

[AS PASSED BY THE NATIONAL ASSEMBLY]

A

BILL

to provide for the establishment of National Logistics Corporation

WHEREAS it is expedient to provide for the re-organization of the National Logistics Board and National Logistics Cell;

AND WHEREAS it is expedient to provide for the establishment of the National Logistics Corporation, encompassing multi-modal logistics network and infrastructural development, for the purposes and matters connected therewith and ancillary thereto;

It is hereby enacted as follows: —

CHAPTER-I

PRELIMINARY

1. **Short title, extent and commencement.** — (1) This Act shall be called the National Logistics Corporation Act, 2023.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

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

(i) “Board” means the National Logistics Board constituted under section 6 of this Act;

(ii) “Chairperson” means the Chairperson of the Board, appointed by the Government;

(iii) “Corporation” means the National Logistics Corporation, established under section 3 of this Act;

(iv) “Director General” means the chief executive of the Corporation, appointed under section 11 of this Act;

(v) “Fund” means the fund established under section 13 of this Act;

- (vi) "Infrastructure Development" means services provided by the Corporation, directly or indirectly, on commercial basis or otherwise, for the purpose of developing infrastructure, including building dams, mining, tunneling, hospitals, etc.;
- (vii) "Logistics" means services provided by the Corporation, directly or indirectly, on commercial basis or otherwise, for the purpose of acquiring, procuring, receiving, collecting, transporting, storing, distributing and tendering inter-modal and multi-modal logistics services, operating as, *inter alia*, multi-party service provider including any up-gradation thereof, cargo agent, courier, transporter, freight forwarder, cargo consolidation, and management of dry ports as well as terminal operation;
- (viii) "Logistics Management" means logistics activities, which include *inter alia*, e-commerce, domestic and international transportation management, logistics parks, fleet management, shipment, warehousing, material handling, logistics network design, inventory management, supply and demand planning, and management of third-party logistics services providers, supply chain management, commuter logistics, logistics engineering and training etc.;
- (ix) "Member" means member of the Board;
- (x) "Multimodal" means multiplicity of mediums available for transportation, i.e. by air, sea, rail, land, pipelines, or any other medium;
- (xi) "OIC" means the officer in-charge of the Corporation, serving as the Quartermaster General of Pakistan Army;
- (xii) "Prescribed" means prescribed by the rules, regulations, and policies made under this Act;
- (xiii) "Regulations" means regulations made under this Act; and
- (xiv) "Rules" means the rules made under this Act.

CHAPTER II

ESTABLISHMENT OF NATIONAL LOGISTICS CORPORATION

3. Establishment and Administration of the Corporation.— (1) Upon the commencement of this Act, the National Logistics Corporation shall stand established as a body corporate, with perpetual succession and a common seal, which shall have the power to

acquire, hold and dispose of property, both moveable and immovable, as well as to sue and be sued in its name.

(2) The headquarters of the Corporation shall be at Rawalpindi, and the Corporation may, from time to time, establish other offices at such place as it deems appropriate.

(3) The Corporation, functioning under the policy guidelines of the Government, issued through the Board, shall be headed by the Director General, and shall include such other officers and personnel as may be determined, inducted or appointed by the Director General, from time to time.

CHAPTER III

FUNCTIONS OF THE CORPORATION

4. Functions of the Corporation. — (1) The Corporation shall carry out works and functions, in accordance with the provisions of this Act. In particular, and without prejudice to the generality of the foregoing, the functions of the Corporation shall include—

- (a) carrying out activities, businesses and works, in the field of Logistics, Logistics Management, Infrastructure Development, border terminal operations and other related activities;
- (b) organizing, contracting, and engaging in Multimodal Logistics, Logistics Management, and Infrastructure Development activities, and matters connected therewith, or ancillary thereto;
- (c) engaging, participating, and undertaking projects, related to the Corporation's activities and functions, in and outside of Pakistan, in the public and private sector, through solicitation, open competition, or on government-to-government basis;
- (d) procuring, developing, manufacturing, processing, producing, providing, maintaining and repairing necessary goods, services, equipment, vehicles, spares, and other related items, for the activities envisioned under this Act;
- (e) acquiring, divesting, developing or utilizing assets and property, or interest therein, by acquisition, purchase, rent, lease, or any other mode, for use or utilization by the Corporation;
- (f) establishing, operating, managing and divesting business units, corporate entities, trusts, consortiums, foundations, offices, associations, special purpose vehicles,

joint ventures, and other entities, for the discharge of the Corporation's duties and functions under this Act; and

- (g) carrying out any other works or activities connected therewith, or ancillary thereto.

