

[TO BE INTRODUCED IN THE NATIONAL ASSEMBLY]

A

BILL

*to establish the Export-Import Bank of Pakistan for the promotion of international trade*

Whereas it is expedient and in the public interest to establish the Export-Import Bank of Pakistan, as the official export credit agency of the country to support, develop and promote international trade and the Islamic Republic of Pakistan's competitiveness in the international market-place by inter alia providing trade financing, trade credit insurance, equity participation, trade services and to provide for matters connected therewith or incidental thereto;

It is hereby enacted as follows:—

CHAPTER I  
PRELIMINARY

1. **Short title, extent and commencement.**- (1) This Act shall be called the Export-Import Bank of Pakistan Act, 2021.

(2) It extends to the whole of Pakistan.

(3) This Act shall come into force with immediate effect, save for sections 36 and 37 which shall, to the extent provided therein, come into force on the date of the notification issued by the Federal Government or the respective Provincial Governments.

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

- (i) "Bank" means the Export-Import Bank of Pakistan established under section 3;
- (ii) "Board" means the Board of Directors of the Bank;
- (iii) "chairman" means the chairman of the Board;
- (iv) "director" means a member of the Board and shall include the President of the Bank;
- (v) "entity" means any entity other than a natural person and shall include a company, sole proprietorship, a partnership or association of persons, a trust, body corporate, society and foreign agencies;
- (vi) "equity participation" means participation by the Bank in a trade investment by way of an equity investment in an entity in or outside Pakistan;
- (vii) "export" shall have the same meaning assigned to it under the Imports and Exports (Control) Act, 1950 (XXXIX of 1950);

- (viii) "finance" shall have the same meaning assigned to it under the Financial Institutions (Recovery of Finances) Ordinance, 2001 (XLVI of 2001);
- (ix) "financial institution" shall have the same meaning assigned to it under the Financial Institutions (Recovery of Finances) Ordinance, 2001 (XLVI of 2001);
- (x) "foreign agencies" means any national, provincial, state or local government of a foreign country or any political sub-division and any agency thereof, including but not limited to a foreign export credit agency;
- (xi) "import" shall have the same meaning assigned to it under the Imports and Exports (Control) Act, 1950 (XXXIX of 1950);
- (xii) "international trade" means the export or export-oriented import of goods and services to and from Pakistan in accordance with laws for the time being in force and shall include re-export and merchanting trade;
- (xiii) "international trade schemes" means any existing or future funds, schemes and programs that are launched and implemented for the support, development and promotion of international trade;
- (xiv) "negotiable instrument" shall have the same meaning as is assigned to it under the Negotiable Instruments Act, 1881 (XXVI of 1881);
- (xv) "person" includes a natural person or any legal entity, in or outside Pakistan;
- (xvi) "prescribed" means prescribed by rules or regulations made under this Act;
- (xvii) "President" means the chief executive officer of the Bank appointed under section 15;
- (xviii) "private sector director" means a director appointed under section 17;
- (xix) "prudential regulations" means the rules, regulations, directions, orders and circulars issued, from time to time, by the State Bank under the Banking Companies Ordinance, 1962 (LVII of 1962) and any other law administered by the State Bank and constituting the regulatory framework applicable to the Bank;
- (xx) "regulations" means regulations made under section 43;
- (xxi) "rules" mean the rules made under section 42;
- (xxii) "securities" shall have the same meaning as is assigned to it under the Companies Act, 2017 (XIX of 2017);
- (xxiii) "security interest" means an interest in a or a charge on property by way of mortgage, lien, pledge or otherwise taken to secure the payment or performance of an obligation;
- (xxiv) "State Bank" means the State Bank of Pakistan established under the State Bank of Pakistan Act, 1956 (XXXIII of 1956) and being the central bank of the Islamic Republic of Pakistan;
- (xxv) "trade credit insurance" means a transaction to provide conventional or *Shariah* compliant insurance or reinsurance to any person in relation to risks associated with international trade or a trade investment;

- (xxvi) **"trade financing"** means a transaction to provide conventional or *Shariah* compliant finance to any person in relation to international trade or a trade investment;
- (xxvii) **"trade investment"** means an investment transaction, by way of debt or equity, by any person in or outside Pakistan for the establishment, expansion or acquisition of, or technology transfer, technical cooperation or development of intellectual property in relation to, an export or export oriented or import substituting business or industry; and
- (xxviii) **"trade services"** means a transaction to provide advisory, consulting or other support services to any person in connection with international trade or a trade investment.

