

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

A

Bill

*to amend the Pakistan International Airline Corporation (Conversion) Act, 2016*

WHEREAS it is expedient to amend the Pakistan International Airline Corporation (Conversion) Act, 2016 (XV of 2016) in the manner and for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. **Short title and commencement-** (1) This Act shall be called the Pakistan International Airline Corporation (Conversion) (Amendment) Bill, 2023.

(2) It shall come into force at once.

2. **Amendment of section 2, Act XV of 2016.-** In the Pakistan International Airline Corporation (Conversion) Act, 2016.(XV of 2016), hereafter called the said Act, in section 2, for clause (p), the following shall be substituted, namely:-

“(p) validity period” means the period starting on the commencing date and ending on the 30<sup>th</sup> day of June, 2025 or on such date as the Federal Government may, by notification in the official Gazette, appoint;”

3. **Amendment of section 4, Act XV of 2016.—** In the said Act, in section 4,-

(a) for sub-section (4), the following shall be substituted, namely:-

“(4) Representation on the Board of Directors and all other rights and privileges of shareholders of the company, or any of its subsidiary companies, shall be proportionate to their shareholding”;

Explanation to sub-section (4) omitted; and

(b) for sub-section (6), the following shall be substituted, namely:-

“(6) Notwithstanding anything contained in the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002) and the rules and regulations made thereunder, the procurement, rent and lease of aircraft and parts thereof and such other items as the Federal Government may from time to time specify through a notification in the official Gazette, by the Company shall be made through one or more committees in the manner prescribed by the rules.”

## STATEMENT OF OBJECTS AND REASONS

Restructure PIA's financial health and operations, aimed at profitability and growth, has become inevitable. Prime Minister constituted a Committee on PIACL restructuring headed by Minister for Finance, comprising of Ministers for Aviation, Commerce, Planning & Development, SAPMs, Secretary Aviation and CEO PIACL with mandate to:

- i. To recommend a policy framework in the light of proposed options for making PIA a profitable and self-sustaining organization
- ii. Devising an execution plan for said policy framework,

2. In the light of above, PIACL Management after reviewing the detail study conducted internally and externally including Dubai Islamic Bank Report, Dr. Ishrat Hussain's report and IATA Consultants Business Plan and consequent upon the meetings and thorough deliberations, restructuring framework has been carved out. The Committee proposed certain amendments in the PIACL (Conversion) Act 2016.

3. Under the proposed legislation, PIACL will be able to cope with the present financial losses.

4. The Bill has been designed to achieve the aforesaid objective.

Minister-in-charge