

Task Force for Livestock Business Support Center-LTP-DSP at VRI Peshawar

Terms of Reference

1. The Task Force for Livestock Business Support Center-Livestock Technopark Peshawar-Dairy Science Park (TF-LBSC-LTP-DSP) will be launched at Veterinary Research Institute (VRI) Peshawar as a temporary arrangement for establishing the Livestock Technopark Peshawar in light of:
 - 1.1. Endorsement of the concept of developing the indigenous livestock resources through the novel idea of Dairy Science Park (DSP) by the Senior Minister Local Government in a meeting of the representatives of the Department of LGE&RD, L&DD, PDA, University of Agriculture Peshawar and the private sector, held on 3-3-2016, pursuant to presentation by Prof M Subhan Qureshi, President DSP;
 - 1.2. Initiation of a Summary by the Senior Minister Local Government, Additional Chief Secretary and approved by the Chief Minister on 2-8-2017, copy attached as Annex-1 and;
 - 1.3. Elaborated further by Prof Qureshi under his FAO National Consultancy Report 2019, Annex-2 and ITC-UN National Consultancy Report 2022, Annex-3.
 - 1.4. The Task Force will provide an engine for transformation of the indigenous livestock resources into a network of entrepreneurs, generating decent employment and exportable surpluses through a good governance model of Academia-Industry-Government Nexus.
2. Composition of the Task Force will be as follows:
 - 2.1. Chairman: Mr Zarif Ul Maani, Administrative Secretary, Livestock Fisheries & Cooperative Department, GoKP
 - 2.2. Co-Chairman: Dr Ijaz Ali, Director General Research, Livestock Fisheries & Cooperative Department, GoKP
 - 2.3. Secretary/Member: Director Livestock Research and Development, Peshawar
 - 2.4. Member: Prof M Subhan Qureshi, President Dairy Science Park, 23-A, Royal Dairies, Industrial Estate, Hayatabad, Peshawar
 - 2.5. Member: Representative of the Secretary LGE&RD Department, GoKP
 - 2.6. Member: Representative of Secretary Finance, GoKP
 - 2.7. Member: Vice Chancellor, University of Agriculture Peshawar or his representative
 - 2.8. Member: Director Veterinary Research Institute Peshawar
 - 2.9. Member: Director General Extension Livestock and Dairy Development Department GoKP or his representative
 - 2.10. Member: Director General Fisheries Livestock and Dairy Development Department GoKP or his representative
 - 2.11. Member: Provincial Chief SMEDA Peshawar or his representative

- 2.12. President KP Livestock Farmers Welfare Association or his representative
 - 2.13. Member: Mr Kamran Akram, CEO Royal Dairies, Peshawar
3. The Task Force will be hosted by Director General Research, Livestock and Dairy Development Department GoKP, Peshawar who will provide office accommodation and logistic support for various functions of the Task Force.
 4. The Task Force will finalize the Action Plan for Directorate General LL&DD GoKP comprising:
 - 4.1. Chairman: Director Livestock Research and Development, Peshawar
 - 4.2. Director
 - 4.3. Development of Selection Criteria for promotion of scientists on performance basis.
 - 4.4. Accreditation of diagnostic laboratories of Microbiology, Biotechnology, Parasitology, Animal Nutrition and Dairy Technology and Vaccines Production laboratories covering BQV, HSV, ASV, ETV, NDV and FMV, etc; initially with Pakistan National Accreditation Council/Drug Regulatory Authority of Pakistan (DRAP) and later on with International Organization for Standards (ISO).
 - 4.5. Qualitative and Quantitative Enhancement in Vaccine Production at VRI Peshawar who has already demonstrated an effective setup of the PLA Revolving Fund, ensuring timely supply of the desired items qualitatively and quantitatively. PLA is the brainchild of Dr Bakht Daraz Khan, which was proudly brought on record by Prof Qureshi as an FAO Consultant. The current size of the amount is appreciable. However, the current fiscal policy of the provincial government doesn't appreciate such activities and consider it a stagnancy of public money. This amount is helping VRI generate vaccines worth Rs. 30 million while VRI gets meagre funds for such activity under the current budget. PLA is the only source supporting such excellent activity. Indigenous vaccine production, import substitution, saving foreign exchange, to be introduced under a Vaccine Research and Transformation Program.
 - 4.6. Leasing out of feed mills to private sector/KP Livestock Farmers' Association at reasonable rates.
 - 4.7. Capacity development of technical and supporting staff in modern practices and improved laboratory techniques.
 - 4.8. The Task Force will work with District Administration Peshawar and other willing authorities to implement the Biorisk Management under Livestock Entrepreneurship.
 - 4.9. Paid internship for DVM students from KP universities, in various areas of specialization, arranging research facilities targeting at providing solutions to the industries and development of entrepreneurship models.
 - 4.10. The Task Force will work in close collaboration with the Dairy Science Park Society and will be having access to their resources like Advisory Panel, Expert Panel, Country Focal Points abroad, development partners, corporate partners and registered veterinary practitioners, etc.
 - 4.11. Livestock Business Support Center (LBSC), shall be established under supervision of the Task Force through a Management Committee, comprising:
 - 4.11.1. Convener: Director Livestock Research and Development, VRI Peshawar
 - 4.11.2. Member/Secretary: Director Veterinary Research Institute Peshawar
 - 4.11.3. Member: Director FMDVRC at VRI Peshawar

