

Minutes of the Board of Directors' 8th Meeting

The Shahid Javed Burki Institute of Public Policy at NetSol

Date: Thursday 22 December 2020

Time: 08:00 PM local

10:00 AM Washington

Venue: BIPP Committee Room, Lahore and Washington USA via Zoom

Participants:

| | |
|--|-------------------------------|
| Mr. Shahid Javed Burki. | Chairman |
| Mr. Shahid Najam | Vice Chairman |
| Mr. Ayub Ghauri | Member BoD |
| Mr. Saleem Ghauri represented by Mr. Ayub Ghauri | Member BoD |
| Mr. Tariq Hussain | Member BoD |
| Dr. Daud Ahmed | Member BoD |
| Dr. Mahmood Ahmed | Member Advisory Council, BIPP |
| Dr. Ejaz Sandhu | Director Operations, BIPP |

Also present:

| | |
|--------------------|------------------------------|
| Mr. Awais Khalid | Manager Operations & Finance |
| Mr. Asad Ejaz Butt | Former Director, BIPP |
| Ms. Kainat Shakil | Research Fellow |
| Ms. Samra Naz | Assistant Manager IT |
| Mr. Ammar Hayat | Close BIPP affiliate |

(Mrs. Nasreen Mahmood Kasuri and Dr. Iftekhar Ahmed Chowdhury regretted their inability to attend the Board meeting)

The meeting was moderated by Mr. Shahid Najam the Vice Chairman which this year took place virtually due to COVID-19.

Before the start of the Meeting, *Fateha* was offered to commemorate late Khalid Sherdil, the founding member of BIPP, who lost his life in the tragic plane crash of 22 May 2020.

The Chairman, Mr. Shahid Javed Burki, welcomed the participants for the 8th meeting of the Board of Directors (BOD) and thanked them for making themselves available late in the evening despite cold and inclement weather. He paid rich tributes to late Mr. Khalid Sherdil - his close relative, a

friend and a great supporter of the Burki Institute - who made enormous contribution in establishing BIPP and making it one of the premier research institutes and Think Tanks in the country. He also acknowledged the assiduous efforts made by the BIPP staff in the wake of COVID-19 pandemic and its adverse impact on the financial health of the Institute to sustain BIPP's operations without major hiccups or disruptions. He in, particular, appreciated Dr. Ejaz Sanhu, Director Operations, for his commitment to advancing BIPP's mandate and expanding the scope and scale of BIPP's outreach activities at the field level in partnership with the renowned organizations like WEDIP, Strateasy Consulting, AKIDA Consulting, Delivering Happiness USA, etc.

Thereafter the following agenda items were considered by BoD:

1. Progress Report including New Initiatives
2. Briefing on 2020 Annual Report
3. Financial Position of the Institute including:
 - Operational Expenditure
 - Endowment Investment Update
4. Any other Items-2021 Report

The members adopted the agenda items. Dr. Ejaz Sandhu, Director Operations, Education & Learning, presented the details on each of the agenda items, as follows, for members information, comments, observations and decisions:

Agenda Item 1: Progress Report

(a) *Research and Consultancy*

During the period from January 2020 till date the Research and Consultancy Wing carried out and accomplished the following activities:

- i. **Project-** Sialkot, Sambrial and Daska Corridor Development Plan was successfully completed and submitted to the Punjab Urban Unit. The final report was very well received and appreciated by the Punjab Government and on the request of PUU, several presentations were delivered including to the Special Advisor to the CM Punjab and the Chairman P&D Punjab. The government showed interest in upscaling the project and based on the Industrial Corridor Development Model and Template developed by BIPP and wished BIPP to upscale/replicate it for other Industrial Corridors in Punjab. The regular follow-up with the Government as per their intent has not materialized as yet.
- ii. **Women Economic Development Imitative Punjab:** A joint project targeting women empowerment through sustainable development has been launched all over Punjab in line with the Sustainable Development Goals which has enormously expanded the outreach activities of BIPP and enabled the institute to start field level research and training program throughout the province.

