

**Minutes of the Meeting of the Board of Governors
National Institute of Health, Islamabad
February 19, 2010**

The 59th meeting of Board of Governors, National Institute of Health, Islamabad was held on February 19, 2010 at 10.30 am in conference room of National Institute of Health and was attended by:

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| i) | Mr. Khushnood Akhtar Lashari
Secretary, Ministry of Health | Chairman |
| ii) | Dr. Rashid Jooma
Director General Health | Member |
| iii) | Mr. Tahawar Ahmed
Financial Advisor Health | Member |
| iv) | Maj. Gen. Farooq Ahmed Khan
Nominee of Surgeon General | Member |
| v) | Dr. Huma Qureshi
Executive Director, PMRC | Member |
| vi) | Prof. Dr. Rizwana Chaudhry
Representative, CPSP | Member |
| vii) | Dr. Farnaz Malik
Executive Director, NIH | Member |

2. Dr. M. Masoom Yasin Zia, Vice Chancellor Quaid i Azam University, Islamabad could not attend the meeting.

3. The meeting started with recitation from the Holy Quran by the Secretary Health/Chairman BoG.

4. Agenda Item No. I: Implementation status of decision taken by Board of Governors in its 58th meeting held on May 08, 2009:

- 4.1. The Executive Director, NIH invited attention of BoG on implementation status of the decision taken by Bog in its 58th meeting held on June 18, 2008 placed in folder as **Annex-I**.
- 4.2. With regard to agenda item No.3 concerning approval of Standard Operating Procedures (SOPs) for Implementation of Research Projects at NIH, Islamabad

the FA Health proposed technical evaluation of the proposal by experts before consideration and decision by the Board. The Board constituted a BoG Sub committee comprising of the following members to examine the proposal and submit recommendations for consideration and decision by the Board in its next meeting:

- a) Executive PMRC
- b) Representative of CPSP
- c) Nominee of Surgeon General of Pak
- d) Executive Director, NIH

5. Agenda item No. II: Approval of Revised Beget Estimates for the year 2008-2009 and ?Budget Estimates for the year 2009-2010:

- 5.1 Pursuant to BoG decision in its last meeting the rationalized and revised proposed Budget Estimates for the year 2009-2010 submitted to BoG Sub Committee are placed at Annex-II. The Deputy Director Finance (DDF) NIH made a slide presentation and explained salient features of the budget recommended by the BoG Sub Committee. It was noted by the Board that as compared to previous years, there is no deficit in the budget this year. The Board highly appreciated all concerned, especially the FAH for this endeavor.
- 5.2. Director General health (DGH) proposed that receivable amount on account of sale proceeds of vaccine and sera from provincial EDOs needed to be streamlined in terms of recovery and plans for future.
- 5.3. Financial Advisor Health (FAH) proposed for institutional arrangements. The matter could be taken up in a meeting with Provincial Health Secretaries. It was observed that outstanding amount was not so huge therefore NIH should continue with the existing system of recovery and follow up.
- 5.4. With regard to revised budget estimates for years 2009-2010 and budget estimates for the year 2010-2011 the DDF NIH informed that an increase of about 33% of the current grant-in-aid would be required to meet the budget deficit occurring due to filling of already advertised vacant posts, price escalation of raw material, chemicals & reagents and live stock. More extra budgetary provision had to be kept for purchase of new hardware/ equipment required for computer net working of divisions / departments of the Institute of move on from single entry to double entry budgetary system for audit of NIH by Chartered Accounting firms as required under NIH ordinance 1980 and functioning of the chillers for Drugs control and Traditional Medicine Division of Institute.
- 5.5. FAH pointed that proposed increase in the budget estimates for the 2010-2011 should be within the permissible limit of MTBF Policy, which might not be more than 10-15% of the current budget.
- 5.6. Nominee of Surgeon General supported provision of funds required for double entry financial system functioning of chillers and salary of staff to be appointed against the advertised posts, which are also essential for the Institute.

5.7. The Chairman BoG said that PAC had an observation that NIH account were not being audited by a chartered accountant firm as required under NIH Ordinance and non-functional of chiller for the Drugs Control & Tradition Medicine Division of the Institute therefore the proposed increase of grant-in-aid was justified.

5.8. **Decision:**

- a) The Board approved the Budget Estimates for the year 2009-2010.
- b) The Board referred the budget estimates for the year 2010-2011 for examination and recommendations by the Bog Sub Committee on Budget for consideration and decision by the BoG.

5.9. **Action:**

Executive Director NIH
Financial Advisor Health

6 Agenda Item No. III Proposed NIH Venture for Vaccines and other Products:

6.1 DGH was requested to apprise the Board on the proposal. He informed that NIH had been struggling over the year to expand its vaccine production capacity through Public Private Partnership (PPP) but could not succeed. Either parameters for PPP were not properly defined or the partner did not intend to invest. The summary was moved to Cabinet and there had been a lot of queries on the summary, which were addressed and summary was resubmitted, fate of which is not known as yet. He proposed two options as under: -

- a) Find a partner to invest
- b) Try ad find government to Government arrangement with clearly defined technology transfer arrangements.