- 4.11.4. Member: Director Center for Parasitology and Poultry, VRI Peshawar
 - 4.11.5. Member: Director Center for Microbiology and Biotechnology, VRI Peshawar
 - 4.11.6. Member: Provincial Chief SMEDA Peshawar or his representative
 - 4.11.7. Member: President KP Livestock Farmers Welfare Association or representative
 - 4.11.8. Member: Mr Kamran Akram, CEO Royal Dairies, Peshawar
 - 4.11.9. Member: President Dairy Science Park Peshawar or his representative
 - 4.11.10. Member: President KP Livestock Farmers Welfare Association or representative
 - 4.11.11. Member: Mr Kamran Akram, CEO Royal Dairies, Peshawar
- 4.12. LBSC will work on applied research, training of officers/farmers/civil society representatives and establishment of business incubation and entrepreneurship development facilities with the cooperation of commercial farmers, product processors and marketing partners in the private sector, sister departments and the universities.
- 4.13. LBSC will work on establishing Entrepreneurship Units: i) Dairy Farming; ii) Beef Farming; iii) Mutton Farming; iv) Poultry Farming; v) Fish Farming; vi) Pets Farming; vii) Nontraditional Farming; viii) Vet Clinics; ix) Analytical Labs; x) Inputs Suppliers; xi) Renewal Energy Providers; xii) Legal Advisors; xiii) Innovators; xiv) Meat Shops; xv) Dairy Shops; xvi) Meat Factories; xvii) Dairy Factories. Successful Units would be registered with relevant organizations as private companies.
- 4.14. An Endowment Fund of Rs.80 million millions will be established for sustainable disposal of its functions supplemented by a nonlapsable development grant of Rs.20 millions. Additional funding would be explored under the provincial and federal development schemes and local/international development bodies, donations and income generation through commercial ventures and public-private partnerships. LBSC would follow the Financial Management System developed for LTP by the FAO National Consultant , to be finalized and approved by this Task Force. This activity would be executed by the Management committee of LBSC through its Convener, under the Financial Management System to be approved by the Task Force.
- 4.15. Financial Management System will be established under these guidelines recommended under the FAO National Consultancy Report 2019:
- 4.15.1. Certain provisions of existing procurement procedures may inadvertently limit timely acquisition of specialized scientific materials and quality inputs required for research and entrepreneurship development.
 - 4.15.2. Public Sector Organizations are bound to make procurement of items under Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), of the Federal Government of Pakistan. The issues faced by researchers and university scholars were discussed at Veterinary Research Institute Peshawar and Gomal University DI Khan.
 - 4.15.3. Under Clause 21, the Public Procurement Rules, 2004, Open competitive bidding.- **Subject to the provisions of rules 22 to 37 the procuring agencies shall engage in open competitive bidding if the cost of the object to be procured is more than the prescribed financial limit which is applicable under sub-clause (i) of clause (b) of rule 42. Under Clause 30, Evaluation of bids.- (1) All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth

in the prescribed bidding documents. Save as provided for in sub-clause (iv) of clause (c) of rule 36 no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents. Under sub clause (2). For the purposes of comparison of bids quoted in different currencies, the price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate, prevailing on the date of opening of bids specified in the bidding documents, as notified by the State Bank of Pakistan on that day.

