

[AS PASSED BY THE MAJLIS-E-SHOORA (PARLIAMENT)]

A

Bill

to provide for promotion and protection of certain qualified foreign investments and for matters incidental thereto

WHEREAS it is expedient and in the national interest to attract, encourage, and protect, large scale foreign investment into Pakistan and to ensure sustainable economic activity and growth;

AND WHEREAS it is necessary to improve the investment climate in Pakistan by way of providing incentives in direct and indirect taxes and ease of transfer and repatriation of foreign investments to the large scale foreign investments and by protecting such incentives from withdrawal;

AND WHEREAS it is essential for the Federal Government, the Provincial Government, the local governments and other relevant authorities to work together and cooperate to ensure provision of incentives and protection to the Qualified Investments;

AND WHEREAS the Provincial Assemblies of Balochistan and Sindh have each passed a resolution under Article 144 of the Constitution of the Islamic Republic of Pakistan to the effect that Majlis-e-Shoora (Parliament) may by law regulate certain matters enumerated in this Act and whereas the Provincial Assemblies of Khyber Pakhtunkhwa and the Punjab may do so in the future;

AND WHEREAS in relation to Qualified Investments, the Provincial Assemblies of Balochistan and Sindh have each passed a resolution under Article 147 of the Constitution of the Islamic Republic of Pakistan authorising the Federal Government to declare as Protected Benefits any notification issued by a Provincial Government under a provincial law and whereas the Provincial Assemblies of Khyber Pakhtunkhwa and the Punjab may do so in the future;

It is hereby enacted as follows:-

1. **Short title, extent, application and commencement.** -- (1) This Act may be called the Foreign Investment (Promotion and Protection) Act, 2022.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

(4) It shall be applicable to all Qualified Investments along with such incentives as enacted or notified by the Federal Government from time to time.

2. **Definitions.**- (1) In this Act (including the Schedules), unless there is anything repugnant in the subject or context.-

(a) **“Concerned Government”** means the Federal Government, any Federal Government Entity and/or any Provincial Government, as the case may be;

(b) **“Enterprise”** means any organisation, whether incorporated or not, including any company, corporation (including any non-profit corporation), limited liability company, limited duration company, branch of a foreign company, association, organization, foundation, fund, general partnership, limited partnership, limited liability partnership (in each case, registered or unregistered), joint venture, joint stock association, an association of persons, firm, society, trust, or any other legal person, enterprise, association, organization or entity as may be recognized under the laws of any jurisdiction;

(c) **“Export Processing Zone”** means an area that is declared to be a zone for the purposes of the Export Processing Zones Authority Ordinance, 1980;

(d) **“Federal Government”** means the Government of the Islamic Republic of Pakistan;

(e) **“Federal Government Entity”** means any public sector company as defined under section 2(54) of the Companies Act 2017 (Act XIX of 2017), any agencies or instrumentalities of the Federal Government, including but not limited to any Ministry, Division, Department, Commission or office of the Federal Government as well as any authority or Enterprise set up or established under and pursuant to federal legislation, autonomous or semi-autonomous body, local body, and any other entity fully or majority owned or controlled by the Federal Government, and/or quasi-governmental or non-government organizations given authority by governmental entities or organizations at any level of government, and includes the State Bank of