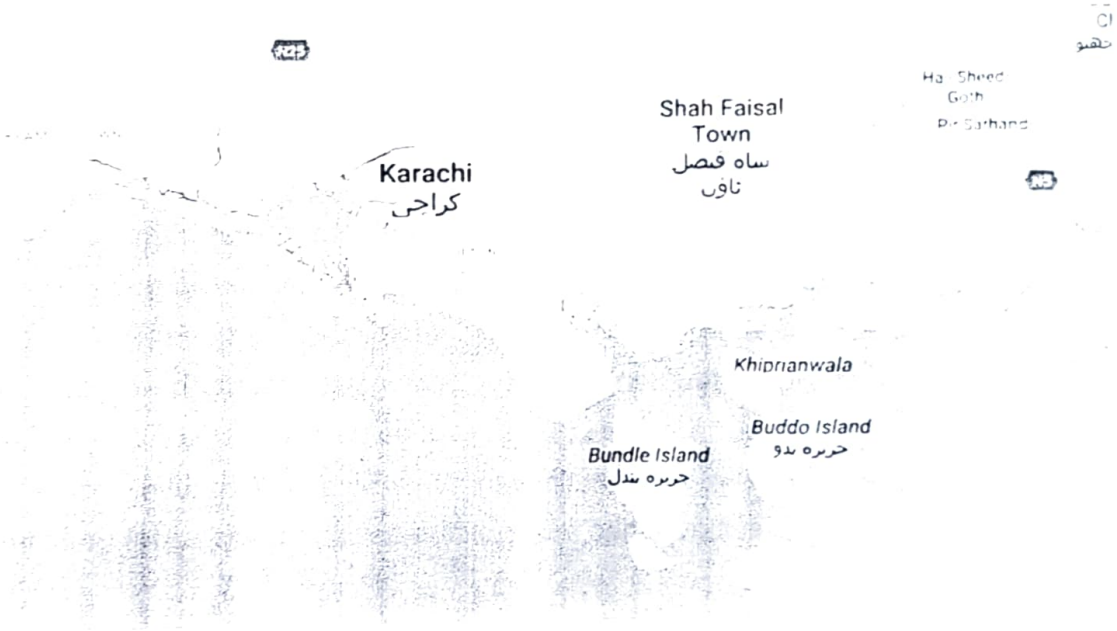
NIMA REPORT
October 2020

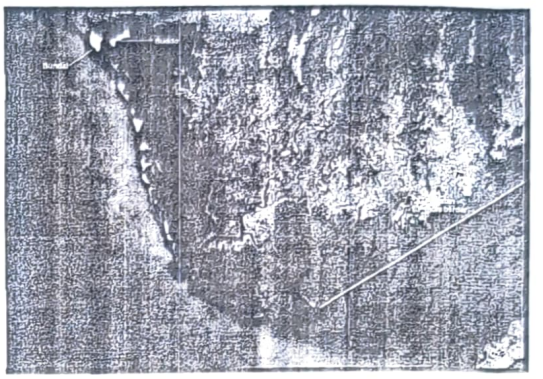
ESTABLISHMENT OF PAKISTAN ISLANDS DEVELOPMENT AUTHORITY (PIDA)



National Institute of Maritime Affairs (NIMA)
Bahria University, Pakistan

ESTABLISHMENT OF PAKISTAN ISLANDS DEVELOPMENT AUTHORITY (PIDA)

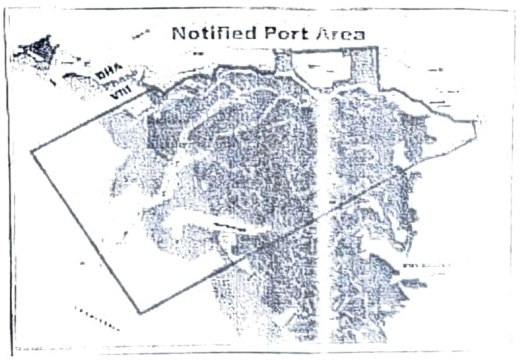
Introduction



The Government of Pakistan has decided to establish an authority for the development of barren islands located within the territorial waters of Pakistan. Accordingly, Pakistan Islands Development Authority (PIDA) has been established through a Presidential Ordinance (No XI OF 2020) signed into law on 31 August 2020. A copy of the ordinance is attached as **Encl: I**