## CHAPTER II

### ESTABLISHMENT OF THE BANK

**3. Establishment of the Bank.**- (1) On commencement of this Act, the Export-Import Bank of Pakistan shall stand established.

(2) The Bank shall be a body corporate having perpetual succession and a common seal, and shall by the said name sue and be sued.

(3) The head office of the Bank shall be situated in Islamabad, or at such other place as the Federal Government may, by notification in official Gazette, specify. The Bank may establish branches and offices anywhere in or outside Pakistan.

**4. Bank deemed a financial institution.**- Immediately on the commencement of this Act, the Federal Government shall, by notification in the official Gazette, declare the Bank as a financial institution under section 3A of the Banking Companies Ordinance, 1962 (LVII of 1962).

**5. Dissolution and Transfer of assets of EXIM Bank of Pakistan Limited.**-(1) Notwithstanding anything contained in the Companies Act, 2017 (XIX of 2017) and any other Pakistan law for the time being in force, the Federal Government shall, by an order published in the official Gazette, transfer to the Bank the whole of the undertaking of the existing EXIM Bank of Pakistan Limited.

(2) The order under sub-section (1) shall provide for-

- (a) that all the assets, rights, powers, authorities, privileges and all properties, movable and immovable, cash and bank balances, reserve funds, investments and all other interests and rights in, or arising out of such properties and all, or part of, debts, liabilities and obligations of whatever kind of the existing Export-Import Bank of Pakistan Limited subsisting immediately before the date of the order shall stand transferred to and vest in the Bank;
- (b) that all the contracts entered into, or the rights, licences, approvals and consents acquired and all matters and things engaged to be done by, with or for the existing Export-Import Bank of Pakistan Limited before the date of the order shall be deemed to have been incurred, entered into, acquired or engaged to be done by, with or for the Bank, as the case may be;
- (c) that all suits and other legal proceedings instituted by or against the existing Export-Import Bank of Pakistan Limited before the date of the order shall be deemed to be suits and proceedings instituted by or against the Bank as the case may be and be dealt with accordingly; and

(d) that the continuance of the services of all the permanent employees (excluding personnel on secondment, deputation or probation) of the EXIM Bank of Pakistan Limited in the Bank on not less favorable than the existing terms and conditions of their services, rights and privileges and other matters as were applicable to them before the date of the order.

(3) Upon issuance of the order under sub-section (1), the registrar of companies shall strike off the name of Export-Import Bank of Pakistan Limited which shall, with effect from the date of the order, cease to exist.

(4) Notwithstanding any law for the time being in force, transfer of any property, asset or liability pursuant to the said order shall not constitute a conveyance, novation or assignment, and no fees, taxes, levies, stamp duties or any other charges shall be payable by the Bank or the EXIM Bank of Pakistan Limited on the transfer and vesting of the whole or any part of the undertaking and property and liabilities of existing EXIM Bank of Pakistan Limited to the Bank pursuant to the order issued under sub-section (1).

### CHAPTER III

#### CAPITAL OF THE BANK

**6. Share capital of the Bank.**- (1) The authorized share capital of the Bank shall be one hundred billion Rupees, or such other amount as the Federal Government may, from time to time, specify by notification in the official Gazette, and shall be divided into ten billion shares of a par value of Rupees ten billion each.

(2) The initial paid up capital of the Bank shall be ten billion Rupees divided into one billion fully paid up shares at par value which shall be wholly subscribed by the Federal Government.

(3) On the recommendation of the Board, the paid-up capital of the Bank may, from time to time, be increased through subscription of shares by the Federal Government for such amount and on such terms as the Federal Government may approve.

(4) The Federal Government shall, at all times, be the sole shareholder of the Bank.

**7. Borrowings.**-The Bank may, for the purposes of the Bank's business, borrow in local or foreign currency on such terms and conditions as may be prescribed by the Board and subject to the provisions of other laws, from the following sources, namely-

(a) the Federal Government;

(b) international bilateral and multilateral agencies;

(c) financial institutions;

(d) the public by issuing, on its own or through a wholly owned or controlled subsidiary, securities in or outside Pakistan; or

(e) through such other means as may be permitted under the prudential regulations or is otherwise approved by the State Bank.

**8. Reserves and provisions.**-The Bank may, in accordance with the prudential regulations, establish one or more general or special purposes reserves or provisions out of which may be paid any losses sustained by the Bank in the conduct of its business.