(2) The Corporation shall also carry out such strategic functions and activities as may be assigned by the Government, through the Board, in accordance with the provisions of this Act, as well as the rules or regulations made hereunder.

CHAPTER IV

MANAGEMENT AND ADMINISTRATION OF THE CORPORATION

5. Constitution of the Board. — (1) There shall be a Board, called the National Logistics Board, of the Corporation.

(2) The Board shall consist of the following Members, namely: -

- (a) Deputy Chairman Planning Commission, Pakistan, – Chairperson;
- (b) Secretary, Defence Division – *Member*;
- (c) OIC – *Member*;
- (d) Secretary, the concerned Division – *Member*;
- (e) Secretary, Ministry of Communication – *Member*;
- (f) Secretary, Revenue Division – *Member*;
- (g) An expert in the field of Logistics – *Member*,
- (h) Director General of the Corporation – *Member-cum-Secretary*; and
- (i) such other members as may be notified by the Government, on the recommendations of the OIC, from time to time.

(3) The Board may stipulate the procedure of its functioning, in accordance with the rules and regulations.

6. Powers of the Board. — (1) The Board shall be responsible for providing strategic guidelines to the Corporation, in accordance with the applicable government policies.

(2) The Government may, through the Board, assign strategic function or task to the Corporation.

(3) The Board may, as deemed appropriate, employ or engage officers, staff, experts, consultants, advisors, public and civil servants, or other personnel, on such terms and conditions as may be determined by the Board, from time to time.

(4) In particular, and without generality of the foregoing powers, the powers of the Board shall include -

- (a) monitoring the operations of the Corporation;
- (b) monitoring the assets and moneys of the Corporation;
- (c) acquiring, holding, managing, and investing proceeds of the Corporation, on the recommendation of the Board;
- (d) holding, encumbering, transferring and disposing off property and assets of the Corporation, on the recommendation of the Board;
- (e) approving or allocating funds, revenues, proceeds, or monies from the Fund, on the recommendations of the Director General, to the Corporation;
- (f) approving the annual revenue and capital budgets of the Corporation on recommendations of the Director General;
- (g) approving and adopting of annual audited financial statements of the Corporation;
- (h) monitoring policies, plans, and programs to be executed by the Director General of the Corporation;
- (i) appointing auditors, on the recommendation of the Board, for the Corporation;
- (j) constituting such committees or co-opting experts, from time to time, as may be considered appropriate by the Board;
- (k) establishing liaison between the Corporation and the Government;
- (l) advising the Government on policy issues relating to the Corporation; and
- (m) carrying out any activity connected therewith, or ancillary thereto, for the purposes of this Act.

Provided that, the Corporation shall obtain prior approval of the Board before commencing any project which is beyond its functions.

(5) For the efficient management of the Corporation, the Board may, from time to time, delegate any of its powers to the OIC.

(6) Subject to such restrictions as may be prescribed, the OIC may exercise any of the powers of the Board:

Provided that, any such exercise of Board's power by the OIC shall be placed before the Board, during the next Board meeting, for validation of the actions.

7. Meetings of the Board. — (1) The Board shall meet at least twice in each financial year.

(2) On the direction of the Chairperson, the OIC or any other officer designated in this regard by the Board, shall call a meeting of the Board.

(3) The Chairperson, and in his absence, the Secretary of the division concerned, shall preside at a meeting of the Board.

(4) The Secretary of the Board shall record and maintain minutes of the meetings of the Board.

(5) The Members of the Board shall have reasonable notice of the date, time, and place of a meeting of the Board, and of each matter on which a decision has to be made:

Provided that, in case of an urgent issue, the requirement of prior notice may be dispensed with by the Chairperson, or any other Member designated by the Chairperson in this regard.

(6) The decision of the Board shall be taken through a majority vote of the attending Members, and in case of a tie, the Chairperson shall have a casting vote.

