

[AS LAID IN THE NATIONAL ASSEMBLY]

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ORDINANCE NO. VIII OF 2019

AN

ORDINANCE

*to provide for establishment of Federal Government
Employees Housing Authority*

WHEREAS it is expedient to establish the Federal Government Employees Housing Authority for the purposes of planning and development of housing schemes for serving and retired Federal Government employees and other specified groups and matters connected therewith and ancillary thereto;

AND WHEREAS the National Assembly and the Senate are not in session and the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 89 of the Constitution of the Islamic Republic of Pakistan, the President is pleased to make and promulgate the following Ordinance:-

1. **Short title, extent and commencement.**—(1) This Ordinance shall be called the Federal Government Employees Housing Authority Ordinance 2019.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2. **Definitions.**—In this Ordinance, unless the context otherwise require,-

(a) “Authority” means the Authority established under section 3;

(b) “Chairman” means Chairman of the Executive Board of the Authority;

(c) “Chief Executive Officer” means the Chief Executive Officer of the Authority appointed under section 8;

(d) “Executive Board” means the Executive Board constituted under section 6;

(e) “Foundation” means the Federal Government Employees Housing Foundation duly registered with the Securities and Exchange Commission of Pakistan;

(f) “Governing Body” means governing body constituted under section 4;

(g) “member” means a member of the Executive Board;

(h) “prescribed” means prescribed by rules or regulations, as the case may be;

(i) “regulations” means regulations made under this Ordinance;

(j) “rules” means rules made under this Ordinance;

- (k) "scheme" means any scheme, plan, facility or project for development of land for residential or commercial purposes undertaken, planned or approved by the Authority including the schemes earlier launched and started by the Foundation before commencement of this Ordinance;
- (l) "specified area" means all lands owned, purchased, acquired or procured by or vested in or leased to the Foundation under any law before the commencement of this Ordinance and such other land as may be purchased or procured or acquired or vested in or leased to the Authority in Islamabad Capital Territory or other parts of Pakistan; and
- (m) "specified groups" means any group as decided by the Governing Body from time to time.

3. **Authority.**—(1) The Federal Government shall, by notification in the official Gazette, establish the Federal Government Employees Housing Authority, within thirty days of the commencement of this Ordinance.

(2) The Authority shall be a body corporate having perpetual succession and common seal with power to purchase, procure through acquisition or otherwise, land as well movable and immovable properties and assets with the object to hold, possess, sell, lease, transfer, exchange any property including landed property and to regulate the schemes undertaken by it in the specified area.

(3) The head office of the Authority shall be at Islamabad. The Authority may establish regional offices in other parts of Pakistan with the approval of Executive Board.

(4) The Authority shall also be the local authority in the specified area and shall be responsible for all public services and facilities.

(5) While making or arranging, planning, designing and executing a scheme in specified area, adherence to local municipal regulations and master plan of the concerned district shall be ensured.

4. **Governing Body.**—(1) There shall be a Governing Body consisting of the following:-

- (a) Secretary of the Division concerned with the affairs of the Authority *President*
- (b) Secretary, Cabinet Division *Vice President*

- (c) Secretary, Establishment Division *Member*
- (d) Secretary Law and Justice Division *Member*
- (e) Chief Executive Officer *Member*

(2) The Chief Executive Officer shall also act as the Secretary of the Governing Body,

5. **Powers, Functions and meetings of the Governing Body.**—(1) Subject to the provisions of this Ordinance, the Governing Body may take such decisions and exercise such powers, as may be necessary for carrying out the purposes of this Ordinance.

(2) Without prejudice to the generality of forgoing powers but subject to the provisions of this Ordinance, the Governing Body may-

- (a) review progress and activities of the Authority.
- (b) lay down policy for guidance of the Executive Board.
- (c) consider and approve budget and audit report of the Authority.
- (d) transact such other business of the Authority and as the Executive Board may place before it.

(3) The decision of the Governing Body shall be through majority of its members present and voting, The President shall have casting vote.

(4) The President shall preside over meetings and in his absence the meetings shall be presided over by the Vice President:

Provided that if the President and the Vice President are unable to preside over the meeting of the Governing Body then any senior member chosen by the members present, shall preside the meeting.

(5) The Governing Body shall meet at least twice a year or as and when required or considered necessary by the President or on the request of Chief Executive Officer.

