

[AS INTRODUCED IN THE NATIONAL ASSEMBLY]

A

BILL

further to amend the Special Economic Zones Act, 2012

WHEARAS, it is expedient further to amend the Special Economic Zones Act, 2012 (XX of 2012), for the purposes hereinafter appearing;

It is hereby enacted as follows: -

1. Short title and commencement. — (1) This Act shall be called the Special Economic Zones (Amendment) Act, 2026.

(2) It shall come into force at once.

2. Amendment of section 3, Act XX of 2012. - In the Special Economic Zones Act, 2012 (XX of 2012) hereinafter referred to as the said Act, in section 3, for clause (I), the following shall be substituted, namely: -

“(I) “SEZ Authority” means the Federal or, as the case may be, a Provincial SEZ Authority established under section 10;”.

3. Amendment of section 5, Act XX of 2012. - In the said Act, in section 5, in sub-section (2), for the words “the Provincial”, the word “a” shall be substituted.

4. Amendment of section 8, Act XX of 2012. - In the said Act, in section 8, sub-section (2), shall be omitted.

5. Amendment of section 9, Act XX of 2012. - In the said Act, in section 9, -

- (a) in the rider clause, the expression “(1)”, shall be omitted;
and
- (b) in clause (a), the word “Provincial”, shall be omitted.

6. Amendment of section 10, Act XX of 2012. - In the said Act, in section 10, -

- (a) in sub-section (1), after the full stop at the end, the following expression shall be inserted, namely:-

“The Federal Government shall, by notification in the official Gazette, establish a Federal SEZ Authority for the Islamabad Capital Territory and SEZs established by the Federal Government.”;

- (b) in sub-section (3), after the word “Each”, the word “Provincial” shall be inserted; and
- (c) in sub-section (4), the words “in its respective Province”, shall be omitted.

7. Amendment of section 12, Act XX of 2012. --- In the said Act, in section 12, for sub-section (1), the following shall be substituted, namely: -

“(1) Where a SEZ is proposed to be established by a Province, the zone application shall be submitted to the BOA by the SEZ Authority of that Province. Where a SEZ is proposed to be established by the Federal Government, the zone application shall be submitted to the BOA by the Federal SEZ Authority.”.

8. Amendment of section 13, Act XX of 2012. - In the said Act, in section 13, -

- (a) in sub-section (1), for the words “a developer”, the words “one or more developers” and for the full stop, at the end, a colon



shall be substituted and thereafter the following proviso shall be added, namely: -

“Provided that more than one developer shall only be selected where the area of the zone is at least one thousand acres and each developer is allotted at least five hundred acres therefrom.”, and

- (b) in sub-section (5), the word “jointly” shall be omitted and after the word “and”, the words and comma “where an SEZ is proposed to be established by a Province, also” shall be inserted.

9. Amendment of section 15, Act XX of 2012. - In the said Act, in section 15, in sub-section (1), after the word “Authority”, the words “of the territory or Province” shall be inserted.

10. Amendment of section 16, Act XX of 2012. - In the said Act, in section 16, in sub-section (1), -

- (a) in clause (c), for the words “at least”, the word “upto” shall be substituted; and

- (b) in clause (i), for the word “Provincial”, the word “concerned” shall be substituted.

11. Amendment of section 17, Act XX of 2012. - In the said Act, in section 17, in clause (n), after the words “Provinces”, the words “or territories” shall be inserted.

~~12. Amendment of section 21, Act XX of 2012.~~ - In the said Act, in section 21, in sub-section (2), in clause (iv), the word "Provincial" shall be omitted.

13. **Amendment of section 22, Act XX of 2012.** - In the said Act, in section 22, -

- (a) in sub-section (2), for the word "Provincial", the word "concerned" shall be substituted; and
- (b) sub-section (7), shall be omitted.

14. **Amendment of section 24, Act XX of 2012.** In the said Act, in section 24, in sub-section (2), for the words "SEZ Authority of the relevant Province", the words "relevant SEZ Authority" shall be substituted.