Aims and Objective of PIDA

According to Ministry Maritime of Affairs (MoMA) being sponsoring Ministry of the ordinance would propose the Pakistan Islands Development Authority Act 2020 to facilitate the establishment of PIDA. The tasks of the authority will include development of barren islands in the territorial waters of Pakistan, along with undertaking residential and infrastructure projects at these islands. It is believed that these initiatives would help revive over 50 allied industries as well as generating large-scaled skilled employment opportunities.



The government also aims to curb the erosion of the islands caused by natural calamities. Once the projects begin, the government may replicate these for the coastal development of Karachi city. The primary purpose behind the creation of PIDA is to develop and maintain islands in the littoral waters of Pakistan as defined under the 1976 Territorial Waters and Maritime Zones Act (**Encl:II**). The Pakistan Islands Development Authority (PIDA) is being established `for the development and management of all the islands in the internal waters and territorial

waters of Pakistan`, but only the Bundal and Buddo Islands are mentioned as `specified areas` in the first schedule of the ordinance.

Organisational Structure of PIDA

Prime Minister will be the Patron-in-Chief of the PIDA while a Chairman will spearhead the newly established authority for the creation and protection of islands. The federal government would appoint a serving or retired grade-22 bureaucrat or a serving or retired officer of the armed forces `not below the rank of a lieutenant general or equivalent` or an `experienced professional` or a `businessman` as the PIDA chairman for a period of four years.

The head office of the PIDA will be located in Karachi, but the government hints at establishing regional offices in other parts of Pakistan. Under the ordinance, the authority would be exempted from paying income tax for one full decade, as Section 30 reads: `Notwithstanding anything contained in any other law, for a period of ten years starting from the date of notification...the Authority shall be exempt from payment of tax on its income, profits and gains'. The Patron-in-Chief will appoint both the Chairman and 11 members of PIDA's policy board on the recommendations of a high-level evaluation committee. Both PIDA's Chairman and members will be appointed for 4-year terms. MoMA has already advertised the post of Chairman PIDA in National Daily DAWN on 1 Oct 20. (**Encl: III**)

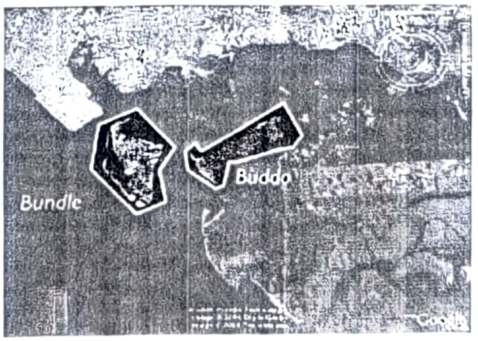
Functions of PIDA

The Ordinance Contains details about the authority, functions, organisational structure and finances etc. of PIDA. PIDA, under the powers conferred upon it by the federal government, will:

1. Recommend policies, laws, and actions to both the federal and provincial governments to increase the international competitiveness of industry, tourism, and commerce in the country's maritime zones.
2. Propose financial incentives including exemptions from taxes and customs and excise duties to attract investors in the country's littoral territories.
3. Promote the trade, investment, and logistic hubs, duty-free areas, and tourist destinations in the maritime zones of Pakistan.

