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ORDINANCE NO.XII OF 2019

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ORDINANCE

*to provide for establishment of the China Pakistan
Economic Corridor Authority*

WHEREAS it is expedient to establish the
China Pakistan Economic Corridor Authority and to
provide for matters connected therewith and ancillary
thereto;

AND WHEREAS it is expedient to accelerate the pace of China, Pakistan Economic Corridor related activities, find new drivers of economic growth, unlock the potential of interlinked production network and global value chains through regional and global connectivity, to develop a sound and implementable public policy by integrating advice of stakeholders in decision making process and utilization of all available resources to achieve optimal results as well as respecting individual rights and for effective and efficient management in line with the Memorandum of Understanding signed by the People's Republic of China and Islamic Republic of Pakistan;

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

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

CHAPTER I

PRELIMINARY

1. **Short title, extent and commencement.**—(1) This Ordinance may be called the China Pakistan Economic Corridor Authority Ordinance, 2019.

(2) It extends to the whole of Pakistan.

(3) Section 1 shall come into force at once and other provisions shall come into force on such date or dates as the Prime Minister may, by notification in the official Gazette, appoint and different dates may be appointed for different provisions.

2. **Definitions.**- In this Ordinance, unless there is anything repugnant in the subject or context,-

(a) "Authority" means the China Pakistan Economic Corridor Authority established under section 3;

(b) "Budget Committee" means the committee constituted by the Authority, from time to time, pursuant to section 9 of this Ordinance;

(c) "Chairperson" means the Chairperson of the Authority appointed pursuant to the provisions of this Ordinance and includes the person when acting as the Chairperson;

- (d) "Chief Executive Officer" means the Chief Executive Officer of the Authority;
- (e) "Division" means the Division of the Federal Government constituted under the Rules of Business 1973;
- (f) "Executive Director" means an executive director of the Authority appointed pursuant to the provisions of this Ordinance;
- (g) "Joint Cooperation Committee" means the Committee jointly headed by the Minister for Planning, Development and Reform of the Islamic Republic of Pakistan and the Vice – Chairperson of the National Development and Reform Commission of the People's Republic of China;
- (h) "Joint Working Group" means the working group constituted and working under the Joint Cooperation Committee;
- (i) "Member" means a member of the Authority appointed pursuant to the provisions of this Ordinance;
- (j) "misconduct" means misconduct as defined in Civil Servants Act 1973 and rules made thereunder;
- (k) "record" includes an account, book, return, statement, report, chart, table, diagram, form, survey, image, invoice, letter, map, agreement, memorandum, plan, voucher, financial and non-financial information, and anything containing information, whether in writing, digital or in electronic form or represented or reproduced by any other means, and recording of details of electronic data processing systems and programmes to illustrate what the systems and programmes do, and how they operate;
- (l) "regulations" means regulations made under this Ordinance; and
- (m) "rules" means rules made under this Ordinance.

CHAPTER II

INCORPORATION AND FUNCTIONS

3. **Authority.**—(1) The Federal Government shall, by notification in the official Gazette, establish an authority to be known as the China Pakistan Economic Corridor Authority. The Authority will be with the Planning, Development and Reform Division under the Rules of Business 1973.

(2) The Authority shall be a body corporate, having perpetual succession and a common seal, with power, subject to the provisions of this Ordinance, to enter into contracts, acquire and hold property, both moveable and immovable, and to sue and be sued in its name.

(3) The head office of the Authority shall be at Islamabad and subject to the provisions of this Ordinance.

(4) The Authority shall consist of the Chairperson, Chief Executive Officer, Executive Director (Operations), Executive Director (Research), and six Members.

(5) The Chairperson, Executive Directors and the Members shall be appointed by the Prime Minister of Pakistan for a period of four years and shall be eligible for re-appointment for one similar term.

(6) The Chief Executive Officer will be a civil servant of BS-20 or above, who shall be appointed on deputation.

(7) The qualifications, experience and terms and conditions for appointment of the Chairperson, Executive Directors and Members of the Authority shall be prescribed by rules.

(8) The Chairperson, an Executive Director or a Member may resign from his office by writing under his hand addressed to the Prime Minister. The Prime Minister may remove the Chairperson, an Executive Director or a Member from office if, on an inquiry conducted by a person or persons designated with the approval of the Prime Minister, he is found inefficient or unable to perform the functions of his office due to mental or physical disability, or to have committed misconduct.

(9) In case of a vacancy occurring due to death, resignation, retirement or removal of the Chairperson, an Executive Director or a Member, the appointment of another qualified person shall be made within a period not exceeding three months from the date of such vacancy.

(10) The Chief Executive Officer shall act as Chairperson at any time when the post is vacant or the Chairperson is unable, for any reason, to exercise his powers or perform his duties.

(11) An officer of the Authority, so nominated by it, shall act as Secretary to the Authority. The Secretary shall be the custodian of the common seal of the Authority.