- iii. **In-house Research:** Publication of Policy Briefs, Research Papers, Newspaper Editorials, Newsletter, Issue Briefs continued unabated details of which are mentioned under the Knowledge Management sub-head below.
- iv. **The Khalid Sherdil Urban Development Chair was successfully launched on 29 July 2020** to honor Khalid Sherdil, the founding member of BIPP and recognize his outstanding contribution in promoting and implementing BIPP mandate. The Chair envisaged award of Scholarships for which this year a total of 5 students have been supported to peruse their four-year degree program at various tertiary universities in Punjab. The second segment of the Chair comprised research on various issues related to urban development. From October 2020 to September 2021 Dr. Ejaz Sandhu would lead the research team assisted by Kainat Shakil and an intern for developing three research papers i.e., Kisan Ki Bati: Rural Women Capacity Building and Supply Chain Management; Punjab Domestic Workers Act 2019 and the Current Status of Domestic Workers in Punjab and COVID-19 and the New Normal for Urban Slums.
- v. **Consultancies/Bidding:** In all 42 projects were reviewed and technical and financial proposals for 19 projects submitted to agencies and organizations such as, ADB, World Bank, UNDP, Pakistan, Bank of Punjab, Punjab Skills Development Fund and other local NGOs and Public Organizations. Twelve of the proposals did not win the final bid while seven are still in the process. Additionally, for major crops studies, TORs have been submitted to the Planning Commission of Pakistan for which positive response has been received for award of consultancy assignment to BIPP.

(b) Think Tank

Engagement and Advice to the Government on matters of Key Policy Significance continued along with regular participation and deliberation in Conferences and Seminars across Punjab. During this period BIPP has built collaboration with multiple partners notably:

- i. Delivering Happiness
- ii. Strateasy Consulting
- iii. AKIDA Consulting
- iv. Indus Foundation for Human Development
- v. Community Development Foundation
- vi. Onstak Pvt Limited
- vii. AgriBite
- viii. WEDIP
- ix. Lahore Chamber of Commerce
- x. University of Health Sciences
- xi. Superior University
- xii. Partnership revitalized with GCU, Lahore

While MOUs are also in the process of being signed with Layyah and Sahiwal Chambers of Commerce, University of Lahore, Punjab University and Lahore Garrison University.

There were a series of successful meeting held with chairman TEVTA, NAVTTC and PVTC for establishment of training institute.

In collaboration with Strateasy (a key BIPP partner) the following activities are planned:

| Topics / Title | Date | Status |
|---|---------------------------------|--------------------------------|
| Life Skills for WEDIP | Each Thursday (8 Weeks Program) | On going |
| Entrepreneurship | Each Friday (8 Weeks Program) | On going |
| Vision, Mission & Values | 23 rd December 2020 | Deferred due to COVID Scenario |
| KPIs for Business Performance | 23 rd December 2020 | Sales & Marketing in progress |
| Sales Warriors – The Revenue Drivers for your Org | 20 th January 2021 | Launch preparation in progress |

My Ayub Ghauri has kindly agreed to accompany BIPP team members on their future visits to Bank of Punjab and TEVTA.

(c) Education and Learning

Engagement with the Universities and Chamber of Commerce continued through this period. This year BIPP is supervising two research syndicates for the Common Training Programs for the Civil Services Academy. Additionally, courses are being developed with partners and consultants for PVTC and TEVTA/NAVTTC on the following areas:

- i. Agri-Preneurship;
- ii. Peri-urban agriculture

Along with this BIPP is lending support to WEDIP in forms of:

- iii. Training
- iv. Program design
- v. Monitoring and evaluation (M&Es)

Chairman reiterated his interest for developing and implementing a 7 weeks course titled: “The World is Changing: What these changes mean for Pakistan”. He also offered to develop further course material on the theme and requested Dr. Sandhu for follow-up. Dr. Sandhu briefed him on his meetings with TEVA/NAVTTC/PVTC and the short coursed developed by BIPP for funding.

Despite COVID-19, this year four interns have received training at BIPP this year while one is currently under training.

(d) Knowledge Management

Social media advocacy continued this year. The publication and dissemination of report and key BIPP publication on social media were carried out. The regular infographics and videos etc., on national and international days of significance were uploaded as per schedule with the use of tools like Search Engine Optimization, Google_Adwords etc.

At the same time, new website, blog, online attendance portal and BIPP e-calendar are the main pipeline works.

The board was also briefed on the analytical and published work update of BIPP for the past six months as follows:

| | |
|--------------------|----|
| Annual Report | 01 |
| Newsletters | 06 |
| Policy Briefs | 05 |
| Issue Briefs | 03 |
| Newspaper Articles | 49 |

Agenda Item 2: Briefing on Annual Report 2020 Launch

The board members were informed that on 25th November 2020, BIPP launched its flagship 13th Annual Report, The State of the Economy: Coronavirus and its Impact on the World and Pakistan at the Lahore Chamber Commerce and Industries (LCCI). The report has been well received in academia and chambers/industries stakeholders. The event got a good media coverage in local city and national newspapers and TV media. In view of e-zoom- connectivity, it was also decided to do advance e-recordings by authors for the launches scheduled at the different universities.