6. **Executive Board.**—(1) The general administration, supervision and control of the affairs of the Authority shall vest in the Executive Board, which shall consist of-

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| (a) Secretary of the Division concerned with the affairs of the Authority | <i>Chairman</i> |
| (b) Additional Secretary, Cabinet Division | <i>Member</i> |
| (c) Additional Secretary, Ministry of Interior | <i>Member</i> |
| (d) Additional Secretary, Finance Division | <i>Member</i> |
| (e) Additional Secretary, Establishment Division | <i>Member</i> |
| (f) Draftsman Law and Justice Division | <i>Member</i> |
| (g) Additional Secretary of the Division concerned with the affairs of the Authority | <i>Member</i> |
| (h) Managing Director, Pakistan Housing Authority Foundation | <i>Member</i> |
| (i) Director General, Pakistan Public Works Department | <i>Member</i> |
| (j) Chief Commissioner, Islamabad Capital Territory | <i>Member</i> |
| (k) Chairman, Capital Development Authority Islamabad | <i>Member</i> |
| (l) Chief Executive Officer | <i>Member</i> |

(2) The Chief Executive Officer shall also act as the Secretary of the Executive Board.

7. Powers, Functions and Meetings of the Executive Board.—(1) Subject to the provisions of this Ordinance, the Executive Board may take such decisions and exercise such powers, as may be necessary for preparation, planning, approval and development of schemes in the specified area for carrying out the purposes of this Ordinance.

(2) Without prejudice to the generality of forgoing powers but subject to local laws, the Executive Board may-

- (a) purchase, procure through acquisition under the Land Acquisition Act, 1894 (I of 1894) or any other prevailing law for the said purpose, as per approved policy from Federal Cabinet for the time being invogue, as applicable at the site of the scheme, or otherwise

any land or property in Islamabad or any part of Pakistan and hold, manage, reclaim and take possession of such land or property, in accordance with law;

- (b) prepare plan, approve, develop, execute, implement, maintain, manage and regulate any scheme in the specified area;
- (c) accord approval of the layout plans, building plans of the scheme in conformity with the local municipal regulations;
- (d) accord approval for collection of revenues for maintenance of the scheme and enforcement of regulations made under this Ordinance;
- (e) enter into contracts, arrangements, joint venture agreements with any person or firm, for preparation, planning, development, execution, implementation and maintenance of schemes in the specified area, for carrying out the purposes of this Ordinance;
- (f) incur any expenditure and procure land, buildings, plant, machinery, equipment, instrument and necessary materials;
- (g) carry out, maintain, arrange, manage and provide all facilities, services and utilities including water, electricity, gas and sewerage for schemes in the specified area;
- (h) impose, vary and recover development charges, transfer fee, service charges, toll or other charges in respect of any land or buildings within any scheme in the specified area;
- (i) lease, purchase, procure, sell, exchange, mortgage, rent out or otherwise dispose of any property vested in the Authority;
- (j) modify, re-plan or cancel any scheme or a part thereof in the specified area;
- (k) do all such acts and deeds and things that may be necessary or expedient for the purpose of proper preparation, planning, development, execution, implementation, management and maintenance of residential and commercial property in the schemes in the specified area;
- (l) plan, approve and execute mergers and amalgamation with other housing schemes or cooperative housing societies;

- (m) obtain loan for the purpose of generating capital for its scheme or seek contributions from members of the schemes or drives announced and floated by the Authority;
- (n) receive grants from the Federal Government for the purpose of generating capital for its scheme or seek contributions from members of schemes or drives announced and floated by the Authority; and
- (o) accord approval of launching of schemes for Federal Government employees and other specified groups to be determined by governing body.

(2) The decision of the Executive Board shall be made through majority and its quorum shall be simple majority of its members. The Chairman shall have casting vote.

(3) The Chairman shall preside over meetings and in his absence any senior member chosen by the members present shall preside the meeting.

(4) The Executive Board shall meet as and when required or considered necessary by the Chairman or on the request of Chief Executive Officer.

8. Chief Executive Officer.—(1) There shall be a Chief Executive Officer of the Authority who shall be appointed by the Federal Government. The qualification, terms and conditions etc., of the Chief executive Officer shall be such as may be prescribed by rules.

(2) The Chief Executive Officer shall exercise such powers and perform such functions as may be prescribed by regulations.

