

Ghulam Murtaza Satti welcomes revival of Karachi Circular Railway (KCR) Project.

ISLAMABAD, September 04, 2009 (Frontier Star): Advisor to Infrastructure Project Development Facility (IPDF) Ghulam Murtaza Satti has welcomed the decision regarding revival of Karachi Circular Railway **Railway** (KCR) Project taken in Executive Committee of the National Economic Council chaired by Finance Minister Shaukat Tareen. The KCR, which was set up in the mid-60s, went off the tracks in 1997 due to heavy losses incurred by the Pakistan Railways. Infrastructure Project Development Facility (IPDF), being the PPP unit of **Government of Pakistan** in Infrastructure, has played a leading role in revival of KCR project. Ghulam Murtaza Satti said that he tasked IPDF's specialized team to develop a financial model in order to assess the Financial Viability of the project with reference to its ability to service debt and generate positive cash flows. Comprehensive Financial model included analysis of the project structure, assessment of its cash flows, profitability, debt service coverage ratios, fare structure and also devised a way forward for the Government. Satti added that IPDF has also been providing technical assistance to several Ministries/ Departments on project Financing mechanisms and structuring on PPP basis. Ghulam Murtaza Satti reiterated the fact that a CNG Bus Service, similar to Karachi CNG Bus Service project, needs to be initiated between twin cities with an immediate effect as high population growth rate together with rising travel demand and growing congestion on the road network need innovative approach and high capacity mode of public transport. IPDF had also finalized the traffic study on 43 dedicated CNG routes, complete feasibility and financial model, Request for Proposals and draft Concession Agreement for Karachi Mass Transit Cell for the Karachi CNG Bus Project. "Present Government is committed to make Pakistan's PPP Program a success and structured framework in this regard will help to enhance private sector participation in development of infrastructure projects in the country" he said while adding that Regional and global experience demonstrates that Public Private Partnership program is imperative to revitalize and restructure crippling economy of the developing countries.

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