- 4.15.4. The procurement process dictated under Clause 30, Sub-clause (2), the rules calls for comparison of the items on the basis of cost. Here arises the issue when the suppliers offer lower prices for the items. Lower price means lower quality of items. Animal feeds, medicines or other inputs purchased at lower prices would lead to adverse effects of the items on animals' health, reproduction and productivity and on public health through development of drug resistance and enhanced farm expenditures. The purchase committees suffer audit paras and NAB proceedings for purchasing items with better quality with somewhat higher prices. In one case the Peshawar High Court provided relief to the members of the Purchase Committee who were penalized by the audit party of the provincial government.
- 4.15.5. Under Clause 5. International and inter-governmental commitments of the Federal Government. Whenever these rules are in conflict with an obligation or commitment of the Federal Government arising out of an international treaty or an agreement with a State or States, or any international financial institution the provisions of such international treaty or agreement shall prevail to the extent of such conflict.
- 4.15.6. Hence the FAO KP Action Plan 2019 of Prof Qureshi will be used as a guideline for framing user-friendly Financial Rules for LBSC. The issue of the rules was discussed in detail during the workshops held with the LDD Research Wing and the Gomal University DI Khan. An alternate system was proposed to ensure greater transparency and quickness in the procurement process, which will enhance performance of the scientists as well as the organizations.
- 4.15.7. Under the above clause the Consultant concluded that procurement process on the basis of PP Rules 2004 results in purchase of low quality animal feeds, medicines and other input supplies in the extension organizations; low quality research materials at the research organizations and low quality delayed supplies. It hinders the smooth delivery of services by the public service organizations, lowering the trust and expectations of the people. Hence, the National Consultant FAO-UN considers the PP Rules 2004 as contradictory to the interests of stakeholders of livestock value chain and under Clause 5 and suggests formulation of new rules within the following guidelines:
 - 4.15.7.1. The Rules must be simple, transparent and must ensure quick delivery of goods to requisitioners.
 - 4.15.7.2. The purchase committee for LBSC shall comprise i) Director LR&D (Convener); ii) two senior officers from the L&DD Research Wing; iii) one

- representative from SMEDA; iv) and one representative each from poultry and livestock farming, processing and inputs suppliers, totalling 8.
- 4.15.7.3. The Committee will be authorized to purchase the desired items requisitioned on need basis, without getting sanctions from the higher authorities, which may hinder the smooth running of the LBSC.
 - 4.15.7.4. The Endowment Fund and non-lapsable Development Grant would be available in a separate authorized bank account operated jointly by the Convener and Secretary of the Management Committee LBSC.
 - 4.15.7.5. Three quotations may be obtained, if required, otherwise a single quotation would be acceptable if the committee agrees. Specification of the intended items must be very clear and foolproof.
 - 4.15.7.6. Delegation of powers for purchase, auction and cast off of animals, equipment, consumables, etc. belonging to LBSC.
 - 4.15.7.7. The Rules must be followed while reviewing, ordering, obtaining, and paying for goods/services.
 - 4.15.7.8. The decisions must be made by the relevant authorities to ensure smooth delivery of items to respective working units.
 - 4.15.7.9. Checkpoints/steps must be minimum to avoid the complexity of the purchase process. Electronic correspondence data management may be encouraged instead of extensive use of paper, damaging the environment. However, the essential paperwork and documentation involved in every stage of the procurement process flow, must be collected and stored as hard/soft copies for reference and auditing purposes. Updated information may be made available on LBSC-LTP-DSP-LDD (Res) website for information of the concerned monitoring personnel or general public.
 - 4.15.7.10. The bills shall be audited and passed within 3-10 days, depending upon its nature.
 - 4.15.7.11. Transparency of the process shall be monitored by a Monitoring and Evaluation Committee approved by the Task Force LBSC as a constant process. Any criminal/negligence would be notified to the Convener immediately. However the members would be protected from any attempt of blackmailing or harassment by any individual or organization.
 - 4.15.7.12. Committee members acting in good faith and in accordance with approved rules shall be provided appropriate administrative and legal support.
 - 4.15.7.13. The fund would be used for entrepreneurship development and the facilities required for relevant activities.
 - 4.15.7.14. Profit-sharing mechanisms shall be finalized by the Management Committee and approved by the Task Force in accordance with applicable laws and operational requirements.
 - 4.15.7.15. Give short and long-term loans or furnish guarantees to the scheduled banks for loans to the companies established by the LBSC. Preferable mode for loaning will be the Endowment Fund LBSC which may allocate competitive research and extension grants for demonstrating viable feasibility models and replication under the LBSC.