15. **Amendment of section 27, Act XX of 2012.** - In the said Act, in section 27, in sub-section (1),

- (a) for clause (i), the following shall be substituted, namely: -
 - "(i) the Federal and Provincial Governments to ensure, at government expense in the case of SEZs established on public land or by public sector entities, the provision of road access, all utilities including electricity, gas, telecommunication services and other essential facilities upto the designated zero point within one year of the notification of the SEZ. The BOA may, on a case by case basis, also allow such provision at government expense for SEZs established by private parties; as per criteria approved by it; and
- (b) clause (ii) shall be omitted.

16. Amendment of section 29, Act XX of 2012. - In the said Act, in section 29, in sub-section (3), in clause (i), after the words "Province", the words "or territory" shall be inserted.

17. Amendment of section 37, Act XX of 2012. - In the said Act, in section 37, for clause (b), the following shall be substituted, namely: -

"(b) exemption from all taxes on income for enterprises commencing commercial production for the next ten years or until the thirtieth day of June 2035, whichever is earlier."

18. Amendment of section 38, Act XX of 2012. In the said Act, for section 38, the following shall be substituted, namely:

"38. Establishment of Special Economic Zone Appellate Tribunal.- (1) A Special Economic Zone Appellate Tribunal shall be established and no court shall take cognizance of any legal dispute under this Act or the rules or regulations made thereunder to which the jurisdiction of the Special Economic Zone Appellate Tribunal extends.

(2) Notwithstanding anything contained therein, the Federal Government may, by notification in the official Gazette, designate an existing tribunal established under any other law to exercise the powers and perform the functions of the Special Economic Zone Appellate Tribunal under this Act.

(3) The Tribunal constituted under sub-section (1) shall have exclusive jurisdiction to determine all matters pertaining to this Act, any rules or regulations made pursuant to this Act and the operation and implementation this Act or such rules or regulations by any person or body empowered by, under or by virtue of this Act or such rule or regulation, including without limiting the generality of the foregoing, the exercise of powers and functions by the BOA, Approval Committee, BOI,

~~SEZ Authority, SEZ Committee or an interim administrator appointed by~~
an SEZ Authority:

Provided that the foregoing shall not include service matters pertaining to civil servants as defined in the Civil Servants Act, 1973 (LXXI of 1973).

(4) The Tribunal shall consist of a chairman and two other members. The chairman and members shall be appointed by the Federal Government on such terms and conditions as it may determine.

(5) The Chairman of the Tribunal shall be advocate of known integrity and competence with at least twenty years of experience in commercial matters and the members of the tribunal shall be persons of known integrity and having professional experience of at least ten years in the field of law, economic technology or finance, coupled with experience of the industrial section.

(6) The Chairman and members of the Tribunal constituted under sub-section (1) shall hold office for a period of three years and shall be eligible for reappointment for a similar term or terms or until attaining the age of sixty-eight years in case of the chairman and sixty-two years in the case of a member, whichever is earlier.

(7) The Tribunal shall decide a matter expeditiously but not later than three months of its filing before the said tribunal.

Explanation.- It is clarified that the timeframe for rendering a decision within three months is mandatory and not directory.

(8) The Tribunal for the purpose of deciding an appeal be deemed to be a civil court and shall have all the powers vested in such court under the Code of Civil Procedure, 1908 (Act V of 1908) and judgements of such tribunal shall be deemed to be decree of a civil court issued under Act V of 1908.

(9) Any person aggrieved by an order, judgement or decree of the Tribunal under this section may prefer an appeal to the Supreme Court of Pakistan within sixty days.”.

Muhammad Rafiq
SO-(Legislation)
Thursday, 08 January, 2026, 11:9:49 AM

STATEMENT OF OBJECTS AND REASONS

“Special Economic Zones (Amendment) Act, 2028”

The purpose of the amendments is to encourage development of Special Economic Zones by fostering incentives, instituting an investor friendly framework and providing an expeditious dispute resolution procedure.

2. The bill is aimed to achieve the above stated objects.



(Qaiser Ahmed Sheikh)
Federal Minister for Board of Investment