

# [AS PASSED BY THE NATIONAL ASSEMBLY]

A

Bill

*to provide for establishment of the Pakistan National Accreditation Council*

**WHEREAS** it is expedient to establish the Pakistan National Accreditation Council for accreditation of Conformity Assessment Bodies enabling them to assure the quality of products, services and management system in accordance with the international and national standards for sustainable socio-economic development;

It is hereby enacted as follows:-

**1. Short title, extent and commencement.**—(1) This Act may be called the Pakistan National Accreditation Council Act, 2016.

(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,—

(a) “**Board**” means the Board of Governors constituted under section 7;

(b) “**Chairman**” means the Chairman of the Board;

(c) “**Conformity Assessment Body**” means a body that performs conformity assessment services which may form the object of accreditation;

(d) “**Council**” means Pakistan National Accreditation Council established under section 3;

(e) “**Director - General**” means the Director-General of the Council;

(f) “**Executive Committee**” means the Committee constituted under section 11;

(g) “**MLA**” means multilateral recognition arrangements;

(h) “**MRA**” means mutual recognition arrangements;

(i) “**prescribed**” means as prescribed by rules made under this Act; and

(j) “**rules**” means rules made under section 26.

**3. Establishment of the Council.**—(1) On the commencement of this Act, there shall stand established a Council to be known as Pakistan National Accreditation Council.

(2) The Council shall be a body corporate having perpetual succession and a common seal, with powers, subject to the provisions of this Act, to acquire and hold property, and shall by the said name sue and be sued.

(3) The Headquarters of the Council shall be at Islamabad and it may, with the prior approval of the Federal Government, set up offices at other places as and when required.

**4. Functions of the Council.**—The Council shall,—

- (a) establish an internationally recognized accreditation system;
- (b) make policies, schemes, procedures and guidelines for provision of accreditation services in line with national and international standards;
- (c) provide training on accreditation standards to the Conformity Assessment Bodies and other stakeholders;
- (d) accredit the Conformity Assessment Bodies;
- (e) co-ordinate with National, Regional and International Organizations for effective implementation of Accreditation System; and
- (f) perform any other function related to the accreditation system.

**5. Management of the Council.**—The management of the Council shall comprise,—

- (a) Board of Governors;
- (b) Executive Committee; and
- (c) Director- General.

**6. Board of Governors.** —The general control and superintendence of the affairs of the Council shall vest in the Board.

**7. Composition of the Board of Governors.** — (1) The Board of Governors shall consist of following:-

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|----|--|----------------------|
| a. | Minister for Science and Technology.   | <i>Chairman</i>      |
| b. | Secretary Science and Technology Division.   | <i>Vice-Chairman</i> |
| c. | Secretary Commerce Division, or his nominee not below the rank of Joint Secretary.   | <i>Member</i>        |
| d. | Secretary Industries Division, or his nominee not below the rank of Joint Secretary. | <i>Member</i>        |
| e. | Secretary National Food Security and Research  | <i>Member</i>        |

Division, or his nominee not below the rank of Joint Secretary.

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|----|---|---------------|
| f. | Secretary National Health Services, Regulation and Coordination Division, or his nominee not below the rank of Joint Secretary. | <i>Member</i> |
| g. | President Federation of Pakistan Chambers of Commerce and Industry or his nominee.  | <i>Member</i> |
| h. | Presidents Provincial Chamber of Commerce and Industry or their nominees.   | <i>Member</i> |
| i. | Director-General.   | <i>Member</i> |

(2) The Director-General shall also act as the Secretary of the Board.

**8. Functions and powers of the Board.—**The Board shall,—

- (a) review and approve annual and long term plans, policies and schemes of the Council;
- (b) approve the annual development and non-development budgets of the Council,
- (c) create, abolish or re-designate any post, or engage consultants or experts from time to time on such pay or remuneration, other allowances and terms and conditions, as it may deem necessary for efficient performance of the functions of the Council, and as may be prescribed; and
- (d) determine service fee for the services rendered or offered by the Council.

**9. Terms of office of members.—**(1) Save as hereinafter provided, a person, who becomes or is nominated to be, a member by virtue of his holding an office or appointment, shall cease to be a member as and when he ceases to hold that office or appointment.

(2) No act or proceeding of the Board shall be invalid on the ground only of the existence of a vacancy in the Board.

(3) The Federal Government may, by notification in the Official Gazette increase or decrease the number of members of the Board.

**10. Meetings of the Board.—**(1) Save as hereinafter provided, the Board shall regulate the procedure for its meetings.

(2) Meetings of the Board shall be called by its Chairman and in his absence by the Vice-Chairman on such dates, time and places as he may deem fit, provided that at least one meeting shall be held in a calendar year.

(3) At least five members shall constitute quorum for a meeting of the Board.