- 4.15.7.16. LBSC may negotiate and obtain for its projects and companies established under LTP Act, loans in local and foreign currency from the local or the international financing institutions or individuals. Islamic Investment will be preferred and provisions will be there for supporting the neglected segments of the Society under Baitul Mal and Charity.
- 4.16. Utilization of Endowment Fund LTP
- 4.16.1. Developing feasibility models for entrepreneurship under LBSC
 - 4.16.2. d) Development and replication of prototypes through graduate entrepreneurship for production of hygienic and Halal food and biotechnological products
 - 4.16.3. Establishing breeding stocks, farming and value addition facilities
 - 4.16.4. Branding of LTP Halal meat and outlets/ export for product marketing
 - 4.16.5. Renewable energy, energy efficient housing and innovations.
 - 4.16.6. Charity and Bait-ul-mal for the neglected segment of Society
- 4.17. The following activities can be held jointly with the private partners:
- 4.17.1. Development of entrepreneurship models in livestock. poultry and fish production, processing, quality control, diagnostics, veterinary clinical, processing, marketing and legislative services, as source of decent employment and exportable surpluses; some examples may be establishing milk, meat and eggs shops; mini-slaughter houses, livestock/poultry/fisheries/other farming, also including fancy birds, pets, rabbits, ostrich, or others; processing, packaging milk, meat and eggs; marketing at district, provincial or international levels. Veterinary clinics, diagnostic laboratories or biotechnological products processing or any other related facilities would be encouraged.
 - 4.17.2. Establishing and replicating milk and meat shops with quality certified products, linked with the registered farmers and products suppliers;
 - 4.17.3. Improving/establishing, slaughter houses and meat processing facilities through joint ventures or public/private sector investment;
 - 4.17.4. Establishing cold chain for transportation of milk, meat and by products across district, provincial and national borders;
 - 4.17.5. Development of environment-friendly and ethically sound, transportation system for animals, through public private partnership;
 - 4.17.6. Development of standard operating procedures for quality control of livestock based food products, foods, feeds, medicines, vaccines, other biologics testing through the proposed BRM Center KMU and registered laboratories in the public and private sector;
 - 4.17.7. Development of traceability system for animal production, products processing, slaughtering, labelling and marketing and facilitation for entry of local food products into international Halal meat market;
 - 4.17.8. Improving the livestock markets and introducing innovative technologies in marketing and communication among stakeholders for maintaining quality standards, traceability, linkages with the local and international market and for harvesting new talent for the livestock based food value chain
 - 4.17.9. Engaging DVM and other graduates from KP Universities in the entrepreneurship development activities

- 4.17.10. Develop and monitor strategies and plans designed to achieve and maintain self-sufficiency and efficiency in meat/milk production, processing, manufacturing and marketing and providing feedback to the provincial government and legislative assemblies for taking corrective measures.
- 4.18. The Task Force is required to submit: Task Within 90 Days: i) Operational Plan; ii) Organizational Structure; iii) Financial Model; iv) Draft Business Rules; and within 180 Days: i) Establishment of LBSC; ii) Identification of pilot projects; iii) PPP framework and; iv) Draft legislation for LTP
- 4.19. The Task Force for LBSC-LTP-DSP will come into existence, through notification by the Government of Khyber Pakhtunkhwa. Later on, an Act of the Legislative Assembly/Ordinance of Governor may be initiated for legal establishment and legal coverage of Livestock Technopar Peshawar (LTP) as an autonomous authority with full regulatory, administrative, financial and legislative powers to protect all the stakeholders of the livestock industry, and to engage all the relevant private and public sector organizations in the process.
- 4.20. The major objective of LTP would be to collaborate with local, regional, and international stakeholders to transform indigenous livestock and renewable resources into sustainable economic opportunities. Through the Triple Helix Model of Good Governance, we aim to generate decent employment and exportable surpluses while ensuring eco-security remains within safe limits. Our mission is to support the sustainable survival and well-being of all children and humanity worldwide.
- 4.21. The Task Force shall function as an advisory and facilitative body and shall not create any recurring financial liability for the Government except as specifically approved by the competent authority.

Prepared by:

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