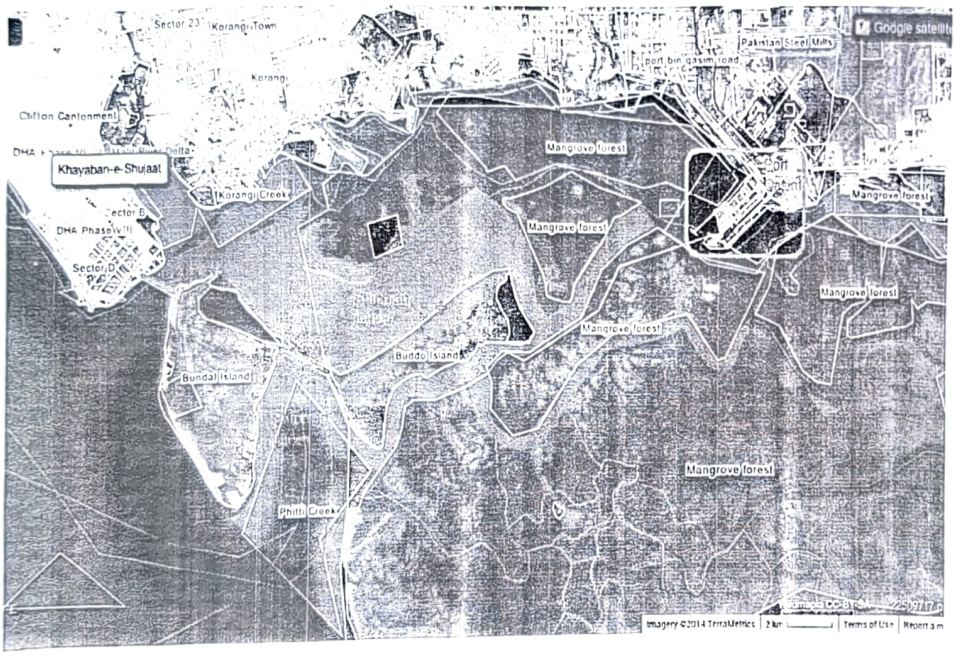
4. Request the government to provide or procure immovable property or a project through acquisition, purchase, lease, or license via private agreement.
5. Prepare and approve a master or site plan, in accordance with the relevant zoning, spatial, town planning, infrastructure development, land use, and building control regulations, within the maritime zones of the country.
6. Formulate criteria for registration, membership, possession, transfer, and cancellation of immovable properties and projects.
7. Develop the procedure for allocation, allotment, lease, or auction of immovable properties and projects.
8. Maintain records of title, leasehold right, mortgage, easement, license, tenancy, and possession of all immovable properties and projects.
9. Collect levies, taxes, duties, fees, and charges on the transfer or possession of immovable properties and projects.
10. Raise funds through real estate investment trusts, bonds, sukuk, and other forms of finances obtained on the basis of participation term certificate, musharika certificates, term finance certificates, or any other financial or debt instruments or securities.
11. Obtain finances or loans from donor agencies, government bodies, and financial institutions.
12. Plan, approve, and execute mergers and amalgamation with other housing schemes or cooperative housing societies subject to the approval of the competent authorities.
13. Prepare feasibility studies for the development of a scheme or schemes and determine the mode of development.

Bundal and Buddo Islands Location



Bundal Island, known to the locals as Bhundaar Island, is a small island located off the coast of Karachi in the Arabian Sea. The location of Bundal Island conveniently places it opposite to DHA Phase 8's Do Darya, where high-end eateries serve some of the most scrumptious food available anywhere in Karachi. These Islands are located at the western end of the Sindh Coastal Zone

bordered by Korangi and Phitti creeks. Bundal Island is one of the biggest and highest of all the islands along the Sindh Coast, with a length of about 8km. The width of the island varies- it is about 4km wide in the north and 1km in the south. There are shifting sand dunes on the island, some of which gain heights of up to 3m. A portion of the northern area of the island is covered at high water and has a thick growth of mangroves at the extreme northern point. International Union of Conservation of Nature (IUCN) has declared this island as a High Priority Area (HPA). The IUCN says the islands also serve as a breeding ground for the Green Turtles. Located along the Indus Flyway, the islands offer a sanctuary for resident and migratory bird species. The marine waters surrounding the island are also visited by bottlenose and humpback dolphins.