(7) The quorum for a Board meeting shall be half of the total Members of the Board, the fraction being counted as one:

Provided that no meeting of the Board can take place without the presence of the OIC and Director General.

(8) No act or proceedings of the Board shall be questioned or invalidated merely on the ground of existence of any vacancy or defect in the constitution of the Board.

8. Powers of the Chairperson. — (1) The Chairperson shall be responsible for the general supervision and oversight of the affairs of the Board.

(2) In particular, and without generality of the foregoing powers, the powers of the Chairperson shall include-

- (a) calling a meeting of the Board, in accordance with section 8 of the Act;
- (b) facilitating liaison between the Government and the Corporation; and

- (c) carrying out any activity connected therewith, or ancillary thereto, for the purposes of this Act.

9. Powers of the OIC. — (1) The OIC shall be responsible for the oversight of the affairs of the Corporation, so as to ensure that applicable policy guidelines, issued by the Government, through the Board, are being implemented by the Corporation.

(2) The OIC may, from time to time, delegate any of its powers to the Director General of the Corporation.

(3) In particular, and without generality of the foregoing powers, the powers of the OIC shall include -

- (a) ensuring that applicable policy guidelines, issued by the Government, through the Board, from time to time, are being implemented by the Corporation;
- (b) calling a meeting of the Board, in accordance with Section 8 of this Act;
- (c) facilitating liaison between the Board and the Corporation;
- (d) advising the Board on policy issues relating to the Corporation;
- (e) granting approval to Regulations framed under this Act; and
- (f) carrying out any activity connected therewith, or ancillary thereto, for the purposes of this Act.

10. Appointment of the Director General. — The Prime Minister shall, upon recommendation of the Chief of the Army Staff, appoint a serving Major General of the Pakistan Army on such terms and conditions, as may be determined by the Prime Minister:

Provided that the incumbent Director General of the National Logistic Cell shall continue to serve as Director General of the Corporation, till the next appointment is made by the Prime Minister, under this section.

11. Powers of the Director General. — (1) The Director General, as the chief executive of the Corporation, shall exercise administrative as well as financial powers with regards to the functioning of the Corporation, under this Act.

(2) The Director General shall ensure that the Corporation performs its activities and functions in accordance with the provisions of this Act, as well as the rules and regulations made hereunder.

(3) In particular, and without generality of the foregoing powers, the powers of the Director General shall include: -

- (a) proposing, recommending, and presenting budget estimates of the Corporation, to the Board;
- (b) sanctioning all expenditure provided for in the approved budget, as may be prescribed;
- (c) constituting committees and sub-committees, and assigning specific tasks to the said committees or sub-committees, for performance of the Corporation's functions under this Act; and
- (d) exercising and performing such other powers and functions as may be deemed connected with or ancillary to works and activities of the Corporation, under this Act.

CHAPTER V

FUND, ACCOUNTS AND AUDIT

12. Fund. — (1) The Corporation shall establish a Fund for the purposes of carrying out the powers and functions of the Board and the Corporation under this Act.

(2) The Fund shall consist of-

- (a) loans or grants made to the Corporation;
- (b) monies, aid, grants and loans negotiated or raised or otherwise obtained by the Corporation;
- (c) collections, charges, fees, rentals, revenues, proceeds, or profits from the works and activities of the Corporation;
- (d) income from the sale of moveable or immoveable property;
- (e) funds from floating bonds, shares, debentures, commercial papers, or other securities issued by the Corporation or through any other means;
- (f) income from business activities, investments, receipts;
- (g) any monies, proceeds, or sums received, earned, received or collected by the Corporation; and
- (h) any other income, revenue, proceed or sums arising out of, or in relation to the functions of the Corporation under this Act.

(3) The Fund shall be kept in one or more accounts maintained by the Corporation, in local or foreign currency, and shall be operated, utilized and regulated in such manner, as may be prescribed.

13. Accounts and Audit. — (1) The Corporation shall prepare its budget, with respect to each financial year, and shall maintain complete and accurate books of accounts of their actual expenses, income, payments, receipts, assets and liabilities, in such manner as may be prescribed.

(2) The annual accounts of the Corporation shall be audited by the Auditor General of Pakistan, in terms of Article 169, 170 and 171 and if required from a reputable firm of Chartered Accountants, within the Chartered Accountants Ordinance, 1961 (X of 1961), appointed by the Board.

