Motivated Statecraft in Pakistan: Federal Board of Revenue's Track & Trace System – Throwing Baby with Bathwater

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Abstract

The paper adopting political psychology lenses of "motivated reasoning," and "discrediting strategies" looks to capture and dissect one of the worst vilification campaigns in Pakistan's history, launched by a sitting government against its political opponents. The battleground turned out to be Federal Board of Revenue (FBR) and its Track and Trace System (TTS) – a technological solution capable of monitoring industrial production and loading units, tracking vehicles, and tracing specified products across the supply chain for tax purposes. After five failed attempts between 2008 to 2020, FBR ended up procuring a cutting-edge TTS in March 2021 with assistance from the World Bank and successfully rolling it out over the next year. However, after the regime change operation of April 9, 2022, Pakistan Democratic Alliance (PDM) government sought to exploit TTS's procurement and implementation as a tool to launch and sustain a malicious vilification campaign against Pakistan Tehreek-e-Insaf (PTI) and its leadership. Four formal inquiries committees (ICs) were instituted, one after the other, which essentially held that, barring routine hiccups and delays, TTS's procurement was fair, transparent, and robust. This sustained inquisition fuelled a phony media trial and a vicious discrediting campaign, which may or may not have harmed PTI as a political party, but it definitely harmed TTS itself – creating a spectre of throwing baby with bathwater. The paper incisively stocktakes FBR's rendezvous with TTS, and an exegesis of the ICs and their reports and provides critical insights into the way statecraft is conducted in Pakistan, and by extension, in developing countries.

Keywords: Track & Trace System; TTS; Electronic Monitoring; Political Psychology; Motivated Statecraft

Section 1
Introduction

Prime Minister of Pakistan, Muhammad Shehbaz Sharif, after the federal cabinet meeting held on May 12, 2024, roared: "This Track and Trace System is nothing, but a fraud. The TTS was

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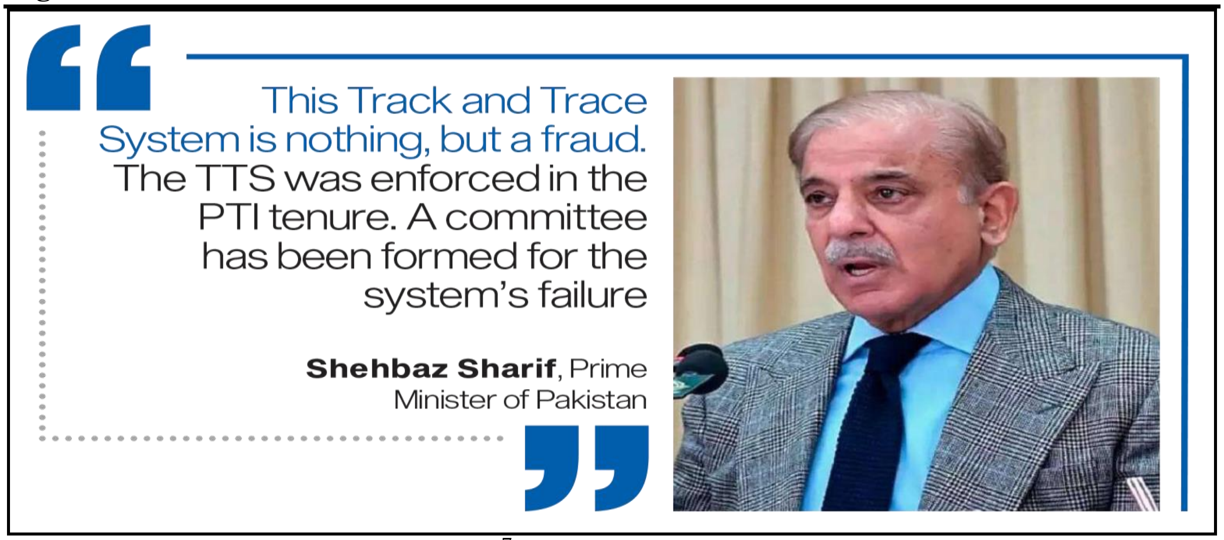
enforced in the PTI tenure. A committee has been formed for the system's failure."[2]/[3] This special cabinet meeting had been convened for the presentation of the report of the 3rd Inquiry Committee (IC) formed by himself to investigate into TTS's procurement, efficacy, and functioning. The 3rd IC, much like the earlier two, had purportedly held that apart from certain delays in implementation, not only that TTS's procurement was meritocratic, transparent, and technologically sound, but also that it was working all fine on the ground, and that it could no way be termed "a fraud."[4] However, quite contrary to what statedly transpired in the meeting, what was officially handed out to media was that TTS was a fraud; that the fraud was committed by PTI government; and that a committee had been constituted to investigate its "failure."[5] Pakistan's three and a half dozen TV channels hammered this scandalous content that very evening in unison, and print media carried it the next day in headlines.[6]

Figure 1: Prime Minister of Pakistan on TTS's Failure



Source: Pakistan Today, May 13, 2024[7]

The 4th IC, which was decided to be formed in this special cabinet meeting, was not likely to produce any drastically different results, but would definitely proffer the incumbent government a toehold to sustain the motivated vilification campaign against its political rivals – PTI, leveraging purportedly controlled, compromised, and coerced media.

Track & Trace System

Pakistan, like all countries, has consistently been trying to modernize its tax administration since 1990s through induction of state-of-the-art technological solutions. Pakistan Revenue Automation Ltd (PRAL) was established in 1994 as a wholly-owned subsidiary to operate as Federal Board of Revenue (FBR)'s independent automation arm. Until the early 2000s, the automation was mainly focused on computerizing tax business processes, developing a taxpayer databank, and creating an interface for taxpayers to remotely access the tax system with convenience. It was only around 2010s that FBR started to make moves to reach out and document the economy and establish data integration systems. It was against this backdrop that FBR, for the first time, sought to induct a Track and Trace System (TTS) in 2008. A TTS is a

[2]*Shahnawaz Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?," Pakistan Today, May 13, 2024.*
[3]*Emphasis added.*
[4]*Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?."*
[5]*Ibid.*
[6]*Rameez Khan, "Won't Tolerate Corruption in F.B.R.: Shehbaz," The Express Tribune, May 5, 2024.*
[7]*Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?."*

technological solution capable of monitoring industrial production, track vehicles, loading units, or specified products through the entire supply chain i.e. from supplier to consumer.

However, despite making about half a dozen attempts over a span of one and a half decades, that is, until 2020, FBR could not procure it. The causes of failures included rent-seeking overtures, FBR's lack of requisite technical know-how, and both genuine and collusive litigation by and between industry operators. At the long last, FBR by adopting a whole-of-government approach, was not only able to successfully acquire a cutting-edge TTS in early 2021 for four sectors – sugar, tobacco, cement and fertilizer, but also effectively rolled it out in tobacco and sugar sectors by the year end.

The initial results were stunningly impressive. Pakistan's sugar sector which had produced around 5 million tons of sugar annually over the past two decades, suddenly ended up recording 7.2 million tons of sugar during 2021-22 crushing season. This additional 2.2 million tons of sugar production contributed significantly to large scale manufacturing (LSM) data, gross domestic product (GDP), and to top all, the national tax-take from the sector, which went up by approximately Rs.30 billion during the 1st quarter of 2022. Tobacco sector also showed impressive growth as not only that production in the documented domain went up significantly eating into the undocumented one, but also that tax revenue from sector inched up substantially. Towards the start of 2022, TTS's success in sugar and tobacco sectors, despite teething technical glitches and industry resistance, encouraged both the tax administration and the government to inject urgency into its implementation and expansion. It was decided not only to roll it out in cement and fertilizer sectors on a fast-track, but also to expand it to four more sectors – petroleum, beverages, pharmaceuticals, and steel, by mid-2023, that is, when PTI government's mandated 5-year term were to end.

Political Cauldron

However, national politics took a raw turn in the 1st quarter of 2022. On April 9, 2022, as a result of successful regime change operation, the Tehreek-e-Insaf (PTI) government led by Imran Khan as Prime Minister, was sent packing. The regime change carried out through constitutionally prescribed mechanism of "vote of no-confidence" was conceived, planned, and executed by Pakistan Democratic Movement (PDM) – a big-tent coalition of a dozen political parties of all shades and hues.[8] PDM was spearheaded by Pakistan Muslim League-Nawaz (PML-N) with Pakistan Peoples' Party (PPP) taking the backseat in active support role. On April 11, 2022, the PDM formed government with Shehbaz Sharif taking oath as Prime Minister.

The regime change being a bitter political drama and symptomatic of the polity's deeper structural faultlines, was characterized by seven critical dimensions. One, it was commonly believed that the no-confidence motion was orchestrated by PDM in active behind-the-scenes support of Pakistan's military establishment, which cast serious doubts on its being a fair contest between competing political rivals. Two, throughout three and a half years that the PTI government had been in power between August 2018 and April 2022, the opposition – essentially the PDM-constituent parties – had alleged political witch-hunt and persecution in the name of corruption that had been Imran Khan's main political plank and distinguishing feature vis-à-vis his rivals. Three, Prime Minister Khan, during 12 intervening days between the tabling of the no-confidence motion on March 28, 2022,[9] and actual parliamentary vote on

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[8]*PDM consisted of (i) Pakistan Muslim League-Nawaz; (ii) Pakistan Peoples' Party (which later withdrew from it but continued to support the anti-PTI cause); (iii) Baluchistan Awami Party; (iv) Muttahida Qaumi Movement-Pakistan; (v) Baluchistan National Party-Mengal; (vi) Awami National Party (which later withdrew from it but continued to support the anti-PTI cause); (vii) Jamiat Ahle Hadith; (viii) Jamiat Ulama-e-Islam-Fazal; (ix) Jamiat Ulalam-e-Pakistan; (x) National Party-Bizenjo; (xi) Pakhtunkhwa Milli Awami Party; & (xii) Jamhoori Awami Party.*

[9]*Sanaullah Khan, "President Alvi Dissolves National Assembly on P.M. Imran's Advice," Dawn, April 3, 2022.*

it on April 9, 2022, went public alleging that the US had actively colluded and conspired with the then army chief Qamar Javed Bajwa to oust him out of power, which dramatically shored up his dwindling public support, and creating serious doubts about the legitimacy and viability of the post-no-confidence dispensation.[10]

Four, leveraging the alleged US involvement in the matter, Imran Khan had the no-confidence motion rejected by Deputy Speaker of National Assembly, Qasim Khan Suri without a parliamentary vote thereon, which allowed President of Pakistan to dissolve the National Assembly and announce holding of fresh elections – further electrifying the already charged political climate in the country.[11] Five, Supreme Court of Pakistan, in an apparent military-sponsored intervention into the otherwise stonewalled parliamentary working, quashed the Deputy Speaker's ruling ensuring a vote on the motion on the tense night of April 9, 2022,[12] which resulted in the motion being adopted by 174 votes in a 347-member house evicting Prime Minister Khan from power. Six, on April 10, 2022, people came out in unprecedented numbers to protest against the statedly choreographed regime change, encouraging PTI to resign from National Assembly en-block, further destabilizing the political system in the hope of getting a fresh election. Seven, PTI's popular protest movement was responded to by the PDM government with violence no regard being had to law, constitution, and judicial pronouncements, which further fueled the already festering political environment.

