various stations.

Periodical maintenance of all the properties shall be done through pre-qualified contractors for respective cities. The emergency works may be carried out locally by Regional/Zonal Head with the approval of Competent Authority through Real Estate Division.

Uniform standards of rates of various jobs shall be maintained for all stations. Separate accounts for property income shall be maintained and monitored.

Performance of Real Estate Division shall be evaluated on the basis of increase in property income, capital gains and reduction in litigation.

17. PUBLICITY

Effective media shall be used for education of employers and employees through the programmes focussing on their respective needs.

Help-Lines shall be operated to respond to the questions and queries by employers and employees regarding relevant law,/rules and to render assistance in discharge of their obligations through universal telephone line.

Radio being effective and cheap media shall be used to communicate with employees and potential insurable persons to enlighten them about their rights and obligations.

Programmes like “SAIBAAN” furnishing correct answers regarding queries made shall be continued and improved.

Monthly ‘Newsletter’ covering amendments in law, rules and instructions and covering important events of EOBI shall be issued and circulated to all stakeholders i.e. field offices, chambers of commerce, employees associations and employers associations etc.

Guide for the benefit of employers and employees shall be published, both in English and Urdu explaining recent changes in law, systems and procedures.

Meetings and Seminars through tripartite cooperation i.e. EOBI, Employers & Employees, shall be held and proper coverage through Television, Radio and Print Media shall be arranged.

On important issues press conferences, interviews of concerned officers, employers and employees shall be arranged to generate awareness, update knowledge of stakeholders and get a direct feed back for improvement in Administration and Policy.

Meetings with Chambers of Commerce & Industry, Employers Associations and Employees Associations shall be held with proper coverage by appropriate media.

18. INVESTMENT

Ensure safety and profitability of investment.

Diversify investment portfolio to ensure enhancement of yield and minimization of overall portfolio risk.

Appoint reliable Investment Adviser till in-house capability is developed.
Activate Investment committee for sound decision making.

Develop transparent procedure with adequate checks & balances to eliminate chances of mal-administration.

Keep consistent liaison with financial institutions like State Bank of Pakistan, Nationalized Banks, N.I.T., State Life Insurance Corporation of Pakistan (SLIC), Securities & Exchange Commission of Pakistan (SECP) and Pakistan Credit Rating Agency (PACRA) to learn from their experience and adopt procedures considered sound and feasible.

Earmark funds for Government Securities, Investment in redeemable capital of high-rated companies and stocks of such companies.

Ensure maximum return and adherence to Investment Rules.

MONITORING & INSPECTION

The functions of Monitoring & Inspection at various levels shall be defined for proper coordination and effectiveness.

The Inspection Offices shall serve as check on field activities.
Superior Offices i.e Head Office & Zonal Office shall be responsible for providing guidance and assistance under Functional Specialization Programme to improve professional working of Inspection Teams.

Superior Offices shall monitor and evaluate Inspection Plans and Inspection Reports of subordinate offices.

Regional Head being Incharge of field officers responsible for checking books of accounts of the employer shall monitor their activities and exercise effective control to ensure complete adherence to laws, rules and regulations (Section 12, SRO-761/I-80 dated 19th July 1980 and instruction issued by the Institution from time to time.

Inspection Department at Head Office shall assist Operation Division in collaboration with Research Wing to build standard criteria for selection of cases for Inspection.

Parameters for employment of Insured Persons shall be standardized on the basis of reports from Zonal Committees.

In cases of Registration under Section 12(3) of the EOB Act-1976, proper evidence shall be recorded, confronted and evaluated before passing proper order.

Reasonable %age of the orders under Section 12(3) shall be inspected and technically evaluated by Zonal Inspection Teams to provide guidance and point out cases of connivance/negligence/undue harassment for appropriate disciplinary action.