14. Financial autonomy of the Corporation. — (1) The Corporation may, directly or indirectly, generate, retain, expend and utilize its funds, revenues, rentals, profits or other proceeds, on self-sustaining basis, by itself or in collaboration with other entities, by way of carrying out commercial activities or otherwise, through its works and activities, in performance of its functions under this Act.

(2) Funds, revenues, rentals, profits or other proceeds, which are granted to or have been granted to the Corporation, or are generated by or have been generated by the Corporation, directly or indirectly, shall be and remain the property of the Corporation:

Provided that such funds, revenues, rentals, profits or other proceeds shall be utilized by the Corporation for the development and maintenance of strategic logistical as well as engineering capabilities of Pakistan, in accordance with the provisions of this Act.

CHAPTER VI

STRATEGIC ROLE OF THE CORPORATION

15. Support to Pakistan Army. — In case of internal threat or external aggression, or for the defence and security of Pakistan, the Corporation shall provide support to Pakistan Army, in terms of the functions envisioned under this Act, per instructions and guidelines issued by the Pakistan Army. For this purpose, the Corporation shall, from time to time, participate in exercises, trainings, drills, etc., in coordination with the Pakistan Army:

Provided that the Corporation shall keep confidential, all records, activities, deliberations or other material, relating to provision of support to the Pakistan Army.

16. Directions by the Government in case of emergencies etc. — In case of emergency, extraordinary circumstances, or to achieve strategic objectives, the Government may direct the Corporation to discharge such functions, works or activities as have been set out under this Act, or for matter connected therewith or ancillary thereto.

17. Natural disasters and calamities. — The Government may direct the Corporation to render assistance in case of a natural disaster, calamity, or for matters connected therewith or ancillary thereto.

CHAPTER VII

PRIVILEGES OF THE CORPORATION

18. Exemption during exigencies. — The Government may, in case of internal threat or external aggression, or during exigency or extraordinary circumstances, or for the defence and security of Pakistan, or to achieve strategic objectives, or for the purposes of national development, grant such exemptions or concessions, as it may deem necessary or expedient, to the Corporation. For this purpose, the Government may take all necessary administrative measures, and pass all requisite orders, instructions or notifications.

19. Government contracting. — (1) The Corporation may bid for, seek, apply, solicit or otherwise participate in Government projects and contracts, or part thereof, from time to time, in accordance with applicable law.

(2) Notwithstanding anything contained in this or any other law for the time being in force, the Government may directly award the Corporation any project or contracts under sections 15, 16 and 17 of this Act.

20. Utilization of government lands. — Notwithstanding anything contained in any other law for the time being in force, the Corporation for the support of Armed Forces may occupy and utilize land entrusted to the military, for carrying out the purposes of this Act.

21. Authorities to aid the Board and Corporation. — All executive authorities of the Federation and in the provinces shall render such assistance to the Corporation as may be required for the exercise or performance of the Corporation's activities and functions under this Act.

CHAPTER VIII MISCELLANEOUS

22. Issuance of policy directives. — (1) The Government may, as and when deemed necessary, issue policy directives to the Corporation.

(2) The Board shall, through the Director General, take all necessary steps to ensure that the activities and works of the Corporation, to the extent practicable, are carried out in accordance with the policy directives issued by the Government.

23. Indemnity and Bar of Suit. — No suit, prosecution or legal proceeding shall lie against the Board, the Chairperson of the Board, the OIC, the Director General or other Members, officers, staff, employees, consultants or advisors of the Corporation, in respect of anything done or intended to be done in good faith under this Act, or the rules and regulations hereunder.

24. Employees, members and officers of the Board and Corporation.- (1) The OIC, the Director General, or other Members, officers, staff or employees of the Corporation shall not be deemed to be civil servants under the Civil Servants Act, 1973 (Act No. LXXI of 1973).

(2) The provisions of the Industrial Relations Act, 2012(X of 2012) and the Employee Old-Age Benefits Act, 1976, or any jurisdiction thereunder, shall not apply to matters concerning or relating to the employees, officers, staff or advisors of the Corporation.

25. Overriding effect. — The provisions of this Act shall have effect notwithstanding anything to the contrary contained in any other law, rules or regulations, for the time being in force, and any such law, rule or regulation shall, to the extent of any inconsistency, cease to have effect on the commencement of this Act.