This high-intensity charged political contestation with PTI checkmating and posing existential threat to PDM led to severe (at times, even dirty) vilification campaign by the latter against the former. Logically, the PDM government desperate to find faults with PTI, frantically snooped around in every nook and corner of the government apparatus so as to build a narrative of corruption and mis-governance. It was, in fact, this very vilification-content requirement of the PDM government that FBR, in general, and TTS, in particular, got trapped as a battle ground. The paper posits that the unabated inquisition launched by PDM government against TTS was, in fact, politically motivated and geared to discredit PTI and its leadership so as to weaken their electoral position in the elections. It stock-takes the TTS-centric discrediting campaign against PTI, and appraises the campaign outcomes for TTS itself, in particular, and the tax administration, in general. The paper also uses the TTS lens to peep into the political economy working of Pakistan and draw insights for its better comprehension.

Paper Outline

The paper is divided into six sections. After section 1 has laid down the context, section 2 develops theoretical structure for a holistic understanding of the issue by inducting into the analysis Kunda's expanded theory of motivated reasoning, and Abdurakhmanova's framework of discrediting strategies. Section 3 deals with TTS's history in Pakistan – the failed attempts aimed at procuring it, its successful procurement in 2021, 1st phase implementation and outcomes and the planned 2nd phase expansion. Section 4 appraises the prolonged TTS-based inquisition against PTI, and FBR team that procured it in 2021, and its implications and outcomes. Section 5 conceptualizes the role of media and its optimization in PDM government's discrediting strategies against PTI and its leadership. Section 6 mops up the debate by critically gleaning insights into the hyper political economy at work in the statecraft of Pakistan.

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[10] *Shah Meer Baloch, "Imran Khan Claims U.S. Threatened Him and Wants Him Ousted as Pakistan P.M.," The Guardian, March 31, 2022.*

[11] Fahad Chaudhry and Nadir Guramani, "Na Speaker Dismisses No-Trust Move against P.M. Imran; Terms It Contradictory to Article 5," *Dawn*, April 3, 2022.

[12] Haseeb Bhatti, "Supreme Court Restores National Assembly; Orders No-Confidence Vote to Be Held on Saturday," ibid., April 7, 2022.

Section 2
Theoretical Structure

PDM regime's frantic inquisition into TTS's procurement and functioning was geared to find a toehold to allege corruption and malfeasance on part of the preceding PTI regime. Manifestly, the goal was to vilify Imran Khan as leader, and PTI as a political party on the basis of their performance in the past term in office so as to discredit them in the electorate's eyes for the next term. PDM's approach can be analyzed in term of political psychology lenses of "motivated reasoning and decision-making," and "discrediting strategies" – advanced by Kunda[13] and Abdurakhmanova,[14] respectively.

Motivated Reasoning

Motivated reasoning implies a cognitive response whereby an individual, at a conscious or subconscious level, allows the pre-existing motivations and biases to affect new information, its processing and consumption, and builds up or favors arguments that support his belief system and rejects those that contravene it,[15] leading to and resulting in motivated decision-making. Stone et al posit that motivated reasoning, confirmation bias, and cognitive dissonance are closely connected, in that, while *motivated reasoning* and *confirmation bias* gravitate towards evidence that corresponds to one's beliefs and dismiss evidence that contradicts them, cognitive dissonance is a state of psychological (even physiological) discomfort, which emanates from the strain that two conflicting cognitive or emotional positions generate.[16]

The individuals in cognitive dissonance either change the very basis of cognitive bias or avoid and dismiss /fresh information that cause dissonance.[17] Redlawsk et al stipulate that arguing away latent contradictions is psychologically more convenient than undertaking corrections.[18] In fact, pre-conceived notions tend to color *facts* that are perceived afresh with personal emotional comfort availing primacy by accepting what is already believed, and rejecting any contradictory information inflows. Kunda believes that in order to indulge in motivated reasoning, pre-existing knowledge structures – beliefs, biases, memories, orientations, information bits – are selectively inducted into the cognitive process.[19] It follows that motivated reasoning differs from critical thinking in which beliefs and pre-existing knowledge structures are analysed with a sceptical but open-minded lens.

At some level, motivated reasoning can be bifurcated into two sub-types. First, accuracy-oriented (non-directional) reasoning in which the goal is to reach an accurate outcome or decision regardless of the individual ingrained belief system. It has been argued that "when people are motivated to be accurate, they expend more cognitive effort, attend to relevant information more carefully, and process it more deeply, often using more complex rules."[20] Kunda believes that "different kinds of biases…weaken in the presence of accuracy goals."[21] Tetlock argues that accuracy goals do not necessarily result in the elimination of biases and

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[13]*Z. Kunda, "The Case for Motivated Reasoning," Psychological Bulletin 108, no. 3 (1990).*
[14]*Diana Abdurakhmanova and Ekaterina Redkozubova, "The Discrediting Strategy in the Pre-Election Political Discourse (Based on the Example of Debates between Donald Trump and Joe Biden)," E3S Web of Conferences 273, no. 12138 (2021).*
[15]*Kunda, "The Case for Motivated Reasoning."*
[16]*Daniel Stone and Daniel Wood, "Cognitive Dissonance, Motivated Reasoning, and Confirmation Bias: Applications in Industrial Organization," in Handbook of Behavioral Industrial Organization (Northampton, MA: Edward Elgar Publishing, 2018).*
[17]*Ibid.*
[18]*D. P. Redlawsk, A. J. W. Civettini, and K. M. Emerson, "The Affective Tipping Point: Do Motivated Reasoners Ever 'Get It'?," Political Psychology 31, no. 4 (2010).*
[19]*Kunda, "The Case for Motivated Reasoning."*
[20]*Robin Bayes et al., "When and How Different Motives Can Drive Motivational Political Reasoning," Political Psychology 41, no. 5 (2020).*
[21]*Kunda, "The Case for Motivated Reasoning."*

qualitative improvement in reasoning as some biases might be resistant to accuracy-induced corrections.[22]

Second, the goal-oriented (directional) reasoning connotes a situation wherein the motive is to achieve a pre-determined decision or outcome.[23] It has been posited that when confronted with a small amount of information contrary to an established belief, an individual is motivated to reason away the new information, which potentially contributes to a hostile media effect.[24] It is added that motivated reasoning is quite akin to heuristic decision-making, which refers to making a decision without working out the consequences of every option, decreasing the amount of evaluative thinking required for decisions, focusing on some aspects of the decision while ignoring others in the process of involving fallacies and inaccuracies. Kunda stipulates that politically motivated reasoning, as a norm, is strongly directional,[25] which appears quite relevant in the context of PDM regime's inquisition against TTS – the goal being discrediting the PTI vis-à-vis its entitlement to regain power.[26]

Discrediting Strategies

In order to better dissect PDM's sustained inquisition against PTI based on TTS's procurement, and successful rollout, Kunda's concept of *motivated reasoning* and *decision-making* could well be plugged into Abdurakhmanova et al's twin-frame of *"strategy of self-presentation," and "strategy of discrediting,"* operationalized to systematically comprehend perverted hyper politics of Pakistan. The strategy of self-presentation can be understood in terms of the imposition on the object of speech, the influence that the subject produces. There are a couple of techniques to leverage the strategy of self-presentation. One, "basking in reflected glory," which implies using someone else's success for the purpose of their own elevation. Two, "blasting" connotes deliberately exaggerating the shortcomings of opponents "to improve their own status in the eyes of others."[27]

The *strategy of discrediting* being put into political practice rather more frequently is used to lower the stature of opponents and rivals.[28] Petrenko et al have argued that politicians that use this strategy, are actually trying to undermine the people's confidence in their adversary, their actions, statements, structures and their ability to deliver on their manifestos, and promises.[29] Abdurakhmanova et al, based on one of the dirtiest US Presidential campaign 2020 between Joe Biden and Donald Trump, chalks out a broad set of nine tactical ploys that are exploited to operationalize the strategy of discrediting,[30] which are exceedingly educative towards dissecting PDM government's strategy of discrediting PTI by leveraging TTS's procurement and deployment on ground.

One, the *tactic of accusation,* which implies exposing political rivals to general public alleging embezzlements and presenting them in a negative shade in every possible manner, even though

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[22] *P. Tetlock, "Accountability and the Perseverance of First Impressions," Social Pschology Quarterly 48, no. 3 (1983).*

[23] *Toby Bolsen and Risa Palm, Motivated Reasoning and Political Decision Making (London: Oxford University Press, 2019).*

[24] *Stephanie Jean Tsang, "Empathy and the Hostile Media Phenomenon," Journal of Communication 68, no. 4 (1985).*

[25] *Kunda, "The Case for Motivated Reasoning."*

[26] *Ibid.*

[27] *Abdurakhmanova and Redkozubova, "The Discrediting Strategy in the Pre-Election Political Discourse (Based on the Example of Debates between Donald Trump and Joe Biden)."*

[28] *Ibid.*

[29] *Valeriya V. Petrenko and Anna S. Potapov, "Political Linguistics as a Constituent Part of Modern Political Theory," Procedia - Social and Behavioral Sciences 154, no. October 28, (2014).*

[30] *Abdurakhmanova and Redkozubova, "The Discrediting Strategy in the Pre-Election Political Discourse (Based on the Example of Debates between Donald Trump and Joe Biden)."*

such accusations often remain unsubstantiated and unfounded.[31] Two, the *tactic of exposure or unmasking* is employed in political arena to reveal the "true face" of opponents and unmask them in the eyes of the electorate.[32] Three, the *tactic of ridicule* implies "a variety of offensive expressions that cause a sharp decrease in the status of the object of utterance through derision of his personal qualities."[33] The expressive tools – grotesque, irony, sarcasm, storytelling, pun, hyperbole, and jokes are freely exploited to harm political opponents' image, and undermine their political standing stretching the boundaries of decency and social acceptability. It has been argued "that it is possible to draw a parallel between the lexemes of "mock," "ridicule," "humiliate," and "insult."[34]