Zonal Monitoring & Inspection Teams shall inspect Regional Offices to check maintenance of record, enforcement of Law, Rules & Regulations, maintenance of registers, adherence of operation and automation plan, speed and maintenance of payment of benefits, reconciliation of contribution and payment of benefits with banks, recovery of arrears, accuracy of data-base constructed through Map Survey, utilization of information etc.

Complaints regarding field operation shall be investigated by Head Office Inspection Team marked by the Chairman and by Zonal Inspection Teams marked by Director General (Operations)/Zonal Head.

20. TRAINING & RESEARCH

TRAINING:

Training needs of all departments shall be assessed and training programmes developed accordingly.

Training Courses shall comprise of the following:-

Training after recruitment.

Training at the juncture of change of responsibilities on promotion.

Middle Management Training.

Senior Management Training.

Short Refresher Courses according to specific need of the Institution.

Professional Training in various National Training Institutes like NIPA & Pakistan Administrative Staff College etc.

Long and short-term Training Policies for improvement of qualification in the relevant field of existing manpower shall be developed.

The availability of domestic and foreign scholarships shall be explored and deserving officials/officers shall be sent for such training.

Training Scheme for Actuaries shall be prepared in collaboration and coordination with State Life Insurance Corporation on the pattern of SLIC Scheme.

Training of Investment Managers shall be arranged in consultation with Experts on “Fund Management”.

Employers/Employees Seminars and workshops shall be held in collaboration with Publicity Department.

Record of lectures, proceedings of seminars shall be maintained and published in addition to the Training Manuals, which shall be developed in coordination with respective departments.

Training shall be organized at zonal Level with collaboration and assistance of Zonal Heads.

Zonal Training Schemes shall be sponsored and supported.
The Head office shall organize training at Karachi, Lahore and Islamabad Liaison Office.

A well-equipped Library shall be maintained in the Training Centre ensuring availability of relevant books, periodicals, journals etc.

RESEARCH:

Well-qualified personnel from within the Institution shall be designated as “Research Scholars” and may not necessarily be posted in Training and Research Wing.

Research Wing shall maintain liaison with National and International Research Institutes, relevant to Social Security and labour welfare.

Research shall include inter-alia following subjects:-

International trends in Social Security Development.

Comparative analysis of coverage, contribution, cost and benefits. Enhancement of EOB Scheme in the perspective of Actuarial reports/suggestions.

Appraisal of performance of EOBI in historical and comparative perspective. Improvement in internal dynamics of the Institution.

Development of parametric analysis: sources & techniques/categorization of industries (nature, degree of automation, production etc.)

Evaluation for achievement of objectives of EOBI.

EOBI and Private Pension Schemes.

Fund Management and choices for EOBI.

Investment Policy for EOBI.

Appraisal of reforms programmes and proposals for future reforms.

Preparation of brief summaries of material on Social Security available on web-sites.

Socio-cultural studies of the impacts of EOB Scheme and disbursement of benefits in the light of new ISSA trend.

Exploration of best and relevant courses available alongwith names of Institutions and cost.

SCHEDULE FOR ADVOCATE FEE
Supreme Court

In Appeals

Advocate Supreme Court	negotiable upto	Rs. 50,000/-
Advocate On Record	negotiable upto	Rs. 10,000/-
Paper Book Charges		Rs. 5,000/-
Court Fee		Actual
Clerkage	10% of settled fee of ASC	

(For payment of higher fee prior approval of Chairman would be required)

High Court

Constitution Petition/Appeal	negotiable upto	Rs.30,000/-
Suits	negotiable upto	Rs. 50,000/-
Court Fee		Actual
Clerkage	10% of settled fee	

(For payment of higher fee prior approval of Chairman would be required)

Federal Service Tribunal

Appeals,	negotiable upto	Rs. 25,000/-
Court Fee		Actual
Clerkage	10% of fee settled	

(For payment of higher fee prior approval of Chairman would be required)

Subordinate Courts / NIRC & Other Judicial /Quasi Judicial Tribunals/Forums

Suites / Appeal	negotiable upto	Rs. 15,000/-
Court Fee		Actual
Clerkage	10% of settled fee	

(For payment of higher fee prior approval of Chairman would be required)

Special Courts

Negotiable with prior approval of the Chairman

Payment Procedure

40% of the fee plus 100% Clerkage and other charges at the time of engagement
Balance 60% would be paid in two installments with the progress of the case.