(4) Each meeting of the Board shall be presided over by the Chairman and, in his absence, by the Vice-Chairman.

**11. Executive Committee of the Board.**—(1) Notwithstanding anything contained in this Act, the Executive Committee shall take decisions on behalf of the Board subject to ratification by the Board at its meeting immediately following the meeting of the Executive Committee, unless otherwise authorized by the Board.

(2) The Executive Committee shall comprise the following members, namely:-

(a) Director-General Convener

(b) dealing officer not below the rank of Joint Secretary Member  
of the Division controlling the subject matter of  
Science and Technology

(c) Deputy Director General, Council Member

(3) Subject to the provisions of this Act and rules made in this behalf and such general or special directions as may, from time to time, be given by the Board, the Executive Committee shall deal with any matter as authorized by the Board.

**12. Director General.**—(1) The Federal Government shall appoint a Director General of the Council, for a term of four years, extendable further for another term, on terms and conditions as may be prescribed.

(2) The person having MS or MSc. degree in natural or physical sciences, or equivalent in engineering sciences from HEC recognized University, with at least fifteen years experience in management at top level position including five years experience in the field of accreditation, shall be eligible to be appointed as Director-General

**13. Powers and functions of the Director-General.**—(1) The Director-General, who shall be the Chief Executive Officer of the Council, shall work under the general policy guidelines of the Board and have such powers, functions and duties as may be conferred upon or vested in him under this Act. The Director-General shall,—

(a) develop policies and business plans relating to the operations of the Council;

(b) supervise the implementation of the policies and the procedures;

(c) approve the award of accreditation and use of accreditation mark;

(d) suspend, withdraw and or reduce scope of accreditation when an accredited Conformity Assessment Body has persistently failed to meet the requirements of accreditation or to abide by the rules for accreditation;

(e) supervise the finances of the Council;

(f) make contractual arrangements to undertake the functions of the Council;

- (g) Propose nomination of employees up-to BPS – 21 or equivalent, for foreign trainings, seminars, work-shops, symposia, meetings etc, for approval by the competent fora;
- (h) plan and take measures to enhance the scope of accreditation and acquire MRA or MLA status on such scope;
- (i) ensure participation in international obligatory meetings and trainings;
- (j) ensure the protection of all assets of the Council including intellectual property assets;
- (k) arrange for annual or any other report of the Council as may be desired by the Federal Government;
- (l) identify areas of strength and weakness and formulate remedial programs; and
- (m) subject to the provisions of clause (c) section 8, appoint such officers, consultants, experts, and employees as may be necessary for the efficient performance of the Council on such terms and conditions as may be prescribed.

(2) The Director-General may in general or specific delegate his powers to the committee or individuals as he may deem necessary.

**14. Funds of the Council.**—(1) The funds of the Council shall consist of,—

- (a) grants made by the Federal Government;
- (b) grants from national and international agencies;
- (c) funds generated through its own resources; and
- (d) the Funds which shall stand transferred to the Council under Clause (a) of section 24.

(2) The Council shall not accept any financial support that may affect the impartiality and objectiveness of the accreditation process.

**15. Budget and accounts.**—(1) The Council shall, by such date and in such form as may be prescribed, submit to the Government its budget, for each financial year for approval.

(2) The Director-General shall, submit annual budget and accounts of the Council, to the Board.

(3) The accounts of the Council shall be maintained in such form and procedure as may be determined by the Government.

(4) Internal audit of the accounts shall be conducted regularly once in a year or <sup>six months</sup> as and when deemed necessary by the Executive Committee.

(5) The audited accounts shall be finalized and laid before the Board as soon as possible, but not later than one year, after close of each financial year.

(6) The accounts of the Council shall be audited by the Auditor-General of Pakistan.

**16. Grant of accreditation.**—(1) The Council shall complete the assessment process of a Conformity Assessment Body and make a decision whether or not to grant accreditation within the prescribed time.

(2) The Council shall grant and renew accreditation to a Conformity Assessment Body on successful completion of assessment process and authorize the use of mark of the Council.

**17. Prohibition of improper use of marks.**—(1) No person shall in relation to any article, product, process or service or in any trademark or design, use the Council's mark to give that impression, except under a valid registration certificate issued by the Council or its authority.

(2) Subject to section 18, any person or a group who contravenes provision of sub-section (1) shall be liable for punishment by the court to the extent that any financial gain in respect of which the contravention is established shall be forfeited to the Council.

**18. Punishment for improper use of Council mark.**—(1) Any person who contravenes the provisions of sections 17 shall, in addition to the punishment specified under sub-section (2) of section 17, be punishable with imprisonment of either description for a term which may extend to one year, or with a fine extending upto one million rupees, but shall not be less than one hundred thousand rupees, or with both.