Four, the *tactic of labelling* connotes branding political opponents, their personae, achievements, and successes on the ground with lowly labels, epithets, demeaning nicknames, and catchphrases, with media being leveraged to influence the people's perception by opponents negative labelling.[35] Five, the *tactic of polarization* galvanizes the opposing poles of "us" and "them," which allows politicians to take extreme and bizarre positions, the ultimate objective of which is to discredit opponents and undermine their political position.[36] Six, the *tactic of reproach,* within the context of political discourse, deploys the expression of displeasure, scorn, and disapproval of political opposition.[37] Seven, the *tactic of ascertaining opponent's incompetence* is optimized to point out political opponents' shortcomings in relation to their intent, ability, and capacity to deliver on their manifestos and the statecraft.[38] Eight, the *tactic of hyperbolization* partakes of a false exaggerated interpretation of a statement or an action done by political opponents. The *tactic of hyperbolization* is frequently used in political discourse to achieve discrediting agenda on opponents.[39] Nine, the *tactic of unproven undermining opponent's authority* is expressed implicitly or explicitly and takes place quite frequently in the realm of political psychology.[40]

Simply put, politicians make loaded and exaggerated statements to create a negative image of their opponents with the help of unwholesome evaluative judgments or even insults. Political actors having built their speeches only on the *strategy of self-presentation*, would not be able to achieve the same effect since all attempts to create a positive image of their position, are more obvious and generate less confidence in potential voters. "Thus, a discrediting strategy is a natural form of building an election or campaign speech of any politician, as well as an effective line of conduct in debates."[41]

In order to give traction to motivated reasoning and take it to culmination point of motivated decision-making, the aforementioned tactics under both *strategy of self-presentation* and *strategy of discrediting* were deployed full well in TTS-based campaign against PTI and its leadership. Section 3 captures the operationalization of the theoretical frame developed in this section vis-à-vis PDM regime's frantic efforts to leverage TTS and its implementation that not only yielded no stable political outcomes for them but also, and more importantly, ended up slowing down TTS's implementation, inhibit its expansion, and bring it to an almost extermination point to the ultimate harm of the people of Pakistan – effectively giving rise to the situation of throwing baby with bathwater.

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[31] *Ibid.*
[32] *Ibid.*
[33] *Ibid.*
[34] *Ibid.*
[35] *Ibid.*
[36] *Ibid.*
[37] *Ibid.*
[38] *Ibid.*
[39] *Ibid.*
[40] *Ibid.*
[41] *Ibid.*

Section 3
TTS – History & Procurement

TTS History

TTS traces its origins in the 19th century Ottoman Empire when tax stamps started to be used in mid-1840s for purposes of excise duty on gold, silver, silk and salt. After the collapse of Soviet Union in 1989, East European states with porous borders extensively used tax stamps to regain control over their industries, markets, and revenue. The 2008-recession steered a large number of developed countries to use tax stamps to boost revenues, harness debts, and marshal fiscal deficits. Currently, approximately 200 billion tax stamps are used annually in about 100 countries – both developed and developing. A couple of factors appear to have egged FBR to induct a TTS into its enforcement toolkit. One, Pakistan's porous borders, particularly with Afghanistan and Iran, had historically made control of smuggling of sensitive items – wheat, sugar, gold, and fertilizers – quite challenging. Two, mass-level production and sale of counterfeit products, which played havoc with peoples' lives with serious ramifications for the revenue and governance systems. FBR made 5 attempts between 2004 and 2020 to procure a TTS, but each time its efforts ran into trouble without making any concrete progress. A rundown of these attempts would be contextually instructive.

TTS – FBR's Failed Attempts

Attempt No.1 – 2010

In fact, FBR received the very first prompt from World Health Organization (WHO) after its Framework Convention on Tobacco Control was negotiated, initialled, and entered into force on February 27, 2005 (FCTC). The FCTC 2005 obligatorily mandates member states to curb tobacco consumption by raising prices through taxation. The FCTC also mandated deployment of TTS as higher taxation led to enhanced tobacco prices, which, in turn, led to greater incentives to evade and smuggling. This gave fillip to development of technology-based solutions to improve revenue, discourage supply of cheap and sub-standard cigarettes, and curb production of illicit and counterfeit sticks internationally. It was against this backdrop that in 2008, FBR chose to deploy technology-based solutions to ensure that Pakistan is FCTC-compliant. In March 2008, FBR team visited Turkey to study the Turkish solution, and ended up supporting it. Pakistan Peoples' Party (PPP) formed government as a result of national elections held on February 18, 2008, with Yousuf Raza Gilani taking over as Prime Minister of Pakistan. A high-powered Finance Advisory Committee (FAC) endorsed the Turkish solution for replication and approved its deployment on March 3, 2009. In January 2010, Expressions of Interest (EOI) were invited for a Turkish technology-based solution, but no progress could be made because the entire process got derailed quite early due to legal-cum-political faultlines.

Attempt No.2 – 2013

FBR took over three years to undertake 2nd attempt to procure a TTS by floating a request for proposals (RFP) on March 8, 2013. Last date fixed for bids was extended a few times over, but mysteriously enough no firms came forward to file bids. Compulsively, the RFP was shelved on May 28, 2013. PML-N formed government with Nawaz Sharif taking over as Prime Minister, on June 5, 2013, as a result of elections held on May 11, 2013. However, by way of improving the legal regime for the induction of a TTS, section 40C was inserted into the Sales Tax Act, 1990, vide Finance Act, 2013. Section 40C empowered FBR to implement TTS for monitoring of production, distribution and sale of specified goods whereby each package of goods whether manufactured or imported would be affixed or printed with a tax stamp –

banderole, sticker, label, or barcode. FBR was also empowered to license a provider of such stamps from whom manufacturers and importers of specified goods could acquire them.[42]

Attempt No.3 – 2014

FBR floated the 3rd RFP for the procurement of a TTS styled as System of Electronic Monitoring of Production (SEMP), on June 16, 2014. Technical proposals were submitted by the deadline of July 23, 2014, but evaluations could not go through, yet another time and the RFP fizzled out. Major cause of failure purportedly turned out to be a weak RFP prepared by FBR team, which lacked requisite technical knowledge.

Attempt No.4 – 2017

In 2016, World Bank extended technical assistance to FBR to draft a model RFP for the purpose. In January 2017, FBR constituted a special committee to oversee the procurement and implementation of TTS in tobacco sector, and on April 16, 2017, issued the 4th RFP stipulating that the government would bear no costs, and further that the entire investment upfront would be made by the licensee and later recovered from cigarette manufacturers. Bid submission date was extended nine times allowing approximately one and a half year for the purpose. Nevertheless, potential bidders were not satisfied with the RFP on technicalities. Accordingly, the RFP was amended, and an addendum was issued on June 16, 2018, incorporating therein suggestions and concerns of potential bidders. However, only one bid was received by the due date of August 17, 2018. Compulsively, the government shelved the procurement process yet once again.

Attempt No.5 – 2019

PTI formed the government with Imran Khan taking over as Prime Minister on August 14, 2018, in consequence of national elections held on July 25, 2018. FBR improved the operating governing rules and rolled them out as the Licensing Rules, 2019. Fresh RFP was prepared with the help of World Bank consultants, and the process of bidding was re-initiated on August 6, 2019, by publishing an advertisement in print media under the governing Pakistan Procurement Regulatory Rules, 2004. In response, 13 solution providers/bidders submitted their financial and technical proposals. The Licensing Committee (LC)[43] constituted under rule 150ZJ of the Sales Tax Rules, 1990, evaluated bids as per the evaluation criteria set out in IFL/bidding

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[42] *Section 40C entitled "Monitoring or tracking by electronic or other means" reads: "(1) Subject to such conditions, restrictions and procedures, as it may deem fit to impose or specify, the Board may, by notification in the official Gazette, specify any registered person or class of registered person or class of registered persons or any good or class of goods in respect of which monitoring or tracking of production, sales, clearances, stocks or any other related activity may be implemented through electronic or other means as may be prescribed. (2) From such date as may be prescribed by the Board, no taxable goods shall be removed or sold by the manufacturer or any other person without affixing tax stamp, banderole, stickers, labels, barcodes, etc in any such form, style and manner as may be prescribed by the Board in this behalf. (3) Such tax stamps, banderoles, stickers, labels, barcodes etc., shall be acquired by the registered person referred to in subsection (2) from a licensee appointed by the Board for the purpose, against price approved by the Board, which shall include the cost of equipment installed by such licensee in the premises of the said registered person. (4) Notwithstanding anything contained in this Act, the Board through notification in the official Gazette, may require any person or class of persons to integrate their electronic invoicing system with the Board's Computerized System for real time reporting of sales in such mode and manner and from such date as may be specified therein; and (5) Licensed integrator shall integrate electronic invoicing system of registered persons referred to in sub-section (4) in such mode and manner as may be prescribed."*

[43] *The Licensing Committee was constituted vide FBR's Office Order No.2(1)T&TS/2020, dated December 8, 2020, under the Chairmanship of Karamatullah Chaudhry, Chief Commissioner IR, Faisalabad, consisting of (ii) Ijlal Ahmed Khattak, Chief Operations, FBR; (iii) Nadeem Bashi, Chief FBR; (iv) M. Abu Bakar Siddiqe, Chief FBR; (v) Mansoor Sultan, Chief Information Office, PRAL, FBR; (vi) Abid Naeem, Chief Manager, PRAL, FBR; (vii) Ali Hameed, Chief Manager, PRAL, FBR.*

documents.[44] The LC was vested with "full powers to scrutinize/evaluate the technical and financial proposals and furnish its recommendations as per the provisions of the Licensing Rules, 2019, and PPRA Rules, 2004."[45] The lowest bidder was awarded the license on October 29, 2019, for the installation of a TTS in tobacco sector.

Several unsuccessful bidders filed petitions in Islamabad High Court (IHC) and Sindh High Court (SHC) against the grant of license to the successful consortium. Intriguingly, the dispute was not about the process of bidding, but about the difference in the price quoted in the bid papers and the price on which the contract was actually awarded. According to the bid evaluation report, the price offered per 1000 stamps was taken as the eventual selection criteria.[46] In fact, the winning "consortium had provided a price of Rs 0.731/1000 stamps," and "contended that the price in its bid was an accidental slip, and the real price it wanted to extend was Rs 731/1000 tracking stamps."[47] FBR "hastily admitted" the excuse and awarded the licence. It may be added that "the next best bid…was at Rs.868/1000 stamps."[48] The losing consortium took the matter to IHC, which vide order dated May 5, 2020, set aside the grant of license, and ordered FBR to re-tender the bidding process.[49]/[50]

Failed Attempts – Appraisal

Thus, between 2005 and 2020, FBR made five botched attempts to procure a TTS for tobacco sector during the PPP government (2008-13), PML-N government (2013-18), and during PTI government (2018-20)'s first half. It was generally believed that FBR repeatedly failed to go through the procurement process and induct a viable solution due to (a) lack of elaborate set of rules; (b) deficient expertise available within the organization; (c) relatively small size of the market; (d) misplaced focus on procuring the *cheapest solution* and not necessarily the most advantageous one; (e) widespread unethical practices; (f) industry collusion and resistance; (g) rent-seeking overtures; and (h) lack of ownership at the top of the management ladder.