9. Appointment of officers and officials.—(1) The Executive Board may, in such manner and on such terms and conditions as may be prescribed by regulations, appoint such officers, employees, staff, experts, consultants and advisors as may be necessary for purposes of this Ordinance.

(2) On the winding up of the Foundation all officers and employees thereof shall become the employees of the Authority on the terms and conditions as may be prescribed which shall not be less favorable than the terms and conditions being availed by them in the Foundation before commencement of this Ordinance.

10. Delegation of powers.—Subject to this Ordinance, the Executive Board and the Chief Executive Officer may, by order in writing, delegate to any officer of the Authority any of its or his powers to perform such functions and duties as may be specified in the order.

11. **Committees.**—The Executive Board may, by order, constitute committees including Finance Committee, Budget and Accounts Committee and such other committees as may be deemed necessary for carrying the functions of the Authority and assign to them such specific functions for efficient performance of the Authority. The committees shall perform the functions in the manner specified in the order.

12. **Funds of Authority.**—(1) There shall be a fund known as the Federal Government Employees Housing Authority Fund, which shall vest in the Authority.

(2) The following shall be the sources of the Fund, namely:—

- (a) all moneys received from the members of the Authority;
- (b) all grants from the Federal or Provincial Governments;
- (c) transfer fees, services charges, penalties, etc;
- (d) any donation or other sum of money received by the Authority shall be credited in the fund.

(3) The fund shall be kept in the scheduled banks and shall be utilized, spent and regulated in such manner as may be prescribed by regulations.

(4) The budget of the Authority shall be approved by the Governing Body and its accounts shall be maintained and audited in such manner as may be prescribed by the regulations.

(5) The annual audit of the Authority shall be conducted by the Auditor General of Pakistan.

13. **Acquisition of land.**—Acquisition of any land or any interest in land for the purpose of Authority shall be deemed to be an acquisition for public purpose within the meaning of the applicable Land Acquisition Act, 1894 (I of 1894) or any other prevailing law for the said purpose, as per approved policy from the Federal Cabinet currently in vogue.

14. **Power to cancel allotment.**—(1) The Chief Executive Officer may cancel or revoke or rescind any allotment, transfer, licence, lease or agreement on the recommendation of a committee constituted by the Executive Board.

(2) An appeal from an order under sub-section (1) shall lie before the Executive Board. When the Executive Board is deciding the appeal the Chief Executive Officer shall not participate in the proceedings.

15. **Encroachments.**—(1) If a person encroaches on the property of the Authority or any open space or illegally possesses property of an allottee, transferee, licensee or lessee in the specified area, he shall be liable to punishment of imprisonment which may extend to two years or fine which may extend to five hundred thousand Rupees or both.

(2) The Magistrate of the first class shall conduct summary trial of an offence under sub-section (1) and pass any sentence provided in that sub-section in accordance with the provisions of Chapter XII of the Code of Criminal

Procedure, 1898 (Act V of 1898) on the complaint filed by an officer of the Authority authorized under the regulations.

(3) If a person encroaches on the property of the Authority or any open space or illegally possesses property of an allottee, transferee, licensee or lessee in the specified area, the Magistrate may, during or on conclusion of trial under sub-section (2) but subject to the final decision of the Civil Court, order the police to forthwith remove encroachment or dispossess the illegal possessor.

16. **Violation of building regulations.**—If a person violates the building regulations in the specified area, the Authority may, in the prescribed manner, direct the person to remove the structure or part of the structure or pay fine to the Authority which may be fixed in the regulations for each category of violation.

17. **Transfer and savings.**—On the commencement of this Ordinance-

- (a) all assets, rights, powers, authorities and privileges and all property, movable and immovable, bank balance, bank account, reserve funds, investment and all other interests and rights in or arising out of such property and all liabilities and obligations of whatever kind of the Foundation, established before commencement of this Ordinance, shall stand transferred to and vested in the Authority;
- (b) all contracts and agreements entered into, all rights acquired and all matters and things agreed to be done by the Foundation and obligations incurred shall be deemed to have been entered into, acquired or agreed to be done by the Authority;
- (c) all contracts, projects, schemes, work, whether in progress or not and all guarantees undertaken, obligation, liabilities executed or subsisting in the name of the Foundation shall be deemed to be contracts, projects, schemes, work, guarantees, undertakings, rights, obligations, liabilities of the Authority;