(2) A Court convicting a person under this section may direct that any articles in respect of which the contravention was made shall be forfeited to the Government.

**19. Cognizance of offences by courts.**—No court inferior to that of a Magistrate of the First Class shall try any offence punishable under this Act.

**20. Appeal.**—(1) Any person aggrieved by an order passed under section 17 and 18 may prefer an appeal to the Court of Sessions within thirty days of the date of the order.

(2) The appeal shall be presented in such form and manner and within such time and on payment of such fee as may be prescribed.

(3) The Court of Sessions shall, in dealing with appeals under this section, follow the procedure specified in the Code of Criminal Procedure, 1898 (V of 1898).

**21. Submission of reports, etc.**—The Council shall submit to the Federal Government, at such time and at such intervals as the Federal Government may specify,—

(a) annual reports on the working of the Council;

- (b) such periodical reports and summaries as may be required by the Federal Government;
- (c) such periodical returns, accounts, statements and statistics as may be required by the Federal Government;
- (d) information and comments asked for by the Federal Government on any specific point;
- (e) copies of the documents required by the Federal government; and
- (f) original documents required by the Federal government for examination or any other purpose.

**22. Directives from the Federal Government.**—The Council shall follow and carry out all such directives and orders issued by the Federal Government in writing, as may be issued from time to time, as it may consider necessary for carrying out the purposes of this Act.

**23. Employees of the Council to be public servants.**—The employees of the Council shall, when acting or purporting to act in pursuance of any of the provisions of this Act, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code (XLV of 1860).

**24. Savings.**— Upon the commencement of this Act, the National Accreditation Council established *vide* Ministry of Science and Technology's Notification No. 3(99)/97-S.O (T) NAC, dated the 5<sup>th</sup> March, 1998, shall stand dissolved and upon such dissolution,—

- (a) all assets, rights, powers, authorities, privileges and property, movable and immovable, cash and bank balance, reserve funds, investments and all other interests and rights in, liabilities and obligations of whatever kind of the Council subsisting immediately before its dissolution shall stand transferred to and vest in the Council;
- (b) all employees of the Council shall, notwithstanding anything contained in any law, any agreement, deed, document or other instrument, stand transferred to the Council in accordance with the present terms and conditions of the service applicable to them, and no officer or other employee whose services are so transferred shall be entitled to any compensation because of such transfer:

Provided that an irrevocable option shall be given to the employees of the Council to opt either to retain the status and terms and condition which they have as civil servants or to opt to the employment of the Council:

Provided further that those who opt to continue as civil servants shall continue as such in the manner prescribed;

- (c) all debts and obligations incurred or contracts entered into or rights acquired and all matters and things engaged to be done by, with or for the Council established under the resolution before its dissolution shall be deemed to have been incurred, entered into, acquired or engaged to be done by, with or for the Council;

- (d) all suits and other legal proceedings instituted by or against the Council established under the resolution, before its dissolution shall be deemed to be suits and proceedings by or against the Council and may be dealt with accordingly; and
- (e) all actions done by the Council before the commencement of this Act shall be deemed to be done under this Act.

**25. Act to override all other laws.** —The provisions of this Act shall override all other laws for the time being in force.

**26. Power to make rules.**—The Federal Government may, by notification in the official Gazette, make rules, for carrying out the purposes of this Act.

**27. Removal of difficulty.** —If any difficulty arises in giving effect to any of the provisions of this Act, the Federal Government may make such order, not inconsistent with the provisions of this Act, as it may appear it to be necessary or expedient for the purpose of removing such difficulty:

Provided that no such power shall be exercised after the expiry of two years from the commencement of this Act.

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**STATEMENT OF OBJECTS AND REASONS FOR THE ESTABLISHMENT OF  
PAKISTAN NATIONAL ACCREDITATION COUNCIL (PNAC)**

The Ministry of Science & Technology established the National Accreditation Council (NAC), with the approval of the competent authority, vide Notification No 3(99)/97-S.O(T), dated 05-03-1998, with the aim to establish an internationally recognized accreditation system, to accredit conformity assessment bodies including Laboratories, Certification Bodies and Inspection agencies etc. to address the non-tariff barriers to trade. Till now, PNAC has accredited 72 conformity assessment bodies and achieved International recognition. This institutional mechanism is also helping in complying with the TBT and SPS agreements of the World Trade Organization (WTO) and improve the quality of product and services for socio economic development in general and for the enhancement of exports in particular.

2. The functions of PNAC include public service activities and require statutory cover. Therefore, to provide legal cover for the activities of the Council and also to fulfill the international requirements, it is essential to provide for the establishment of Pakistan National Accreditation Council, through an Act of Parliament.

**Rana Tanveer Hussain  
Minister for Science & Technology**