Successful Procurement – 2021

The five failed attempts and insights gleaned therefrom helped the tax administration reappraise the entire process and do significant belt-tightening across the full spectrum. FBR hired the services of a well-reputed foreign firm to handhold it to steer through the procurement process. It was also decided to expand the scope of TTS to cover not only tobacco, but also cement, sugar, and fertilizer – with a possibility to later rope in more sectors. Accordingly, the *invitation for license* (IFL) was improved, expanded, and advertised on November 20, 2020 – both nationally and internationally. The LC was formed afresh to consist of the most competent and cleanest professionals to stave off any possibility of rent-seeking and external pressure.[51]

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[44] *The Licensing Committee vide rule 150ZG(d) of the Sales Tax Rules, 2006, was defined to mean "a committee comprising at least three officers of Inland Revenue Service not below the rank of Commissioner, headed by an officer not below the rank of Chief Commissioner, assisted by technical or IT experts and any other officer or authority designated by the Board." Rule 150ZJ of Sales Tax Rules, 2006, laid down functions of Licensing Committee as "(1) The licensing committee shall function in accordance with the provisions of these rules, and any other instructions, procedures and orders issued by the Board. (2) Project Director, Track and Trace System, shall be the convener of the Licensing committee and its headquarters shall be located in FBR House, Islamabad. The Board shall provide secretarial and other allied support required for functioning of the licensing committee. (3) The licensing committee shall devise procedures for its functioning, which shall be in accordance with these rules."*

[45] *F.B.R's Office Order No.2(1)T&TS/2020, dated December 8, 2020.*

[46] *Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?."*

[47] *Ibid.*

[48] *Ibid.*

[49] *Ibid.*

[50] *The success licensee later filed an intra-court appeal against the IHC, which was also rejected.*

[51] *Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?."*

Evaluation Process

The LC members posted all across the country were housed in FBR headquarters for an entire week to wholesomely undertake and complete the evaluation process. Out of the 11 bids received, three were disqualified during initial scrutiny, and the remaining eight were invited for demos on their technical solutions. Unlike in the past, bids were evaluated on the basis of 80 percent weightage being accorded to technical proposals and 20 percent to financial proposals to acquire the system that worked, and not necessarily the cheapest one. The LC announced the *most advantageous bidder* on February 1, 2021. The Service Delivery Agreement (SDA) was signed on March 18, 2021, according to which, after allowing a mutually agreed lead time of six months, the Licensee was obligated to start installing TTS in two sectors i.e. tobacco and sugar in July 2021 and complete it by the year end. Intuitively, it was never going to be this smooth as the announcement of the successful bidder led to a flurry of suits being filed in all five High Courts of the country, which immediately responded with injunctions and "stay orders."

Litigation

Some of the more important bases on which the bidding consortia in collusion with industry operators indulged in lawfare included: (a) conflict of interest that the winning consortium allegedly had with the industries covered;[52] (b) refusal of the LC to divulge individual score-sheets by each member in respect of each bidder under each evaluation head; (c) allegation that while the successful bidder was able to import its samples in time, its competitors were not; (d) the procurement of consulting services was flawed; and (e) that the evaluation criterion of 80:20 in favour of technically sound solution was loaded to support the successful bidder.

Now, knowing well that the legal conundrum could take decades to resolve, FBR adopted a three-pronged aggressive strategy to deal with the situation. One, FBR raised the level and made the matter come up for mention in every other meeting of the Economic Coordination Committee (ECC), and the Cabinet, even though by way of a cursory one only. TTS was also frequently listed in Finance Minister and Prime Minister's "Talking Points," which not only placed it high on the political agenda, but also helped keep it alive in the public sphere exerting just the right kind of pressure on superior judiciary for its early disposal. Two, adopting a whole-of-government approach, in active consultation with Ministry of Law & Justice, a panel of not necessarily the top-notch but most suitable lawyers were engaged to pursue TTS cases diligently and dedicatedly with Tariq Sheikh, the project director, constantly monitoring their performance in court rooms personally, and reporting back for a nudge wherever required. Three, the Licensee was given a tacit green signal to avail the "stay period" as the mutually agreed lead time and prepare to get into full-throttle implementation as soon as the last "stay order" was vacated.

TTS Rollout

The strategy worked well. On August 8, the last "stay order" was vacated, and the next day, the Licensee's teams were out to instal the system in sugar mills across the country as the crushing season was just weeks away. Finance Minister, Shaukat Tarin, and CHAIRMAN, FBR inaugurated TTS on tobacco sector at a major manufacturing facility in Jhelum on October 2, 2021. Prime Minister, Imran Khan formally unveiled TTS on November 23, 2022, in a "graceful ceremony," which was widely attended, inter alia, by relevant political leaders and sugar industry operators.[53] At the event, CHAIRMAN, FBR committed to the Prime Minister that TTS's installation would be completed in tobacco, sugar, cement, and fertilizer by June 30, 2022, and in petroleum, beverages, pharmaceuticals, and steel by June 30, 2023.

[52] *Ibid.*

[53] *Asma Rafique, "P.M. Launches Track & Trace System to Curb Tax Evasion in Sugar Sector," Islamabad Scene, November 24, 2021.*

Prime Minister Imran Khan shared the optimism and stated that TTS was "an integrated, technology-based solution that shall ensure accurate reporting of production volumes through real time monitoring of manufacturing by affixation of tax stamps, improve quality control and thus ensure increased revenue collection."[54] He went on to add that TTS "will serve as a central pillar of the economic policy and shall revolutionize tax collection across Pakistan."[55] He also hoped TTS would help "ensure transparency in tax collection, enhance the country's revenue collection and help to restore confidence of people."[56]

Initial Success

FBR, like in tobacco sector, issued instructions that effective w.e.f. November 11, 2021, "no production bag of sugar can be taken out of the factory or manufacturing plant without a stamp and individual identity mark."[57] This being the very first year of TTS's operationalization to ward off any risk of leakage, physical monitoring as per past practice was kept in place. Raids were conducted all over the country to raise deterrence against any foul play. Real time monitoring of production and supply of sugar and cigarettes helped FBR crackdown on distributors and wholesalers which successfully cheated tax system in the past. Towards close of 1st quarter of 2022, it was apparent that despite its initial hiccups, TTS was transforming economic governance in the country in a significant manner. While sugar sector contributed approximately Rs.30 billion additional taxes to the exchequer, a production of over 2 million tons was added to the industrial production.

TTS's initial success generated a strong euphoric sentiment in both the government and the nation. In a major forward thrust, FBR moved a *Summary for the ECC* seeking approval to TTS's expansion to petroleum sector across the supply chain. The ECC, in its meeting held on April 5, 2022, deferred the decision on flimsy objections. Finance Minister and CHAIRMAN, FBR, briefed Prime Minister on the matter on April 5, 2022. Prime Minister took exception to the deferment decision and firmly advised Finance Minister to reconvene an early ECC meeting and reconsider the matter on merits.

Section 4
Inquisition

On April 9, 2022, as a result of successful regime change operation, the government of Tehreek-e-Insaf (PTI) led by Prime Minister Imran Khan, was sent packing. The regime change carried out through constitutionally prescribed mechanism of "vote of no-confidence" was conceived, planned and executed by Pakistan Democratic Movement (PDM) – a big-tent coalition of a dozen political parties of all shades and hues.[58] PDM was spearheaded by Pakistan Muslim League-Nawaz (PML-N) with Pakistan Peoples' Party (PPP) taking the backseat. On April 11, 2022, PDM formed government with Shahbaz Sharif as Prime Minister of Pakistan.

Political Cauldron

CHAIRMAN, FBR, had an extensive meeting with Prime Minister Sharif on April 20, 2022, in his office, to apprise him on the state of revenues and the IMF programme. The Prime Minister

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[54] *Ibid.*
[55] *Ibid.*
[56] *Ibid.*
[57] *Ibid.*
[58] *PDM consisted of (i) Pakistan Muslim League-Nawaz; (ii) Pakistan Peoples' Party (which later withdrew from it but continued to support its anti-PTI cause); (iii) Baluchistan Awami Party; (iv) Muttahida Qaumi Movement-Pakistan; (v) Baluchistan National Party-Mengal; (vi) Awami National Party (which later withdrew from it but continued to support the anti-PTI cause); (vii) Jamiat Ahle Hadith; (viii) Jamiat Ulama-e-Islam-Fazal; (ix) Jamiat Ulalam-e-Pakistan; (x) National Party-Bizenjo; (xi) Pakhtunkhwa Milli Awami Party; & (xii) Jamhoori Awami Party.*

was well-prepared for the meeting and posed all the right questions regarding tax collection trends, revenue targets, revenue growth rate, tax base broadening, and pending refunds, if any. But what was most stunning was his interest in and information about TTS, and its current state. He keenly enquired one by one about all sectors already covered by TTS, those that were planned for coverage in the 1st phase, its impact on the documentation of the economy, and to top all, on revenue growth. He heard CHAIRMAN, FBR, with hypnotic daze and engaged indifference, when he informed him, that TTS had been procured after sustained efforts spanning over one and a half decade, and that it was yielding significant results in sugar, and tobacco sectors in terms of additional industrial output documented and revenue collected.

When CHAIRMAN, FBR, informed him that TTS's expansion to four more sectors – petroleum, beverages, pharmaceuticals, and steel – was well on track during 2nd phase, he was sagely pokerfaced. He responded with a generalized "rampant corruption" in FBR and quickly zeroed in onto hardships that the covered industrial sectors were facing on account of TTS's implementation and impliedly indicated to strike a balance between *documentation* and *facilitation*. Towards the end, he advised CHAIRMAN, FBR, to ensure transparency not only in TTS but also across the tax administration and build a decent deterrence against misuse of authority. CHAIRMAN, FBR reckoned his deep understanding into TTS and the matters surrounding it, was on account of his being an industrialist himself. CHAIRMAN, FBR, was transferred out on April 27, 2022, in the midst of wide-going witch-hunt against PTI and its leadership, it was apparent that FBR and TTS would be next on the target.