4. **Powers and Functions of the Authority.**—(1) In addition to such other powers and functions as may be assigned under this Ordinance and the rules, the Authority shall be primarily responsible for coordination, monitoring and evaluation to ensure implementation of China Pakistan Economic Corridor related activities. The Authority shall exercise its powers and perform its functions in line with the framework and Memorandum of Understanding signed between the Islamic Republic of Pakistan and the People's Republic of China reproduced in the Schedule to this Ordinance and decisions taken at meetings of the Joint Cooperation Committee:

Provided that the Federal Government may, from time to time, assign more functions and issue guidelines to the Authority:

Provided further that the existing arrangement of China Pakistan Economic Corridor related activities shall continue until the Authority is established and becomes functional and holds its first meeting.

- (1) Without prejudice of generality of the foregoing, the Authority shall,-
 - (a) interface with the People's Republic of China for identifying new areas of cooperation projects;
 - (b) organize meetings of Joint Cooperation Committee and Joint Working groups;
 - (c) ensure inter-provincial and inter-ministerial coordination for China Pakistan Economic Corridor related activities;
 - (d) ensure narrative building and communication of China Pakistan Economic Corridor related activities; and
 - (e) conduct sectoral research for informed decision making and long term planning.

5. **Meetings of the Authority.**—(1) The Chairperson and six other persons on the Authority shall constitute the quorum for a meeting of the Authority.

(2) The decision of the Authority shall be taken by the majority of the attending members and in case of a tie, the Chairperson shall have a casting vote.

(3) No act, proceeding or decision of the Authority shall be invalid by reason only of the existence of a vacancy in, or defect in the constitution of the Authority.

(4) The Authority shall meet at least once in a quarter. The Chairperson shall call all meetings of the Authority. The Chairperson shall also call a meeting

of the Authority, within five working days, on being requested in writing to do so by at least three persons from amongst the Chief Executive Officer, Executive Directors and Members.

(5) The Chief Executive Officer, Executive Directors and Members shall have reasonable notice of the date, time and place of a meeting of the Authority and each matter on which a decision has to be taken:

Provided that in case of any urgent issue the requirement of notice may be waived by the Chairperson.

6. **Conflict of interest.**—(1) No person shall be appointed as Chairperson, Executive Director or Member if he has any direct or indirect financial interest in, or has any connection which might reasonably be viewed as giving rise to a conflict of interest with any person involved in any China Pakistan Economic Corridor project. No person appointed as Chairperson, Executive Director or a Member shall during his term in office have or maintain any direct or indirect financial interest with any person involved in any China Pakistan Economic Corridor project. The Chairperson, Executive Directors or Members shall not, at any time during their term of office, engage themselves in any other service, business, vocation or employment with any other person.

(2) If at any time, Chairperson, Chief Executive Officer, Executive Directors or Members of the Authority, in any way, whether directly or indirectly, becomes concerned or interested in any decision, he shall declare that interest and shall not in any manner be associated with the proceedings.

(3) Every person who knowingly contravenes any of the provisions of sub-section (1) or sub-section (2) shall be guilty of misconduct.

7. **China Pakistan Economic Corridor Business Council.**—There shall be a China Pakistan Economic Corridor Business Council, to be constituted as prescribed in the rules, to advise the Authority in achieving its objectives.

8. **Recruitment of Employees etc.**—The Authority may, from time to time, determine the need and employ officers, members of its staff, experts, consultants, advisors or other employees on such terms and conditions as prescribed by the regulations.

CHAPTER III

BUDGET, FINANCE AND AUDIT

9. **Budget, Finance and Audit.**—(1) The Authority, in respect of each financial year, shall prepare its own budget in accordance with prescribed procedure and shall maintain complete and accurate books of account of its annual expenses and receipts.

(2) The budget prepared by the Authority shall be reviewed by the Budget Committee consisting of three members to be nominated by the Authority from amongst the Executive Directors and Members. The Budget Committee shall ensure that the Authority complies with all requirements of this Ordinance, the rules and the regulations pertaining to such budget.

(3) All investments made by the Authority shall be with the approval of the Budget Committee.

(4) The accounts of the Authority shall be audited annually by the Auditor-General of Pakistan.

(5) The Chief Executive Officer shall be the Principal Accounting Officer of the Authority.

10. China Pakistan Economic Corridor Fund.—(1) There shall be a fund, known as the China Pakistan Economic Corridor Fund, which shall vest in the Authority and shall be utilized by the Authority to meet all expenses and charges properly incurred in connection with carrying out the purposes of this Ordinance.

(2) Subject to the rules and instructions issued by the Federal Government from time to time, the China Pakistan Economic Corridor Fund shall consist of,-

- (a) grants obtained by the Authority;
- (b) proceeds of any investments made by the Authority in utilizing any amount of the fund which is not required for immediate use;
- (c) loans obtained by the Authority with the approval of the Budget Committee; and
- (d) any funds allocated to the Authority with the approval of the Federal Government.

11. Bank Accounts.—The Authority may open and maintain bank accounts at such scheduled banks as may be prescribed by the rules.

