

# NATIONAL ASSEMBLY SECRETARIAT

## REPORT OF THE STANDING COMMITTEE ON PLANNING, DEVELOPMENT AND SPECIAL INITIATIVES ON THE PUBLIC PRIVATE PARTNERSHIP AUTHORITY (AMENDMENT) BILL, 2020

I, Chairman of the Standing Committee on Planning, Development and Special Initiatives, have the honor to present this report on the Public Private Partnership Authority (Amendment) Bill, 2020 (Government Bill) referred to the Committee on 27<sup>th</sup> July, 2020.

2. The Committee consists the following: -

1.	<b>Mr. Junaid Akbar</b>	<b>Chairman</b>
2.	Mr. Sher Akbar Khan	Member
3.	Mr. Saleh Muhammad	Member
4.	Mr. Shaukat Ali	Member
5.	Syed Faiz-ul-Hassan	Member
6.	Mr. Nawab Sher	Member
7.	Mr. Muhammad Ibrahim Khan	Member
8.	Sardar Nasrullah Khan Dreshak	Member
9.	Dr. Seemi Bokhari	Member
10.	Mr. Imran Khattak	Member
11.	Chaudhry Salik Hussain	Member
12.	Mr. Muhammad Sajjad	Member
13.	Mr. Ahsan Iqbal Chaudhary	Member
14.	Mr. Muhammad Junaid Anwar Chaudhary	Member
15.	Sardar Muhammad Arfan Dogar	Member
16.	Ms. Shaza Fatima Khawaja	Member
17.	Syed Murtaza Mahmud	Member
18.	Mr. Naveed Dero	Member
19.	Syed Agha Rafiullah	Member
20.	Mr. Abdul Shakoor	Member
21.	Mr. Asad Umar	Member
	Minister for Planning, Development & Special Initiatives	Ex-officio Member

3. The Committee considered the Bill, placed at Annex-A, in its meetings held on 09.09.2020 and 30.09.2020. The Committee made the following amendments therein:-

1) **CLAUSE 3**

In clause-3, sub-clause 2;

- i). In paragraph (e), for the expression, "an agreement", occurring at the end, the expression, "a public private partnership agreement" shall be substituted.
- ii). In paragraph (m), the expression, "and shall exclude such companies, institutions or corporate bodies in which the Federal Government holds a controlling equity interest, either directly or indirectly" shall be deleted.

2) **CLAUSE 6**

- 1) In clause 6; in sub-clause (b);

- i). In sub-paragraph (ii) in entry (g), the expression, "in respect of qualified projects" shall be omitted.
- iii) in sub-paragraph (ii) in entry (h) the word, "qualified", occurring in the third line, shall be omitted.

3).

**CLAUSE 7**

In clause 7, in sub-clause (e), after the expression, "from the Finance Division", occurring in the third line, the expression, "and decisions of the Board shall be made with the majority of members of the Board present" shall be inserted.

4).

**CLAUSE 8**

In clause 8, sub-clause (b) shall be substituted with the following, namely:-  
"(b) in sub-section (2), for the word, "Board", occurring for the second time, the word, "Authority", shall be substituted.

5).

**CLAUSE 14**

In clause 14, in proposed Section in 12A, sub-section (2), for the expression, "may be prescribed by the Authority in consultation with the Finance Division", the expression, "may be determined by Finance Division in consultation with the Authority" shall be substituted.

6).

**CLAUSE 17**

In clause 17, in proposed section 14A;

- i) In sub-section (1), the proviso should be substituted by the words, "in accordance with this Act".
- ii) In sub-section (3), the expression "and arrangements including but not restricted to user fees, subsidies, revenue shortfall guarantees and may allocate budget and appropriate monies for such purposes" shall be omitted.
- iii) After sub-section (3), following new sub-section (4) shall be added, namely:  
"(4) A private party may submit a proposal for a project on an unsolicited basis to the Authority or an implementing agency in the manner and meeting such requirements as prescribed, which shall be subject to the procurement procedures prescribed from time to time."

7).

**CLAUSE 18**

In clause 18, after sub-clause (b), following new sub-clause (c) shall be added, namely:-  
"(c) sub-section (3) shall be omitted."

8).

**CLAUSE 20**

In clause 20, sub-clause (c), shall be omitted and the remaining sub-clauses shall be re-numbered accordingly.

9).

**CLAUSE 21**

Clause 21, shall be substituted with the following, namely:-

**"21. Substitution of section 18, Act VIII of 2017.-** In the said Act for section 18, the following section shall be substituted, namely:-

**"18. Settlement of disputes.-** (1) All disputes arising between an implementing agency and private party shall be decided in accordance with the terms and conditions of the public private partnership agreement.

Provided that the Federal Government may, subject to such conditions as it may deem appropriate to prescribe, including with respect to any time limit, require that the

private party submit its claim before the relevant domestic courts or administrative bodies in order to exhaust domestic remedies before seeking recourse to international arbitration.

Provided further that the aforesaid requirement shall be applicable only to public private partnership agreements executed after the Federal government has prescribed the requirement.

(2) Dispute may also be referred to the Authority to facilitate their resolution and settlement by mediation. Recourse to such mediation shall be governed by prescribed rules regulations.

(3) Neither the private party nor its agents, its contractor or sub-contractors shall stop, impede, suspend, either in whole or in part, or cause the suspension of or otherwise delay the provision of, the services to the users on account of pendency of any dispute under public private partnership agreement”.

10).

**CLAUSE 24**

In clause 24, in sub-clause (b), for the word, “implanting” the word, “implementing” shall be substituted.

11).

**CLAUSE 30**

After clause 30, following new clause 31 shall be added, namely.-

“31. Addition of section 30, Act VIII of 2017.- In the said Act, after section 29 added as aforesaid, the following new section 30 shall be added namely.-

“30. Authority to be exempted from taxation.- (1) Notwithstanding anything contained in any other law, for a period of five years starting from the commencement of the Public Private Partnership Authority (Amendment) Act, 2020, the Authority shall be exempted from income tax.

(2) The Federal Government may, by notification in the official Gazette, extend the exemption mentioned in sub-section (1) to such extent and on such terms and conditions as it may deem appropriate.”

4. The Committee recommends that the Bill as amended placed at Annex-B, may be passed by the National Assembly.

Sd/-

(TAHIR HUSSAIN)

Secretary

Islamabad, the 21<sup>st</sup> October, 2020.

Sd/-

(JUNAID AKBAR)

Chairman

Standing Committee on Planning,  
Development and Special Initiatives

**(AS INTRODUCED IN THE NATIONAL ASSEMBLY)**

*[Published in the Gazette of Pakistan, Extraordinary, Part-I, dated the 7th July, 2020]*

**ORDINANCE NO. VIII OF 2020**

AN

**ORDINANCE**

*to amend the Public Private Partnership Authority Act (VIII of 2017)*

WHEREAS it is expedient to amend the Public Private Partnership Authority Act, 2017 (VIII of 2017) for the purposes hereinafter appearing;