QUALIFICATIONS PRESCRIBED FOR THE POST OF
EO/DEO/DPO/CO/PS/PA

S #	Name of post	Existing Qualification	Proposed Qualification
1	Data Entry Supervisor	Graduate with Computer training in the relevant field. Preference will be given to graduates in Computer Science, Physics, Statistics, Mathematics and Economics.	2 nd Class/'C' Grade Master Degree in Computer Science/ Information Technology/Business Admn. (IT) from recognized university..
2	Data Entry Officer/ Data Processing Officer/Computer Operator	Graduate with Computer training in the relevant field. Preference will be given to graduates in Computer Science, Physics, Statistics, Mathematics and Economics.	At least 2nd Class/'C' Grade BCS/BIT/BBA (IT) from recognized university. with 2 years post qualification experience.
3	Executive Officer	Post Graduate Degree preferably in Business/Public Administration, Commerce, Economics or 2nd class graduate with LL.B. Degree.	2nd Class/'C' Grade Master's Degree in Business/ Public Administration, Commerce, Economics, Mathematics, Statistics,from recognized university. C.A. (Inter), ACMA (Part-II), LLB, B.E. Established Computer literacy and ability to work in MS Office is must. (Certificate from a recognized Institution will be required)
4	Private Secretary/ Stenographer	Intermediate with 100/50 words per minute speed in Shorthand and Typing respectively. In case of Internal Candidate holding P.A's post in the Institution	Graduate with 100/50 words per minute speed in Shorthand and Typing respectively. Computer literacy and working skill to operate word

		for 2 years the condition of educational qualification will be relaxed.	processing is must. (Certificate from a recognized Institution will be required). In case of Internal Candidate holding P.A's post in the Institution for 2 years the condition of educational qualification may be relaxed by the Chairman.
5	Personal Assistant/ Steno typist	Matriculation with 80/40 words speed per minute in Shorthand and typing respectively.	Intermediate with 80/40 words speed per minute in Shorthand and typing respectively. Computer literacy and working skill to operate word processing is must.

ANNEX-“E”

PRE-REQUISITES OF THE POST OF ASSISTANT ENGINEERS AND JUNIOR ENGINEERS.

S #	Name of Post	Qualifications & Experience	Age Max.
1	Assistant Engineer (Civil) Grade-7	B.E. (Civil) or equivalent qualification. Must be registered Engineering Council of Pakistan. Three years' relevant post qualification, experience in any commercial/industrial or Government organizations	35
2	Junior Engineer (Civil/Electrical) Grade-6	Diploma in Associate Engineering in Civil/ Electrical. Five years' relevant post qualification, experience in any commercial/industrial or Government organizations	30

ANNEX-“F”

**REVISION OF NOMENCLATURE/
RE-CONSTRUCTION OF SELECTION COMMITTEES**

Committee No.	Existing	Proposed	Remarks
1	For appointment/promotion to the post Deputy Director General		
	Joint Secretary (Labour) (Convener)	Joint Secretary (Labour welfare) (Convener)	
	Financial Advisor (Labour) (Member)	Financial Advisor (Labour welfare) (Member)	
	Director General (EOBI) (Member)	Director General (EOBI) (Supervising HR) (Member)	There are now 2 Directors' General in the Institution
2	For appointment/promotion to the post Assistant Director General		
	Director General (Convener)	Director General (Supervising HR) (Convener)	There are now 2 Directors' General in the Institution
	Deputy Director General (Member)	Divisional Head (HR) (Member)	There are many DDG therefore specification must be there.
	Deputy Director General (Concerned)	Divisional Head (Concerned) (Member)	
3	For appointment/promotion to the post Director/Deputy Director		
	Director General (Convener)	DG (Supervising HR) (Convener)	There are now 2 Directors' General in the Institution
	Deputy Director General (Member)	Divisional Head (Concerned) (Member)	There are many DDG therefore specification must be there.
	Asstt. Director General (PTP) (Member)	Divisional Head (HR) (Member)	At present there is no ADG posted in HR, besides name of PTP is changed as HR
	Assistant Director General (Concerned) (Member)	Deputy Divisional Head (HR) (Member)	