CHAPTER IV

MISCELLANEOUS

12. Immunity.—Except as expressly provided in this Ordinance, no suit prosecution or other legal proceedings shall lie against the Authority, the

Chairperson, Chief Executive Officer, Executive Director, any Member, officer, member of staff, other employee, expert, consultant or advisor of the Authority in respect of anything done or intended to be done in good faith under this Ordinance, the rules or the regulations.

13. **Chairperson, etc., not to be civil servants.**—The Chairperson, Executive Directors, Members, officers, members of staff or other employees of the Authority or experts, consultants or advisors employed, or as the case may be, hired or engaged by the Authority shall be governed by the terms and conditions of their appointment and shall not be deemed to be civil servants within the meaning of the Civil Servants Act 1973 (Act LXXI of 1973):

Provided that if a civil servant is appointed on deputation, he shall be governed by the Civil Servants Act 1973 and the rules made thereunder.

14. **Chairperson, etc., to be public servants.**—The Chairperson, Executive Directors, Members, officers, members of staff or other employees of the Authority or experts, consultants or advisors employed, or as the case may be, hired or engaged by the Authority shall, when acting or purporting to act in pursuance of any of the provisions of this Ordinance or the rules or the regulations, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code (Act XLV of 1860).

15. **Winding up of the Authority.**—No provision of any law relating to the winding up of bodies corporate shall apply to the Authority:

Provided that the Federal Government may decide to windup the Authority and transfer of its assets and liabilities to the concern Division under the Rule of Business 1973 or to any other entity.

16. **Annual Report.**—The Authority shall, within three months of the end of a financial year, submit to the Prime Minister an annual report, which shall consist of the accounts and audit reports of the Authority, a comprehensive statement of the work and activities of the Authority during the preceding financial year and its proposed activities and such other matters as may be prescribed in the rules or as the Authority may consider appropriate.

17. **Power to call for information.**—The Authority may call for any pertinent information required by it for carrying out the purposes of this Ordinance from any person involved, directly or indirectly, in any China Pakistan Economic Corridor related activity or any matter incidental or consequential thereto. Any person called upon to provide such information shall do so within the period prescribed by the Authority and his failure so to do shall be punishable by the imposition of such penalty as may be prescribed by the rules.

18. **Confidential information.**—(1) Except as provided under the regulations, no person shall communicate, or allow to be communicated, any record or information obtained pursuant to this Ordinance, to a person not legally entitled to that record or information or allow any person not legally entitled to that record or information to have access to any record obtained under this Ordinance.

(2) A person who knowingly receives any record or information obtained under this Ordinance shall hold such record or information subject to the same restrictions under sub-section (1) as apply to the person from whom such record or information were received.

19. **Delegation of Powers.**—The Authority may, by general or special order, delegate to Chief Executive Officer, Executive Director, Member or any officer of the Authority any of its powers, duties or functions under this Ordinance subject to such conditions as it may think fit to impose.

20. **Power to make Rules.**—The Prime Minister may, by notification in official Gazette, make rules, not inconsistent with the provisions of this Ordinance, for carrying out the purposes of this Ordinance.

21. **Power to make Regulations.**—The Authority, with the approval of the Prime Minister may, by notification in the official Gazette, make regulations, not inconsistent with the provisions of this Ordinance or the rules, for the purpose of carrying out of its functions.

22. **Ordinance to override other laws.**—The provisions of this Ordinance shall have effect notwithstanding anything to the contrary contained in any other law, rule or regulation, for the time being in force, and any such law, rule or regulation shall, to the extent of any inconsistency, cease to have any effect on the commencement of this Ordinance.

23. **The removal of difficulties.**—In case of any difficulties in implementation of the provisions of this Ordinance or the rules made thereunder, the Prime Minister may pass an order, within one year of establishment of Authority, to remove such difficulties.

STATEMENT OF OBJECTS AND REASONS

**THE CHINA PAKISTAN ECONOMIC CORRIDOR
AUTHORITY BILL 2019**

The Bill seeks to establish China – Pakistan Economic Corridor Authority and to further accelerate the pace of China Pakistan Economic Corridor related activities. It aims to find new drivers of economic growth, unlock the potential of interlinked production network and global value chains through regional and global connectivity. Furthermore, it would develop sound and implementable public policy by integrating advice of stakeholders in decision making process and utilization of all available resources to achieve optimal results and for effective and efficient management in line with the Memorandum of Understanding signed between the Islamic Republic of Pakistan and People’s Republic of China.

The Authority shall be primarily responsible to ensure inter-provincial and inter-ministerial coordination; organize meetings of Joint Cooperation Committee and Joint Working Groups; conduct sectoral research for informed decision making and long term planning; monitoring and evaluation and to ensure implementation beside narrative building and communication of China – Pakistan Economic Corridor and other related activities from time to time.

MAKHDUM KHUSRO BAKHTYAR
Minister for Planning, Development and Reform