For further outreach after COVID-19 restrictions are lifted, BIPP plans to hold mini-launches of the report to disseminate the content and also sell the reports at the venues. Additionally, Readings and other book vendors have been contacted for selling the current issue of the report. Currently effort is being made to sell the report online.

The Chairman, referring to the publications segment of BIPP, informed that he will provide manuscripts for several books for which Dr. Shandu will explore various avenues of publishing these books.

Agenda Item 3: Financial Position of the Institute

(a) BIPP HR and Finance Management

Human Resources: The board was informed that Dr. Ejaz Sandhu has become part of BIPP as the Director Operations. Mr. Buki congratulated him for his great work and dedication to the institute since his joining.

To manage the HR under financial crunch the following steps have been taken:

1. Staff rationalization and vacancy management continues this year with three posts reduced:
 - Research Associates (2)
 - Assistant Operations Management and Finance
2. Manpower requirements being met through partners especially Strateasy

Financial Audit for the year 2020 has been complete, while Tax Return for the year have also been submitted. BIPP also got its ISO 9001: 2015 certification in June 2020 valid up to June 2021. The Institute is now also registered with Punjab Charity Commission under Punjab Charity Act 2018. The Renewal as Non-Profit organization under section 2(36) has been applied to the FBR for the year 2021 and an MOU with Economic Affair Division is an under process.

Mr. Awais Khalid also presented the annual expenditures chart to the participants.

(b) BIPP Endowment Fund's Status

Following is the update on the endowment fund.

| List of Contributors | Contribution till Aug-2016 | Contribution in May-2017 | Contribution in Jun-2017 | Contribution in Dec-2017 | Contribution in Feb & March-2018 | Contribution in Sep-2018 | Contribution in Jan-2019 | Contribution in April-2019 | Contribution in Sep-2019 | Contribution in Dec-2019 | Contribution in Jun-2020 | Contribution in Nov-2020 | To Date Balance |
|--|----------------------------|--------------------------|--------------------------|--------------------------|----------------------------------|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------|
| Abid & Sons (Pvt.) Ltd | 1,000,000 | | | | | | | | | | | | 1,000,000 |
| Builders & Developers (Pvt.) Ltd. | 1,500,000 | | | | | | | | | | | | 1,500,000 |
| Mr. Kamal Moonnoo | 3,000,000 | | | | | | | | | | | | 3,000,000 |
| Mr. Sartaj Aziz | 110,000 | | | \$35,000 | \$15,000+PKR 45000 | \$47,500 | \$76,000 | | \$4,975 | \$5,000 | \$8,000 | \$5,000 | 110,000 |
| Mr.Shahid Javed Burki | 6,053,200 | | | 3,710,962 | 1,639,090 | 5,871,000 | 10,510,800 | | 767,178 | 763,115 | 1,259,826 | 798,500 | 31,373,671 |
| Nauina Asim Khan | - | | | | | | | | | 50,000 | | | 50,000 |
| Dr.Parvez Hassan | 2,686,000 | | | 1,047,418 | | 587,100 | 656,925 | | | | | | 4,977,443 |
| Re-invested Profit | 835,000 | - | | | \$10,000 | \$4,750 | \$4,750 | | | | | | 835,000 |
| Mrs. Nauina Afaf Khan | 2,074,634 | | | | | | | | | | | | 2,074,634 |
| Mrs. Hamida Farhat Burki | 2,000,000 | | | | | | | | | | | | 2,000,000 |
| Mr. Emmad Salamat Burki | | | | | | | \$4,750 | 656,925 | | | | | 656,925 |
| Ms. Sairah Salamat Burki | | | | | | | \$4,750 | 656,925 | \$4,975 | | \$3,000 | \$3,000 | 656,925 |
| Mr. Tariq Hussain | | | | | | | \$4,750 | 656,925 | 767,178 | | 492,519 | 479,095 | 2,395,717 |
| Mr. Shahid Najam | 2,793,000 | | 1,000,000 | | | | | | | | | | 3,793,000 |
| Mr. Khalid Sherdil | 42,000 | | | | | | | | | | | | 42,000 |
| Mr. Faheem Younus | 24,000 | | | | | | | | | | | | 24,000 |
| Mr. Ayub Ghauri | | | | | 550,000 | | | | | | | | 550,000 |
| NetSol | 10,450,000 | 5,235,000 | | | | | | 3,542,500 | | | | | 19,227,500 |
| Dr. Daud Ahmad | | | | | | | 100,506 | | | | | | 100,506 |
| Realized Capital Loss (meezan bank) | | | | | | | | | | | | | (780,806) |
| Realized Capital Loss (akd securities) | | | | | | | | | | | | | (7,553,736) |
| TOTAL - BIPP Endowment Fund | 32,567,834 | 5,235,000 | 1,000,000 | 4,758,380 | 2,189,090 | 6,458,100 | 13,239,006 | 3,542,500 | 1,534,355 | 813,115 | 1,752,345 | 1,277,595 | 66,032,778 |