Initial Informal Inquiry

Prime Minister, statedly in the cabinet meeting held on April 31, 2022, discussed TTS at length, and ended up constituting an informal cabinet committee to undertake a surface-level inquiry into TTS's procurement and functioning. The cabinet committee did undertake its probe for a time and reported its findings, too. The report never saw the light of day except that electronic media swarmed with tickers painting TTS in a dark shade insinuating corruption, delay, and mis-governance by PTI government – standard inventory of allegations against political opponents in Pakistan. A cabinet committee member confided to CHAIRMAN, FBR, that they had informed PRIME MINISTER that going after TTS would merely be a wild goose chase, and that there was nothing in it to implicate and discredit PTI – as a political party. This was only a precursor.

Ostensibly, PDM government was looking to achieve two inter-related goals. One, unearthing something substantive and cognizable to implicate PTI leaders and top civil servants associated with it, and prosecute them. Two, contriving storylines for the media to rachet up vilification campaign against PTI to discredit it in the eyes of the electorate for the upcoming elections. Over the next couple of years, the government also instituted four formal inquiry committees (ICs) to undertake probe into TTS's procurement and functioning, purposefully drafting TORs, carefully appointing committee members, deftly setting deadlines for the submission of IC reports, and achieving motivated short-term objectives, that is, orchestrating a loaded media campaign geared to discrediting PTI as a competitive political outfit in the upcoming elections.

1st Bajwa Inquiry Committee, 2023

The 1st IC was constituted on *December 13, 2022*, under the headship of Tariq Bajwa – an ex-civil servant aligned with PML-N for long years.[59] The other two IC members Malik Amjed Zubair Tiwana, Member Operations, FBR, and Nauman Khalid, Member, Pakistan

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[59]*Tariq Bajwa - a celebrated civil servant - had been Chairman, FBR, Finance Secretary, Governor, State Bank of Pakistan, and at the time of his appointment as Chairman, Inquiry Committee on TTS, he was Minister of State/Special Assistant to Prime Minister on Finance and Economic Affairs.*

Telecommunications Authority (PTA)[60], also enjoyed cozy relationship with PML-N and its leadership. The IC was constituted with great hopes against the backdrop of tense political climate. PDM government was literally in panic mode after it was consistently failing to find any solid cases of corruption and misgovernance to try Imran Khan and PTI's lower tier leadership. The cases that were made out were all falling apart in impartial scrutiny at higher judicial forums.[61] The TORs of the IC were set as under: -

I. To identify the reasons for non-implementation of Track and Trace by FBR in sugar, tobacco, fertilizer and cement sectors despite lapse of two years after selection of an international consortium in March 2021 for its implementation.
II. To analyse contractual framework and arrangements with reference to their robustness and potential to execute the contract in a time bound manner.
III. To examine whether due diligence was done for selection of the supplier/international consortium for implementation of the system.
IV. To determine whether contractual obligations were fulfilled in juxtaposition to the timelines assigned.
V. To suggest a way forward enabling complete implementation of Track and Trace system without any further delay.
VI. To highlight international best practices or frameworks and how those can be introduced in Pakistan.[62]

The TORs manifestly looked motivated, loaded, and rather bluntly contrived in that the IC was not mandated to first benchmark the failures by stocktaking the progress already made, identifying the lags in pre-scheduled implementation timelines, and then enquiring into the instances of delay or non-implementation. TOR-I mandating the IC "To *identify the reasons for non-implementation of Track and Trace by FBR in sugar, tobacco, fertilizer and cement sectors despite lapse of two years*[63] after selection of an international consortium in March 2021 for its implementation," was obviously motivated. By starting off with "the reasons for non-implementation of Track and Trace…" the TOR conveniently took out of the equation the implementation milestones already achieved in sugar and cement sectors at 100 and 70 percent, respectively. It was also intended to be a fodder for media, which readily took the bait.

The IC conveniently fell into the trap on TOR 1, and straight got into tabulating the "reasons," without expressly bringing it on record that significant progress on implementation had already been achieved.[64] On TOR 2, the IC observed that FBR's approach to "apply the tax stamp solution to all sectors may have" affected the robustness aspect as each sector has different processes and mechanisms, and therefore, it require[d] customized solution for each sector."[65] This was a wild swipe in view of the fact that FBR had acquired the services of "the best in the business" consultants, and it was on the basis of their advice that the IFL had been developed, floated, bids solicited, evaluated, and the license awarded. Obviously, FBR had no technical in-house expertise available to procure such a complex solution. However, its strength was that it felt the deficit and made it up by procuring the same from international market and then respecting its 'men on the ground." Presumably, IC did not have a technical claim to pass such a verdict. By way of aside, Bajwa himself had been Chairman, FBR, during 2013-15, and overseen procurement efforts undertaken by capacity-deficient civil servants nurturing and

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[60] *Tariq Bajwa, "Inquiry Committee Report (No.1) Regarding Implementation of Track and Trace System," (Islamabad: Prime Minister's Office - May 2, 2023).*
[61] *[Run down on cases]*
[62] *Bajwa, "Inquiry Committee Report (No.1) Regarding Implementation of Track and Trace System."*
[63] *Emphasis supplied.*
[64] *Bajwa, "Inquiry Committee Report (No.1) Regarding Implementation of Track and Trace System."*
[65] *Ibid.*

pursuing hearsay-based half-baked solutions without professional due diligence; hence, the failed attempt No.3 – 2014.

Analysing TOR 3, the IC held that "the determined process was followed."[66] The 1st Bajwa IC did a decent job under TOR 4 by systematically identifying a dozen of implementation related contractual obligations and sifting them into "met," "partially met," and "not met" categories.[67] The IC, under TOR 5, after holding consultative meetings with the Licensee and industry operators, came up with a comprehensive "way forward" to ensure TTS's complete implementation "without any further delay."[68] By way of fulfilling its mandate under TOR 6, the IC, after undertaking a cross-jurisdictional appraisal of TTs implementation in tobacco sector, unequivocally held that "for cement, sugar, fertilizer sectors, no evidence of tax stamps being used was found and this is first of its kind of implementation being done in Pakistan."[69] This pioneering valiant effort was to be celebrated, but the 1st Bajwa IC desisted from such a venture. The IC mopped up the debate warning that the TTS "in place is far from perfect," but "it has taken FBR 10-15 years to implement this concept," and therefore, if "derailed it will take years to put it back on track." [70] Thus, the need was "to make improvements with the existing systems on the basis of recommendations made in the "Way Forward" section."[71]

The IC also proposed several improvements but none of them could be expressly connected to slow implementation of TTS, if any. Likewise, the IC failed to appreciate the fact that more than two-thirds of the time that TTS had been under implementation, fell under the PDM government itself, and the responsibility for its slack implementation, if at all, would lie with itself. The IC went overboard by documenting a plethora of technological shortcomings in all solutions in all covered four sectors, and despite expressly noting that it was a brave pioneering effort in sugar, cement, and fertilizers, failed to appreciate the fact that the solution had to be improved along the learning curve. Importantly, the IC did not find even an iota of evidence of any malpractice in the procurement process, bid documents, advertisement procedures, evaluation undertaken, and the level-playing field made available to all competitors. Although, CHAIRMAN, FBR had directly supervised the entire process of TTS procurement, accorded final approval of award of the contract, and overseen its implementation through the first phase, his input was not solicited.

This halcyon appraisal of TTS understandably would not go well with the government; instead, all hell broke loose on media. A deliberate narrative was constructed out of predominantly and an "alright" report to discredit PTI on account of "corruption in procurement," "inefficiency," and "misgovernance,"[72] but since there was no substance in the vilification campaign, it fizzled out soon. The government also turned to other avenues to find some damning evidence against their political rivals.

2nd Bajwa Inquiry Committee, 2024

The parliament was dissolved on August 10, 2023, on completion of 5-year mandated term. The caretaker government installed for three months as per the constitution, was allowed to continue for six months. Given its ministerial composition, anti-PTI leanings, and unconditional support that it received from the military establishment, it was quite a continuation of PDM regime. The national elections were held on February 8, 2024, which PTI won against all odds. However, through massive rigging, PDM was enabled to form government under Shehbaz Sharif, yet once

[66] *Ibid.*
[67] *Ibid.*
[68] *Ibid.*
[69] *Ibid.*
[70] *Ibid.*
[71] *Ibid.*
[72] *Shahzad Paracha, "F.B.R. Inefficiencies Put Multimillion-Dollar F.D.I. At Risk," Hum News, May 18, 2024.*

again, on March 4, 2024. With PTI on the offensive on account of its stolen mandate, and all the concocted cases against Imran Khan crumbling in superior courts, the government was ever more desperate to resort to and reinforce its discrediting strategy of keeping Imran Khan and PTI under duress and at bay. TTS turned out to be the tactical ploy yet once again. The government, within three weeks of assuming office i.e. on March 24, 2024,[73] ended up constituting 2nd IC under Tariq Bajwa once again with Owais Kundi, Nauman Khalid, Aftab Haider, and Babar Majid Bhatti its other members. K.M. Zubair, a lawyer, was also coopted by 2nd Bajwa IC to render legal advice on various aspects of the contract and its execution.[74]

The resumed TTS-based inquisition against PTI being exclusively a political economy enterprise, the 2nd IC's TORs were even more deftly developed than the 1st IC and aligned with the intended "darker purpose."[75] TORs were set out as follows: -

I. To identify causes of delay in the full implementation of TTS *with fixation of responsibility*.
II. To determine the role of *FBR officers for apparent lacunas* in terms and conditions of the contract leading to unresolved technical issues and inordinate delays in the full roll out of the system.
III. To examine the efficacy of *the selection process of the Licensee*, in view of the complete disconnect between requirements of TTS in identical sectors and technical options made available.
IV. To *investigate contractual lapses by FBR* as well as by the Licensee that resulted in delays and poor outputs from the initiatives, with assignment of responsibility.
V. Recommend way forward, including the option of termination of the contract of the current Licensee (as per terms and conditions of contract) due to extremely poor performance, and selection of a new world-class Licensee having expertise of such system in countries compatible to Pakistan.[76]

Once again, TTS's failure was presumed and taken for granted by mentioning "poor outputs from the initiative" (TOR-I), and "extremely poor performance" (TOR-V). In fact, the IC's foremost responsibility should have been to critically analyse the TORs, pinpoint the interest-driven narrative being pushed, and appraise TTS's performance against the laid down benchmarks. However, such a venture was avoided, even though the project had been successfully rolled out and was working quite well on the ground. Moreover, the government's obsession with "fixation of responsibility" (TOR-I), "re-investigate contractual lapses" (TOR-IV) is singularly reflective of the government's politically loaded motivation in the entire process. It was also generally believed that one of the unsuccessful bidders, which was known to be close to Deputy Prime Minister, Muhammad Ishaq Dar, was out to destabilize the arrangement; hence, the seeding of "selection of a new world class Licensee" (TOR-V). Ali pertinently questions as to "how will this hypothetical world class vendor be selected?"[77]