4	For appointment/promotion to the post Assistant Director /Executive Officer		
	Director General (Convener)	DG (Supervising HR) (Convener)	There are now 2 Directors' General in the Institution
	Deputy Director General (Member)	Divisional Head (Concerned) (Member)	There are many DDG therefore specification must be there.
	Asstt. Director General (PTP) (Member)	Divisional Head (HR) (Member)	At present there is no ADG posted in HR, besides name of PTP is changed as HR
	Assistant Director General (Concerned) (Member)	Deputy Divisional Head (HR) (Member)	

IN 61ST BOT MEETING HELD ON DATED 24TH SEPTEMBER, 2002, AT PESHAWAR, SARDAR ALI AHMAD JOGEZAI, MEMBER BOT, HAD POINTED OUT THAT WHILE CREATION OF THE POST OF DIRECTOR (LAW) IN THE INSTITUTION AS LEAVE RESERVE DUE TO REQUISITION OF SERVICES OF DIRECTOR LAW/SECRETARY BOARD, A VACANCY FOR SECRETARY IN ADG'S GRADE WAS ALSO APPROVED BUT THE SAME WAS NOT RECORDED IN THE MINUTES. THE PRESIDENT ORDERED CORECTION OF THE MINUTES REGARDING CREATION OF A POST OF SECRETARY BOARD OF TRUSTEES IN ADG'S GRADE WHICH MAY BE FILLED IN BY TRANSFER/PROMOTION/DIRECT RECRUITMENT. THE REQUIRED QUALIFICATION FOR THE POST SHALL BE CA/MDA/ACMA/FICS/LL.B WITH TEN YEAR POST QUALIFICATION EXPERIENCE AND AGE OF MINIMUM 40 YEARS.

THE ORDERS OF THE PRESIDENT. EOBI, BOARD OF TRUSTEES HAVE BEEN IMPLEMENTED ACCORDINGLY.

INTERNEE PROGRAMME AT INVESTMENT DIVISION

THE BOT HAD APPROVED THE SETTING UP OF SECURITIES TRADING HOUSE WITH THE OBJECTIVE OF AUGMENTING IN HOUSE CAPACITY AND COST SAVINGS.

THE BOT DURING ITS DELIBERATIONS ALSO APPROVED THE INDUCTION OF "INTERNEES" HAVING QUALIFICATIONS OF M.B.A. (FINANCE), ICMA AND CA (INTER) ETC. @ RS.6,000/= PER MONTH STIPEND FOR A PERIOD OF ONE YEAR. AFTER SUCCESSFUL COMPLETION OF INTERSHIP, THE POSSIBILITY OF OFFERING A CONTRACT EMPLOYMENT TO THOSE DEMONSTRATING EXCELLENCE CAN BE LOOKED INTO. HOWEVER, THE DECISION OF BOT WAS NOT RECORDED IN THE MINUTES CIRCULATED DUE TO SOME OVERSIGHT. IT IS THEREFORE, REQUESTED THAT AN ADDENDUM INCORPORATING THE ABOVE DECISION BE ISSUED VIA CIRCULATION SINCE THE NEXT BOT MEETING IS LIKELY TO BE HELD AFTER NOVEMBER, WHEREAS THIS INSTITUTION PLANS TO INITIATE THE INTERSHIP PROGRAM DURING NOVEMBER. THEREFORE, IT IS REQUESTED THAT THE MINUTES BE GOT APPROVED VIA CIRCULATION.