26. Power to make rules. — (1) The Federal Government shall make rules, not inconsistent with this Act, to carry out the purposes of this Act.

(2) Without prejudice to the generality of the foregoing Power, such rules may provide for-

- (a) financial or operational management of the Corporation;
- (b) administrative oversight with regards to various activities of the Corporation; and
- (c) any other matters connected therewith or ancillary thereto.

27. Power to make regulations. — (1) The Board may, with the approval of the Federal Government, make regulations, not inconsistent with this Act and the rules made there under.

(2) Without prejudice to the generality of the foregoing, the regulations may provide: -

- (a) appointing, inducting, removing, or regulating the officers, staff, consultants, or advisors of the Corporation;
- (b) disciplinary proceedings and award of punishments;
- (c) terms and conditions of service for the officers, staff, consultants, or advisors of the Corporation;
- (d) procedure for appointment of members of various committees, as well as the procedure or conduct of such committees; and
- (e) any other matters connected therewith or ancillary thereto.

28. Validation of acts, etc.— All orders made, regulations framed, proceedings taken, and acts done by the National Logistics Board and National Logistics Cell, or by any person appointed by the same, which were made, taken or done, or purported to have been made, taken or done, between the twentieth day of July, one thousand nine hundred and seventy-eight, and the date of promulgation of this Act both days inclusive, in exercise of the powers derived from any President's Orders, Martial Law Regulations, Martial Law Orders, enactments, notifications, rules, orders or by-laws, or in execution of any orders made or sentences passed, in the exercise or purported exercise of powers as aforesaid, shall, notwithstanding any judgment or law, be deemed to be and always to have been validly made, taken or done and shall not be called in question in any court on any ground whatsoever.

29. Transfer and Savings. — (1) On commencement of this Act-

- (a) all funds, properties, rights and interests issued, used, enjoyed, possessed, owned or vested in the National Logistics Board, shall immediately stand transferred to the Board established under this Act;
- (b) all funds, properties, companies, rights and interests issued, used, enjoyed, possessed, owned or vested in the National Logistics Cell, shall immediately stand transferred to the Corporation established under this Act;
- (c) all employees of the National Logistics Board or the National Logistics Cell, shall immediately stand transferred to the Corporation established under this Act, without entitlement to any additional compensation or benefit in lieu thereof;
- (d) the provisions of the Industrial Relations Act, 2012 (X of 2012), shall not apply to matters relating to or arising out of transfer of employees of the National Logistics Board or the National Logistics Cell, to the Corporation; and
- (e) all acts done, actions taken, obligations and liabilities incurred, rights and assets acquired, persons appointed or authorized, jurisdictions or powers conferred, endowments, bequests, funds or trusts created, donations or grants made, orders issued and rules or regulations made by or in relation to the National Logistic Board or the National Logistic Cell, before the commencement of this Act, shall be deemed to have been done, taken, incurred, acquired, appointed, conferred, created, made or issued with respect to the Board or the Corporation, respectively, under this Act.

30. Repeals. — The Planning and Development Division's Notification No. 2(2)Admn.I/70, dated the 9th November, 1979 and the Cabinet Division's Notification No.120/19/78-Min, dated the 12th August, 1978, are hereby repealed.

Statement of Objects and Reasons

This bill seeks to provide the legal framework for establishment, functioning and growth of modern and efficacious logistics services and infrastructure across Pakistan, and for providing, *inter alia*, strategic logistical support to the Armed Forces and the State of Pakistan. Furthermore, this bill aims to consolidate Pakistan's existing legal framework for logistical activity – carried out through the National Logistics Board and the National Logistics Cell – by bringing it within the legal framework of the National Logistics Corporation (hereinafter the “**Corporation**”) – an independent and autonomous body.

The Corporation shall undertake, administer and facilitate logistics activities in the public as well as the private sector. As such, the Corporation's activities shall extend to, *inter alia*, border terminal operations, tolling and infrastructure development. Importantly, the Corporation shall render its assistance to the Government and its instrumentalities, in case of national disasters, calamities, internal threat, or external aggression, whenever called upon to do so in accordance with the provisions of this bill.

Minister-in-Charge