Unlike 1st Bajwa IC, the 2nd Bajwa IC did seek CHAIRMAN, FBR's input by recording his statement. The questions posed were quite superficial and ordinary in nature. The IC appeared more concerned about justifying its creation by finding; if not, creating, something damning as ammunition to the government against PTI and its leadership. Manifestly, the IC was consecrating itself to inessentials, hyper-technical, and peripheral issues deliberately ignoring the moot point that FBR was eventually over the hump after 15 years of failed attempts and that, despite initial hiccups, TTS was doing quite well on the ground. CHAIRMAN, FBR did

[73] *The 2nd Bajwa IC was instituted vide PMO Notification No.7(13)/DS(EA-III)/2024, dated March 24, 2024.*
[74] *Tariq Bajwa, "Inquiry Report (No.2) on the Federal Board of Revenue's Track and Trace System," (Islamabad: Prime Minister's Office - April 16, 2024).*
[75] *William Shakespeare, King Lear (Oxford: Clarendon Press, 1877).*
[76] *Emphasis added.*
[77] *Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?."*

bring on record that TTS could not be procured in previous attempts majorly because his predecessors-in-office were not ready to run risk of their careers and well-being by putting pen to the paper, and that once it was done, and if TTS's procurement was jeopardized, it would not be reprocured for another 15 years.[78] He also stated that any good work done, the credit went to the LC, the project director and his team, and that he alone was responsible for any shortcomings in procurement, implementation and outcomes, if spotted. The IC also interviewed a number of other people associated with TTS at any point. An elaborate questionnaire was also devised and got filled. When the 2nd Bajwa IC report was released, it turned out to be fairly judicious and balanced – quite like the 1st one.

Inquiry Report

The 2nd Bajwa IC succinctly mapped TTS's implementation in all four covered sectors in the following manner: -

#	Sector	Progress Update
I	**Sugar**	Industry-wide coverage has been achieved since November 2021, whereby no unstamped, unlabelled product is allowed to leave the manufacturing sites.[79]
II	**Tobacco**	Industry-wide coverage has been achieved since March 2022."[80]
III	**Fertilizer**	Industry-wide coverage has been achieved since June 2023.
IV	**Cement**	Industry-wide coverage shall be completed by April 2024 with the implementation of TTS at one line at each of the manufacturing sites, as per the directives of the FBR – 50 out of 210 lines.[81]

The progress update clearly indicates that by the time the 2nd Bajwa IC was instituted, in three of the four covered sectors, TTS had become fully operational, and in the 4th one – cement, a soft rollout to the extent of one production line at each manufacturing plant had been ensured across the country pending a decision on the Licensee's price revision request. In fact, the most important fact not highlighted by the 2nd IC was that not only that sugar sector had already been 100% covered for the past three years, but also that the average sugar production reported was more than 7 million tons per annum as against 5 million tons during pre-TTS years. The additional sugar production documented had resulted in a corresponding tax yield of Rs.100 billion till T/Y 2024. Likewise, tobacco sector effectively covered since 2021, yielded approximately 40 percent more revenues as compared to pre-2021 years.[82]

It does merit mention that by the time the 2nd IC was convened, 100 percent coverage of the program had been achieved on the ground despite extraordinary challenges like (a) Covid-19-induced international supply chain disruption which delayed the Licensee's hardware imports; (b) SBP's curbs on import of equipment for almost a year; (c) Industry's pitched resistance – both overt and covert; (d) protracted litigation in High Courts as well as Supreme Court of Pakistan; and (e) the regime change operation that effectively took TTS's support at the top completely out of the equation.[83] "It is also believed that the reason the system could not work is because of the change of governments in 2022 and political vindication of subsequent ruling parties."[84]

The IC itself took a fair note of multiple challenges that TTS encountered by observing that a "combination of various factors including industry resistance leading to litigation and court

[78] *The 2nd Bajwa IC itself determined this fact as also summarized in the next sub-section.*
[79] *Bajwa, "Inquiry Report (No.2) on the Federal Board of Revenue's Track and Trace System," 7.*
[80] *Ibid., 7-8.*
[81] *Ibid., 7.*
[82] *Ibid.*
[83] *Ibid.*
[84] *Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?."*

stays on implementation, lack of experience of the Licensee to implement customized a customized solution suitable to the local industrial practices, bureaucratic inefficiency and incompetence, and lack of sustained focus on completion of the program contributed to the delay in implementation."[85]

The 2nd Bajwa IC submitted its report to the cabinet on April 27, 2024, essentially holding: -

(i) That, "the Committee did not find any evidence of malfeasance or mala fide in the award of the contract;"[86]
(ii) That, "the evaluation and Licensee selection process by and large followed the due process and was based on a meritocratic evaluation of the bids received;"[87] and
(iii) That, "the performance of the TTS is not attributable to the performance of any one party alone and…that all stakeholders i.e. FBR, Licensee and Industry have failed to comply with their obligations," if, at all.[88]

Purportedly, the report was received with dismay and displeasure by the Prime Minister and his PML-N Ministers. Prime Minister specifically demanded names of individual "culprits" who could be proceeded against with criminal charges and prosecuted. Bajwa politely and firmly responded that since there were no crimes committed, there were no culprits and that for any small lapses here and there, all stakeholders i.e. FBR, Licensee, and industry, were responsible. At this Prime Minister furiously rejected the report, expressed his annoyance with Bajwa, and announced to form yet another committee.[89]

In the evening, all hell broke loose on national media yet another time with over three dozen TV channels in extra-bold fonts flashing and newscasters roaring on a highest possible pitch slanderously provocative PTI vilification and discrediting agenda.[90] Simultaneously, Prime Minister and his government were eulogized for unearthing a "mega corruption scandal," and taking stock of inefficiency and misgovernance during the PTI regime.[91]

Bosal Inquiry Committee Report – 2024

Later that night, the government constituted the 3rd IC in a fits of frantic hurry with Imdad Ullah Bosal, Finance Secretary being designated to head it (Bosal IC).[92] Three members of the 2nd Bajwa IC were also inducted in the Bosal IC i.e. Nauman Khalid, Babar Najeeb Bhatti, and Owais Nauman Kundi.[93] Prime Minister was also reported to have reiterated that "it was a cruel joke that was played with the nation and demanded through investigation of the implementation of track and trace."[94] Intriguingly, the Bosal IC was established exclusively to "fix responsibilities for shortcomings in the project conception, contract design and implementation by FBR, leading to serious lapses and inordinate delays in operationalization of the system, resulting in continued loss of government revenues."[95] There, however, was no word as to what "serious lapses" and "inordinate delays in operationalization of the system," which had resulted in "continued loss of government revenues," since 1st Bajwa IC and 2nd Bajwa IC had

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[85] *Bajwa, "Inquiry Report (No.2) on the Federal Board of Revenue's Track and Trace System," 2.*
[86] *Ibid., 3.*
[87] *Ibid., 15.*
[88] *Ibid., 18.*
[89] *Kalbe Ali, "Government Body Set to Pinpoint Culprits Behind Track and Trace Delays," Dawn, April 30, 2024.*
[90] *Jehangir Nasir, "Inquiry Reveals F.B.R. Has Failed to Implement Track and Trace System," ProPakistani, April 25 2024.*
[91] *Ali, "Government Body Set to Pinpoint Culprits Behind Track and Trace Delays."*
[92] *GOP, "Committee on Fixing Responsibilities in Track and Trace System," (Islamabad: Prime Minister's Office - April 24,, 2024).*
[93] *Ibid.*
[94] *Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?."*
[95] *GOP, "Committee on Fixing Responsibilities in Track and Trace System."*

categorically absolved FBR of any "serious lapses."[96]/[97] The delays, if any, as pointed out by Bajwa ICs, had correctly been attributed to all three stakeholders i.e. FBR, Licensee, and industry. Nonetheless, the government appeared obsessed with and bent upon "fixing responsibility" for lapses that had not occurred and crimes that were never committed.[98]

The Bosal IC's TORs were narrowly and focused on "fixing responsibility" for the: -

I. Approval of poor design of RFP for the contract.
II. Allowing signing of inefficient and badly structured Service Delivery Agreement (SDA) with the vendor with no provision for third party audit.
III. Inordinate delay in formation of oversight board and sectoral committees.
IV. Not making the required changes in the system to address issues pointed out by the vendor through change requests.
V. Missing to link tracing system down the supply chain, making the excise useless with no use of data collected for tax collection/commodity monitoring.[99]

The government facing serious legitimacy crises on account of an outright dubious electoral mandate, and unable to challenge PTI on any substantive grounds appeared in hurry as it directed Bosal IC to submit its "report to the Prime Minister in 72 hours."[100]/[101] The Bosal IC presented its report on May 6, 2024. Prime Minister "directed for initiation of strict departmental proceedings against the officials held responsible…for showing negligence in the enforcement of…TTS with flawed planning and inflicting losses to the national economy."[102] Prime Minister's media wing also communicated "that due to faulty planning in the system and negligence in its enforcement…caused the national economy to suffer."[103] In the evening, prime time media erupted into frenzied vilification drive against Imran Khan, PTI, and civil servants concerned, essentially based on what Rana reported as: -

> The PM *promptly* directed actions against the then-project director Tariq Hussain Sheikh and the then-member operations Dr. Mohammad Ashfaq, holding them directly responsible for the lapses in the 2021 award of the track and trace project.…Dr. Muhammad Ashfaq later became Chairman, FBR and had been sidelined for the past two years… .[104]

Rana goes on to angularly observe that former Member Operations Qaiser Iqbal, and Amjad Zubair Tiwana were also "…held accountable for the delay…," but *"no action was recommended against them."*[105]/[106] This was a vivid evidence that the "action" was being proposed only against the officers who had served on key decision-making positions during PTI regime. However, the individuals who had served on these very positions in his own government, were being let of the hook albeit they had been "held accountable for the delay,"[107] if any occurred in the first place. The Bosal IC report was never made public. The people who attended the meeting later confided that the report found nothing damning and proposed no action, which appears quite close to reality as no action at all was initiated against the two officers put to media trial alongside PTI and its leadership. It can logically be inferred that Bosal

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[96] *Bajwa, "Inquiry Committee Report (No.1) Regarding Implementation of Track and Trace System."*
[97] *"Inquiry Report (No.2) on the Federal Board of Revenue's Track and Trace System."*
[98] *GOP, "Committee on Fixing Responsibilities in Track and Trace System."*
[99] *Ibid.*
[100] *Ibid.*
[101] *Emphasis as per original.*
[102] *APP, "P.M. Orders Action against Negligent Officials over Track and Trace System," Dunya News, May 8, 2024.*
[103] *Ibid.*
[104] *Shahbaz Rana, "Inquiry Names F.B.R Officials in Rs.25 Billion Faulty T.T.S Contract," Express Tribune, May 8, 2024.*
[105] *Ibid.*
[106] *Emphasis added.*
[107] *Rana, "Inquiry Names F.B.R Officials in Rs.25 Billion Faulty T.T.S Contract."*

IC report and the media hand out issued by Prime Minister's Office had little in common; in fact, nothing.