6.2. DGH proposed that best option could be Cuba who is leading the world but not government to government basis and similarly government of Germany. Therefore the best possible option could be collaboration through state owned companies of the Government of China.

6.3. DGH mentioned that products of NIH are top class which needed to be enhanced to meet the country requirement of vaccines therefore the best possible option was to give corporate identity to Biological Production Division of NIH.

6.4. As desired by the Board in its last meeting, the Chief, BPD made a detailed presentation on vaccine production. He highlighted the existing vaccine production capacity, country requirement and proposal to meet the country demand of EPI vaccines and non EPI vaccines. He presented a road map to attain 800 million sales target in phase-I and Rs.2.00 billion sales in Phase-II through increasing production capacity of existing facilities by shared manufacturing and introduction of new product by joint ventures, public private partnership and government to government collaboration.

- 6.5. To achieve the target of Rs.2.80 billion of assured market of vaccine and related production it was presented that BPD had a commercial entity since 1948 and a valid pharmaceutical unit to be fully utilized under the Drugs 'ac 1976. BPD being part of NIH an autonomous organization should be allowed to operate in commercial manners and follow PPRA Rule 42 c (iii) and 42 d (ii) for negotiated tendering.
- 6.6. DGH in response to the pointed raised by FAH apprised the Board that IH has gone into shared production of Cell Culture rabies Vaccine through purchase of concentrate of Chinese origin. With regard to quality of Chinese it was mentioned that China is self sufficient in vaccine production and they had met the country requirement of vaccine and are being used for vaccination of their people.
- 6.7. Nominee of Surgeon General inquired whether published scientific data was available before purchase of Chinese origin concentrate for Cell Culture Rabies vaccine.
- 6.8. Rep of CPSP said that we should not close our eyes on quality of material used for human health. In the Tender procedure usually lowest price is taken into consideration instead of assuring quality product. Published data on the production was to be perquisite.
- 6.9. The Chairman inquired that: -
Do we agree to produce vaccine?
If so do we do ourselves or collaboration?
If our selves then we had to invest?
If with others then set parameter to search for partners?
- 6.10. Rep of CPSP said that yes we need to produce vaccine ourselves we may invest and build our own set up with indigenous capability of vaccine production.
- 6.11. FA Health supporting the idea of own vaccine production facility/capability and proposed a PSDP project for vaccine production since GoP had been spending about Rs.5-6 billion every year on purchase of vaccine for EPI out of which some money could be spared for vaccine production facility, EAD be approached for government to government basis collaboration. Concept of Possibility of public Private Partnership needed in-depth study. He did not agree to the proposal of Chief, BPD for blanket cover for purchase of raw material etc under PPRA Rule 42 c (iii) and 42 d (ii) for the negotiate tendering and said that NIH to move through Ministry of Health to PPRA for exemption on case to case basis. This was seconded by the Chairman BoG who said that transparency is the most fundamental issue to be addressed.
- 6.12. DGH was of the view that keeping in view the past record of vaccine production: BPD cannot do at its own. Idea of government to government collaboration would be appropriate and safe option. If not possible then Independent Identity under the umbrella of NIH would be the suitable option. In this way NIH would be the beneficiary.
- 6.13. Nominee of Surgeon General said that vaccine production should remain with NIH under ministry of Health. He did not support the proposal of Independent Identity of BPD but did agree if the company was wholly owned by NIH.

6.14. ED PMRC recommended utilization of existing facilities to their maximum capacity though double shift basis to get maximum vaccine production. NIH should bring up specific proposal on vaccine production for consideration and decision by BoG.

6.15. The Chairman BoG said that remaining within the rules NIH should upscale vaccine production and also make a reference to Economic Affairs Division (EAD) for collaboration in vaccine production Government to Government basis.

6.16. **Decision:**

Pursuant to above discussion on vaccine production the Board decided that: -

- a) NIH would explore possibility of Joint Venture on vaccine production through Ministry of health and Economic Affairs Division.
- b) At the appropriate time, the modalities of the Joint Venture would be worked out.
- c) NIH would develop a concept paper in consultation with the Ministry of health and Planning & Development Division on vaccine production through PSDP Project/allocation.
- d) NIH to upscale vaccine production remaining within the rules as per existing set up.
- e) Infrastructure Project Development Facilities (IPDF) be consulted for working out the modalities of the public partnership.
- f)

6.17. **Action:**

Executive Director, NIH

7. **Agenda Item No. IV Approval of MoU between University of Veterinary & Animal Sciences, Lahore and National Institute of Health, Islamabad:**

7.1 The Executive Director apprised the Board that Vice Chancellor, University of Veterinary & Animal Sciences (UVAS) vide letter at Annex-IV has shown keen interest in developing collaboration with Ministry of Health and sharing expertise/technology with NIH. Ministry of health desired to consider a collaborate MoU with UVAS. Accordingly MoU has been developed for establishing mutual cooperation to strengthen academic and directional research suited to the needs of the two institutions i.e. NIH and UVAS though sharing experiences and laboratory facilities. The proposed MoU between NIH & UVAS has been developed on the pattern of already approved and vetted by the authorities/fora MoUs with Quaid-i-Azam University and Pakistan Institute of Engineering and Applied Sciences. The Board of Governors may kindly accord approval for the posed MoU between NIH & UVAS.