- (d) all land owned, purchased, acquired or procured and developed by the Foundation shall be deemed to be the property of the Authority;
- (e) all leases executed in the name of the Foundation before commencement of this Ordinance shall be deemed to be leases executed in the name of the Authority;
- (f) all suits, appeals, petitions or legal proceedings by or against the Foundation shall be deemed to be suits, appeals, petitions or legal proceedings by or against the Authority;
- (g) all allotments and transfer of plots, whether residential or commercial, made by the Foundation shall be deemed to be allotments and transfers made by the Authority;
- (h) all pending disputes or matters, if any, before the Foundation shall stand transferred to Authority and shall be decided by the Chief Executive Officer and any aggrieved party shall have the right to appeal before the Executive Board within ninety days;
- (i) all bylaws, policies and regulations in force immediately before commencement of this Ordinance shall continue to remain in force until altered amended or repealed; and
- (j) notwithstanding anything mentioned herein before, all and every rights and obligations of the Foundation shall stand transferred to the Authority and the Foundation shall be wound up in accordance with law.

18. **Appeal.**—Any person aggrieved by any order passed by Chief Executive Officer in respect to his rights in relation to any plot, built up or otherwise, may file an appeal before the Executive Board within ninety days of such order. Such appeal shall be decided by the Executive Board excluding the Chief Executive Officer, who passed such order.

19. **Overriding effect.**—The provisions of this Ordinance shall have overriding effect notwithstanding anything contained in any other law for the time being in force.

20. **Power to make rules.**—The Authority may with the approval of the Federal Government, by notification in the official Gazette, make rules to carry out the purposes of this Ordinance.

21. **Power to make regulations.**—The Executive Board may make regulations, not inconsistent with the rules, to give effect to the provisions of this Ordinance.

22. **Recovery as arrears of land revenue.**—If a person fails to pay any amount due to the Authority, the Collector shall, on the request in writing of the Authority, recover the amount as arrears of land revenue.

23. **Validation.**—All actions done or taken by the Foundation, before the commencement of this Ordinance, shall be deemed to have been validly done or have been taken under this Ordinance to the extent they are consistent with the provisions of this Ordinance.

24. **Removal of difficulty.**—If any difficulty arises in giving effect to any of the provisions of this Ordinance, the Federal Government may give such directions, consistent with the provisions of this Ordinance, as it may consider necessary for removal of such difficulty.

STATE OF OBJECTS AND REASONS

1. Introduction:

The Federal Government Employee Foundation (FGEHF) is a public limited company registered with SECP under Section 42 of Companies Ordinance 1984 operating under auspices of Ministry of Housing & Works. The mandate of FGEHF is to provide affordable residential accommodation to Federal Government employees and other specified groups, on no profit no loss basis, without involving any funds from public exchequer. So far FGEHF has launched five housing schemes and provided approximately 23000 housing units to the Federal Government employees and other specified groups. FGEHF has approximately 150,000 members, which increase around 1 million with launching of new projects.

2. Justification to establish F.G.E Housing Authority:-

- The jurisdiction of FGEHF extends to whole of Pakistan with current projects at Islamabad/ Rawalpindi and Karachi.
- FGEHF is not a regulatory body as per existing Memorandum and Article of Association of FGEHF, thus not vested with the status of authority to accord requisite approvals for its projects
- FGEHF is in the process of launching new projects in Islamabad and other parts of Pakistan in order to clear the huge backlog, thus extending the jurisdiction to other major cities.
- The launching of new projects may not be feasible on fast track basis without the fact that Housing Foundation has status of Authority.
- The process of land acquisition and securing approvals of layout plans to launch any project is extremely complex and time consuming as dependent on other regulatory bodies (Development Authorities & District Administration). (Two major scheme i.e. F-14/ F-15 and Park enclave pending adjudication in Supreme Court on Land Acquisition issues).
- It is extremely difficult to implement any scheme within the anticipated time frame, because of no controls/ authority. The time overruns thus lead to cost overruns.
- Maintenance of existing schemes not possible without the status of authority, thus the residents are suffering badly because of poor facilities and lack of basic utility services, (The sectors G13 & 14, CDA neither performing nor allowing FGEHF to provide basic services by collecting requisite revenues & disposal of assets).

3. To expedite the projects on fast track basis by establishing a one window facility through legislation there is a urgent need of body, to address the above narrated issues.

Chaudhary Tariq Bashir Cheema
Federal Minister for Housing & Works