(c) Endowment Investment

It was explained to the board that due to COVID-19 the endowment investments have not been able to reap their full benefit. The situation remains precarious. The following figures were shared with the board.

Previous Portfolio

| | Investment Date | Total Amount Invested | Actual Return Per Month | Risk Level |
|------------------------------|-----------------|-----------------------|-------------------------|------------|
| MCB T-Bill (3 Month) @ 13.1% | 10-Feb-20 | 7,500,000 | 70,000 | Low |
| Redwood Debentures @ 22% | Oct-17 | 14,960,000 | 275,000 | Medium |
| Bank Alfalah Fund @ 12.5% | Feb-18 | 23,371,495 | 234,000 | Low |
| MCB TDR @ 11.50% | Jan-19 | 14,000,000 | 134,166 | Low |
| Payable by BIPP | | 2,450,000 | | |
| Total: | | 62,281,495 | 713,166 | |

Existing Portfolio

| | Investment Date | Total Amount Invested | Actual Return Per Month | Risk Level |
|-------------------------|-----------------|-----------------------|-------------------------|------------|
| Redwood Debentures @12% | Oct-17 | 14,960,000 | - | High |
| Bank Alfalah Fund @7% | Feb-18 | 31,871,495 | 185,000 | Low |
| MCB TDR @ 11.50% | Jan-19 | 14,000,000 | 134,000 | Low |
| Payable by BIPP | | 5,201,283 | | |
| Total: | | 66,032,778 | 319,000 | |

Difference in Profit due to cut in Interest Rate: **(394,166)**

Given this condition and current financial climate, the board was told about the shortfall for monthly shortfall in BIPP running costs.

(d) Financial Health

BIPP's financial health's critical situation was reviewed. The Vice Chairman thanked the Chairman and Mr. Hussain for their timely contribution of \$5000 and \$3000 respectively to sustain BIPP's operation up until January 2021.

The members were also informed by Mr. Asad Ejaz Butt that Redwood Advisors shall be returning BIPP's principal investments as from March 2021 along with the previous arrears and reduced returns for the COVID-19 period equivalent to the interest rates in vogue. Mr. Ejaz will continue following up with the Redwood Advisors to ensure resumption of the monthly debenture investment and payment of outstanding dues.

The members were apprised of the following challenges in particular:

1. High risk investment in Debentures (Rs. 14.9 million though return @ 22% p/a)
2. Meeting the minimum operational costs for 2021 is around Rs. 700,000 per month with a short fall of round Rs. 350,000

The members were apprised of the following strategy for achieving financial sustainability:

1. Vacancy Management – in the short run
2. Availing Salary Refinance scheme for the period July 2020 to September 2020
3. Changing BIPP – Consultant split from 60/40 to 20/80
4. Expanding the Advisory Council membership

5. Request to NetSol for their pledged contribution to match Burki Sb's contribution (around Rs 30mil) and BNU to maintain Rs 2.9 million annually
6. Zia Chishti expected donation of \$100,000 to be split in \$50,000 and \$2000 per month for two years
7. A more aggressive pursuit of consultancy work

The Chairman assured that he would follow-up with Mr. Zia Chishti and put him through with Vice Chairman and Director BIPP to work out together the details of Mr. Chishti's donation to BIPP.

Agenda Item 4: BIPP 2021 Annual Report

It was agreed that Mr. Burki after the holidays will share the draft outline for next year's annual report. The report will tentatively cover Pakistan's future foreign policy, the state and solutions for Pakistan's Foreign Direct Investment issues, weaning the country off its debt seeking and reliance dependability and other areas pertaining to the country's place in 2021-22.

The meeting ended with a vote of thanks