7.2 DGH supporting the proposal said the academic & research facilities in the field of biotechnology would be beneficial and helpful for BPD to development indigenous capability of vaccines production.

7.3. The Board was of the consensus view to support the proposal.

7.4. **Decision:**

The Board approved the proposal for signing of MoU between National Institute of Health (NIH), Islamabad and University of Veterinary & Animal Science (UVAS), Lahore.

7.5. **Action:**

Executive Director, NIH

8. Agenda Item No. V Approval of MoU Between National University of Science & Technology (NUST), Islamabad Center of Virology & Immunology (NCVI), Rawalpindi and National Institute of Health (NIH), Islamabad.

8.1 The Executive Director NIH informed that pursuant to a meeting by Director General, NUST Center of Virology & Immunology with the Executive Director, NIH a MoU has been developed for mutual cooperation to strengthen academic and directional research suited to the needs of the two institutions i.e. NIH and NUST through sharing experiences and Laboratories of the tow institutions. The proposed MoU between NIH & NUST at Annex-V has been developed on the pattern of already approved and vetted by the authorities / for a MoUs with Quaid-i-Azam University and Pakistan Institute of Engineering and Applied Sciences. The Board of Governors was requested jto accord approval for the proposed MoU between NIH & NUST.

8.2. The Board was of the consensus view to support the proposal.

8.3. **Decision:**

The board approval the proposal for signing of MoU between National Institute of Health (NIH), Islamabad and National University of Science & Technology (NUST),Islamabad.

8.4. **Action:**

Executive Director, NIH

9. Agenda Item No. VI Allocation of NIH land for Establishment of National Blood Transfusion Services Complex under Ministry of Health:

9.1. The Executive Director, NIH apprised the Board that National AIDS Control Programme (NACP) through their office note placed at Annex-VI have approached the Ministry of Health for allocation of NIH land for construction of National Blood Transfusion Services Complex and proposed to place the matter at agenda item for the forthcoming meeting of Board of Governors which has been agreed to by the Ministry of health, NACP requires 2 kanal and 16 marla of

land for the project (Page-9/N, para-30/N refers). As already approved by Board of Governors all organizations, programmes, departments which have been allocated NIH land would pay ground rent of Rs.5000/- (Rupees five thousand on) per kanal to NIH. The Board of Governors may like to consider the proposal and decided.

- 9.2. The Executive Director NIH further informed that the department /organizations/programmes already allocated NIH land have not yet paid ground rent in spite of repeated request and their agreement to pay the ground rent in a meeting held under the chairmanship of DGH. ED NIH further informed that the departments/organizations/programmes have mentioned non-provision of funds under the relevant head of account.
- 9.3. DGH confirmed views of ED NIH and emphasized that departments/organizations/programmes should clear their outstanding dues and pay ground rent regularly.
- 9.4. Nominee of Surgeon General supported payment of ground rent to NIH as the departments/organizations/programmes organization allocated NIH land had separate identity and did not fall under the administrative control of the Institute.
- 9.5. Rep of CPSP expressed concern that ground rent of Rs.5,000/- per kanal appeared to be less which should be paid to NIH by those allocated NIH land.
- 9.6. The Board expressed concern over non payment of ground rent by the departments/organizations/programmes allocated NIH land desired that these should pay ground rent as already fixed by the Board and agreed by them in a meeting under the chairmanship of the Director General Health.
- 9.7. **Decision:**
 - a) The Board constituted a Sub Committee comprising of Director General Health and Executive Director, NIH to examine the request of NACP and submit recommendations for consideration and decision by the Board of Governors, NIH.
 - b) The Board authorized Executive Director, NIH to write to the all departments/organizations/programmes allocated NIH that Board has taken a note of non-payment of ground rent and desired that the outstanding dues should be cleared at the earliest by re-appropriation of their respective funds, if required so.

9.8. **Action:**

Director General Health
Executive Director NIH

10. **Agenda Item No. VII Proposal for Improvement of NIH Affairs and Welfare of its Employees:**

- 10.1 The proposal could not be discussed due to shortage of time for Friday's prayers.

11. The meeting ended with a vote of thanks to and from the Chair.

Prepared by

(Dr. Farnaz Malik)
Acting Executive Director/
Member/Secretary BoG NIH
March 2010

Approved by:

(Khushnood Akhtar Lashari)
Secretary Health/Chairman BoG NIH