PMIC – Ranjha Inquiry Committee – 2024

Whatever may have been released to the media by Prime Minister's Office, substance of Bosal Report was not considered good enough as the government perhaps wanted the TTS flame to continue burning for PTI and the civil servants who were there at the material time. It, therefore, decided to mount a 4th IC on the trot. This time around Shahbaz Sharif exercised a closer to home option and assigned his own office i.e. Prime Minister's Inspection Commission (PMIC)[108]/[109] to undertake a comprehensive review of the matter.[110] Brig(R) Muzaffar Ali Ranjha, Chairman, PMIC, who was considered very close to Prime Minister Sharif from his Punjab Chief Ministership days, was especially assigned the task. The Ranjha IC devised for itself the following TORs: -

I. An overall assessment/fact-finding of the TTS;
II. Identification, weaknesses, problems and obstacles in its implementation;
III. Reasons of ineffective monitoring;
IV. Assessment of the contents of the report with reference to TORs prescribed for it;
V. Determination of the role of the licensees and the FBR officials in effective governance of TTS; and
VI. Conclusions and way forward.[111]

CHAIRMAN, FBR, was also invited to brief the PMIC on May 31st, 2024.[112] The briefing took place in a heated but mutually respectful environment. In a two-hour long briefing session, the Ranjha IC looked overly fixated to the SDA, and its shortcomings by stipulating that it should have (a) an option for international arbitration; (b) a staggered and progressively increasing penalty regime; and (c) been vetted and validated by the Ministry of Law & Justice. CHAIRMAN, FBR, emphatically disagreed with all three notions and rebutted them. In the Report, the Ranjha IC backtracked on the first two points.

The Ranjha IC submitted its report under a *Summary for the Prime Minister* on June 20, 2024, seeking approval to its set of "way forward" proposals. The Ranjha IC appears to have travelled well past its originally assigned mandate of a "comprehensive review" of 2nd Bajwa Report. Upfront the Ranjha IC dismissively took to task 2nd Bajwa Report by holding that it "failed to take into account the inherent weakness on the ground realities, actual reasons of the system not being very effective and result-oriented."[113]

The Ranjha Report seems going south on quite a few counts. One, the Ranjha IC, in desperation to find faults with TTS, deliberately conflates the matter of procurement and deployment of TTS in the tax administration with "a policy decision," which apparently "required approval of

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[108]PMIC has functioned under different nomenclatures since 1960. The current one was established and is governed under MLO No.58 of October 31, 1978, and is protected under Article 270A of the Constitution of Pakistan, 1973. PMIC primarily deals with cases of inquiries and inspections referred to it by the Prime Minister.

[109]At the material time, PMIC consisted of (i) Brig(R) Muzaffar Ali Ranjha - Chairman; (ii) Muhammad Naeem Jan Khan - Member; (iii) Mahmoud Alam Mahsud - Member; (iv) Engr. Aamir Hassan - Member; (v) Zahir Shah - Member; & (vi) Shahid Nadeem - Member.

[110]Brig. (R) Muzaffar Ali Ranjha, "Prime Minister's Inspection Commission - Comprehensive Review of the Inquiry Report Titled "Report of the Inquiry Committee on Track and Trace System," (Islamabad: Prime Minister's Office - June, 20, 2024).

[111]Ibid.

[112]Prime Minister Secretariat's Notice No.1(5)/Dir/TTS-FBR/PMIC-2024, dated May 30, 2024.

[113]Ranjha, "Prime Minister's Inspection Commission - Comprehensive Review of the Inquiry Report Titled "Report of the Inquiry Committee on Track and Trace System," 1.

the Prime Minister in terms of Rule 5 of the Rules of Business, 1973.[114] The IC failed to appreciate that (a) this was purely an operational matter pertaining to how taxation is to be actually administered on the ground; (b) it was an "allocated business" to the Member, IRS under the FBR Act, 2007 – not even to the Chairman, FBR; and (c) the then Prime Minister was fully kept abreast across TTS's procurement timeline culminating into its inauguration by him on November 23, 2021.[115] Two, Ranjha Report also made bones that the SDA had not been vetted by the Ministry of Law & Justice without actually highlighting any (a) infirmities that it possibly caused to the SDA or its execution; (b) the fact that the document was, in fact, vetted by two especially engaged lawyers of good standing – one by FBR and the other by the Licensee, who had both signed the document; and (c) the basis of presumption that its vetting by M/o Law and Justice would have added to its worth and sanctity in any manner.[116]

Three, Ranjha IC also went onto highlight that "Project Directors appointed by the then CHAIRMAN, FBR, had no experience, knowledge and expertise in handling the TTS with multifarious aspects of national importance."[117] The Ranjha IC conveniently ignored the fact that (a) there were not any project directors available in the market with "experience, knowledge, and expertise in handling TTS," as it was being procured and implemented in Pakistan for the first time; (b) Tariq Sheikh – the incumbent, saw FBR over the hump by procuring a TTS which could not be done for one and a half decades; and (c) he had been appointed as per applicable government rules and regulations.[118] Four, the Ranjha IC resonating with its head's professional background, ended up raising a highly provocative point that the "SDA fail[ed] to provide security and secrecy of data generated…making it accessible to foreign entities and unintended sectors."[119] The Report goes on to record that "Chairman, FBR, of that time Mr. Muhammad Ashfaq Ahmed acknowledged that he did not officially get the credentials of the Licensees cleared from the relevant agencies prior to its operationalization."[120] However, the Ranjha IC shirked its responsibility of pinpointing (a) any data breaches, (b) the superiority of "official clearance" over "unofficial clearance,"[121] and (c) the legal authority which mandated such clearance.

Five, the Ranjha IC in a wild swipe held that "the present Chairman FBR, and Ex-CHAIRMAN, FBR, Mr. Muhammad Ashfaq Ahmed are the officers who performed as Members Inland Revenue Operations prior to their posting as Chairman FBR, who had the authority and opportunities as the highest rank officers for devising and implementing the TTS policy, but they were unable to tap the real potential of this project of national importance and revenue lifeline."[122]/[123] It, however, failed to specify "the real potential," and how it could have been better realized. Contrarily, in a masterly exhibition of selective amnesia, Ranjha Report deliberately omits the name of the incumbent Chairman, FBR, appointed by the sitting government but prominently mentioned the EX-CHAIRMAN's. The intended purpose, of course, apparently was to throw all blame for all the concocted failures on EX-CHAIRMAN, FBR, and then attribute them to PTI, and launch a vilification and discrediting campaign

[114] *Rule 5 of the Rules of Business, 1973, reads: "Transaction of Business - (1) No important policy decision shall be taken except with the approval of the Prime Minister (Cabinet). (2) It shall be the duty of a Minister to assist the Prime Minister in the formulation of policy."*
[115] *Ranjha, "Prime Minister's Inspection Commission - Comprehensive Review of the Inquiry Report Titled "Report of the Inquiry Committee on Track and Trace System."*
[116] *Ibid.*
[117] *Ibid., 7.*
[118] *Ibid.*
[119] *Ibid., 5.*
[120] *Ibid.*
[121] *Ibid.*
[122] *Ibid., 8.*
[123] *Emphasis added.*

afresh.[124] The Ranjha IC deliberately failed to appreciate the fact that afterall PTI procured TTS and seamlessly implemented in four sectors, which previous governments had failed to do for 15 years.

The Ranjha Report mops up with fifteen fantastic conclusions and a ten-point "way forward" wish-list – both completely divorced from FBR's ontology. At some level, the Ranjha Report is a handiwork of a half dozen non-technical, post-retirement re-employed civil servants diligently justifying their monthly paycheques at the expense of a program of a critical import for the nation. In a nutshell, Ranjha IC, like the earlier three ICs, could not pinpoint even an iota of malfeasance and misgovernance on part of TTS's procurement and rollout team, since no action of whatever worth or value could be initiated against the targeted civil servants. Ranjha Report was exploited to run a massive discrediting campaign on media for a long time.

Section 5
Discrediting Strategy & Media

Narrative Shaping

The extensive discrediting campaign on media pivoted itself on wild allegations of malpractices in TTS procurement, inordinate delays in its rollout, mismanagement in execution, accusations of collusion with industry, and fatal flaws in the technology procured – without, of course, ever establishing any one of them. When all else had failed, the media adopted the time-tested trick of putting a massive price-tag on TTS to grab attention and influence the public perception. Rana suddenly springs into action and slaps the fantastic figure of Rs.25 billion to the on-going vilification campaign – an icing on the cake of discrediting strategy. He states that an "inquiry committee has attributed the failure and *flawed awarding of a Rs.25 billion contract*, aimed at monitoring the production activities of companies three years ago, to the project director and…former CHAIRMAN, FBR."[125] The fat figure of Rs.25 billion struck the public imagination like a thunderbolt. The Rs.25 billion tag was ludicrously worked out as under: -

> The consortium led by [ABC][126] won the contract based on the highest technical score, despite its financial bid being 52% higher than the lowest bid. The price difference between the lowest financial bid of Rs. 499 per thousand stamps and the second highest bid offered by the consortium of [ABC] was Rs.259 per thousand stamps. This resulted in an additional payment of Rs. 8.5 billion to the bidder over the five-year contract period. The total estimated five-year contract value was Rs.25 billion. The five-year contract can be extended by another three years, taking the total additional financial impact to Rs.13.5 billion.[127]

Although, Sarfraz emphatically rebutted that the "government of Pakistan has not lost a single penny due to the delay in the implementation of the track and trace system as claimed by top government functionaries,"[128] yet Pakistani media ran this bizarre allegation as a headline for months propagating that a government contract worth Rs.25 billion had been bungled by PTI government. It may not be impertinent to mention that the price-tag had never been highlighted before – by losing bidders in court suits, the government in its briefings and IC's TORs and the four ICs in their reports. Thus, in spite of the fact that TTS did not involve a single penny of public funds, the slapping of a price-tag to it, transformed TTS into a corruption scandal.

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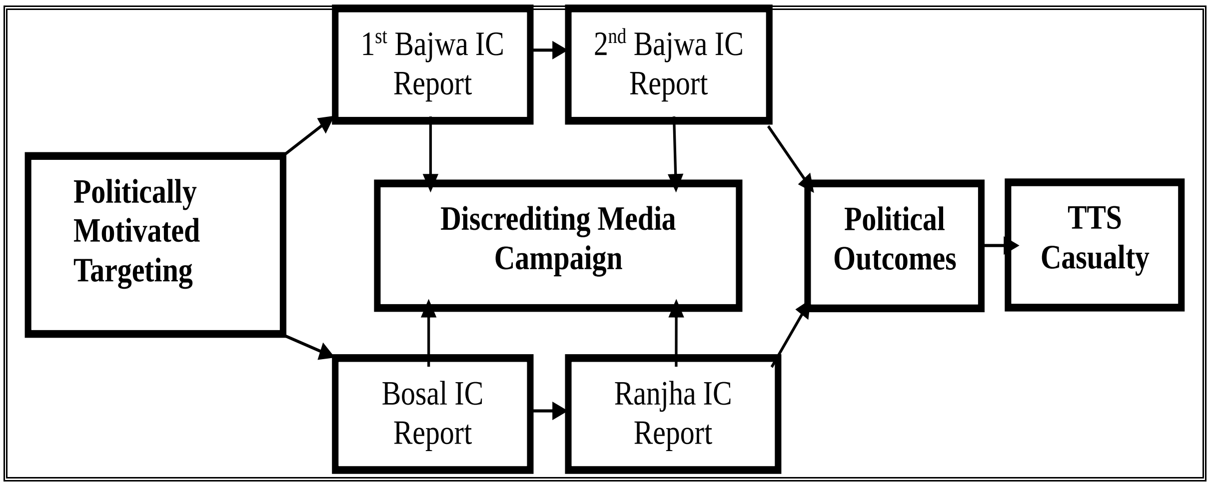
[124] *Ranjha, "Prime Minister's Inspection Commission - Comprehensive Review of the Inquiry Report Titled "Report of the Inquiry Committee on Track and Trace System," 8.*
[125] *Rana, "Inquiry Names F.B.R Officials in Rs.25 Billion Faulty T.T.S Contract."*
[126] *Anonmized.*
[127] *Rana, "Inquiry Names F.B.R Officials in Rs.25 Billion Faulty T.T.S Contract."*
[128] *Sohail Sarfraz, "Track and Trace System: Govt Hasn't Lost Even a Single Penny Due to Delay in Implementation?," Business Recorder, May 26, 2024.*

Media Campaign
The government optimally exploited the captive media machine to optimize on their discrediting strategy. The graph below pictorially depicts frenzied discrediting vilification campaign in the national media.

Figure 2: Discrediting Media Campaign – Portrayal



What the graph depicts is that politically motivated targeting of political opponents impels the government to set up four TTS-based ICs to generate loaded newsy content for the media on a sustained basis. The compromised media machine then runs the discrediting campaign without ever having regard to its veracity or authenticity. Some short-term discrediting gains are made on the political front, but TTS turns out to be the casualty.

Media Ambush
To supplement the focused and targeted inquisition, the tactic of media ambush implying generation of a flurry of baseless newsy content and its dissemination in a systematic manner, was also adopted. Media ambush devised wild concocted accusations to sustain the discrediting strategy. A sample tally of media ambush newsy content is tabulated as under: -

Media Ambush

Table 1: Media Ambush

#	Story Writer	Title	Medium
1	Shahzad Paracha	FBR Inefficiencies Put Multimillion Dollar FDI at Risk	Hum News[129]
2	Correspondent	Top Story: Why did TTS fail to yield desired results?	The News[130]
3	TV Ticker	Details of the Track and Trace System Failure Emerged	Dunya News[131]
5	TV Talk Show	FBR's Track and Trace System is Fraud	Mehar Bukhari Ke Sath[132]
6	Kalbe Ali	Government Body Set to Pinpoint Culprits Behind Track and Trace Delays	Dawn[133]

[129] *Paracha, "F.B.R. Inefficiencies Put Multimillion-Dollar F.D.I. At Risk."*
[130] *Correspondent, "Why Did Tts Fail to Yield Desired Results?," The News, May 26, 2024.*
[131] *Dunya News: Prime Time Headline Story "Details of the Track and Trace System Failure Emerged," https://www.youtube.com/watch?v=d1bQziWdvwk, telecast May 1, 2024, accessed on December 8, 2024.*
[132] *Dunya TV: Dunya Mehar Bukhari Ke Sath, "FBR's Track and Trace System is Fraud," telecast May 5, 2024, accessed on December 1, 2024.*
[133] *Ali, "Government Body Set to Pinpoint Culprits Behind Track and Trace Delays."*

7	Web Desk	Friends of tax evaders or Foes of Pakistan – FBR Fails to Implement TTS in all Tobacco Companies	The Nation[134]
8	Jehangir Nasir	Inquiry Reveals FBR Has Failed to Implement Track and Trace System	Pro Pakistani[135]
9	Rameez Khan	Won't Tolerate Corruption in FBR: Shehbaz	Express Tribune[136]
10	Staff Reporter	Elements involved in corruption; criminal negligence be held accountable: PM	Pakistan Today[137]

Although, TTS was neither a failure, nor a fraud, nor were there any culprits, nor had it anything to do with FDI per se, nor was there corruption involved as also confirmed by all four ICs instituted by the government itself, but government-funded media kept on hammering these allegations at a relentless consistency for good three years. The use of anonymized "sources" like "Correspondents," "Web Desk," and "Staff Reporter" by media outlets to throw completely baseless and unsubstantiated vicious content into the public domain, implied that no journalist of some worth was even ready to lend his/her name to these stories.

Discrediting Campaign – Failure

The PML-N government's unsubstantiated inquisition coupled with an equally vociferous discrediting campaign run on national media had apparently three inter-related objectives. One, to discredit Imran Khan and his party in the eyes of the public so as to keep them at bay from winning national elections, 2023. In this connection, TTS-sustained inquisition attained particular import in the wake of all other cases against Imran Khan collapsing like nine pins in higher courts. Two, to try and prosecute PTI leadership and the civil servants who were there at the material time, to avenge their own presumed wrongs done against them during PTI regime. Three, to evict the incumbent Licensee through attrition and persecution and induct a new politically aligned one for spoils. Ali observes that "one of the proposals put forward by the cabinet inquiry committee is to terminate the licence of the vendor…and bring a new "world class" vendor with the requisite technological expertise," without ever specifying as to what a "world class vendor" meant.[138] However, since nothing substantive could be unearthed against the Licensee, the objective could not be achieved except perhaps a dent in its public image. It is quite apparent that the pursued objectives could not be achieved in any concrete manner as neither any cases could be instituted against Imran Khan and PTI leadership nor against CHAIRMAN, FBR, and the project director responsible for procuring and rolling TTS out, nor even License could be terminated, nor Licensee elbowed out of Pakistan.

Section 6
Conclusion

The unsubstantiated vilifying campaign sustained well over a couple of years produced three main outcomes. One, the battleground TTS suffered irreparable damage as not only that, it could not be expanded to 2nd phase sectors i.e. petroleum, beverages, pharmaceuticals, and steel but also that its implementation in 1st phase sectors i.e. cement and fertilizer got lax due to lack of critical decision-making by the harassed civil servants in key positions with serious implications for economic governance and revenue administration in the country. Two, since even a shred of evidence of maladministration or unethical practices could not be unearthed by four ICs, no

[134]*Web Desk, "Friends of Tax Evaders or Foes of Pakistan- Fbr Fails to Implement Track & Trace System in All Tobacco Companies," The Nation, April 2, 2024.*

[135]*Nasir, "Inquiry Reveals F.B.R. Has Failed to Implement Track and Trace System."*

[136]*Khan, "Won't Tolerate Corruption in F.B.R.: Shehbaz."*

[137]*Staff Reporter, "Elements Involved in Corruption, Criminal Negligence Be Held Accountable: P.M.," Pakistan Today, April 27, 2024.*

[138] Ali, "P.M. Terms F.B.R's Track and Trace System a Complete Fraud. Is He Right?."

legal action could be initiated against Imran Khan, Finance Minister, and CHAIRMAN, FBR, and any of the civil servants concerned. Three, the vigorous vilification campaign geared to discredit Imran Khan and his party proved quite counter-productive as in the national elections held on February 8, 2024, PTI emerged as the single largest party with almost universal belief that it even won by a 2/3rd majority – but for the systematic military-sponsored election-night massive rigging. It is, therefore, that political actors ought to be more astute while formulating discrediting strategies on their opponents, on two counts; first, they need to find substantive pitches to formulate vilification campaigns as completely phony and baseless efforts soon sink with costs and without the desired effects; and second, the campaigns better be based on opponents' personalities, follies, idiosyncrasies, party manifestoes and political agenda, and not on public projects, assets, and initiatives, as in the latter case only people suffer.

Four, the importance of narrative shaping in statecraft, particularly in the modern-day politics, cannot be over-estimated, but a media tirade launched without any substance, does not yield any concrete results. If the purpose is to convert the *process* into *punishment,* then, of course, some success can be achieved. The vilification campaign could not even yield termination of the existing TTS License, which of course, was one of the intended outcomes of the motivated inquisition drive. Five, FBR warrants autonomy – financial, administrative, and operational – to insulate itself from future motivated forays and its programs to settle score with political opponents. FBR as an institution, has manifested fragility to get embroiled in this self-inflicting process of first exposing TTS – an institution of significant import for the nation, and then letting it become a punching bag for the government to discredit the opposition, and that too in a long-drawn and sustained manner.

Six, with *PTV-ization* of privately-owned electronic and print mainstream media nearly complete during 2022-24, the fast-blossoming social media and citizen-journalism may be society's next hope to keep truth afloat amid a sea of lies – overwhelmingly motivated to badger political opponents. Seven, the phony inquisition has not only sapped the ability of civil servants posted in key positions to make required but risky decisions but also scared away the already apprehensive private sector to do business with the government as the new RFP floated for the cement sector did not receive even a single bid. Sarfraz avers that critical decisions at FBR were not being made "due to ongoing inquiry."[139] In final word, probably had it not been for the government's politically motivated TTS-centric vilification campaign aimed at discrediting Imran Khan and PTI, TTS's procurement and successful rollout deserved to be celebrated as a success at the national level.

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