Buddo Island (also known as Dingi) is a small island located in the Arabian Sea off the coast of Karachi, Sindh, Pakistan. Buddo Island is also known as Dingi by local fishermen. Buddo and Bundal Islands serve as a temporary port for local fishermen. They clean their nets and dry fish on these islands. The Bundal and Buddo Islands comprising 12,000 acres (49 km²) of land, are the assets of the Port Qasim Authority. However, it has also been revealed that there is a dispute between the provincial government of Sindh and Port Qasim Authority on the ownership rights of 12,000 acres (49 km²) of land in these Islands.

Historical Sketch of Plans Proposed For Bundal Island, Karachi

There have been plans in the past to develop these Islands however no concrete steps could be metalized. Being close proximity to DHA Phase 8, the islands are attractive for water sports activities which have brought the island into the limelight. As for the development of the island is concerned, two developers have tried over the years to look into the development of Bundal Island, albeit unsuccessfully.

Diamond Bar Island City by M/s Emaar

The first-ever step to develop the twin islands was taken by M/s Emaar in 2006 when the Dubai-based firm was given the go-ahead to develop two island resorts worth USD 43 billion over a period of 13 years. The site was supposed to be converted into a model city away from the mainland with homes, offices, apartments, recreational theme parks etc. The project aimed to bring in new job opportunities as well as foreign investment into the country, with the PQA having a stake in the venture.

Bahria Town Islands City by Bahria Town

The next developer to try their hands at developing Bundal and Buddo islands was Bahria Town, who signed a USD 20 billion deal with American real estate magnate, Thomas Kramer, to build the project in 2013. The project was also alternately named Bodha Island City, where the plans included building the world's tallest building on Bundal Island. The project, if initiated, would have taken around ten years to complete, spanning over 12,000 acres. Other attractions included the world's largest shopping mall, an educational and healthcare city, a sports city, a media city, and an international city, ensuring modern and state-of-the-art amenities and facilities for investors and residents alike. This city would also have been connected directly to DHA Phase 8 via a 6-lane road bridge with self-sufficient power and water generation options.

Recent Updates on the Development of Island

Chairing a meeting on the 7th of October 2019, Prime Minister (PM) Imran Khan reviewed some development plans which have been proposed for Bundal Island. For now, the development of the islands that fall under the jurisdiction of

PQA in the areas surrounding Karachi has been placed under Pakistan Islands Development Authority.

Objections on Pakistan Islands Development Authority

Sindh Government, civil society & few local political parties have strongly objected the formation of Pakistan Islands Development Authority terming it as illegal, unconstitutional and a violation of provincial autonomy. Constitutional experts, writers, intellectuals, political leaders, social activists and civil society activists are also divided on the said development terming the federal government's act of formation of the said Authority through an ordinance of the President of Pakistan as violation of Article 172/2 of the Constitution of Pakistan. According to Environmental lawyer Zubair Ahmed:

"Under Section 3 of the ordinance, ownership of these two islands vest in the federal government and the authority shall possess, control, manage and deal with the islands," However, he said under Article 172 (2) of the Constitution both islands are property of the provincial government. (Relevant article attached as ***Encl-IV****). Article 172 (2) says that "all lands, minerals and other things of value within the continental shelf or underlying the ocean beyond the territorial waters of Pakistan shall vest in the federal government". According to Article 172 (3), "subject to the existing commitments and obligations, mineral oil and natural gas within the province or the territorial waters adjacent thereto shall vest jointly and equally in that province and the federal government". Ahmed also noted that Article 152 of the Constitution provides the procedure for the acquisition of provincial land by the federal government. "If the federal government deems necessary to acquire any land situate in a province for any purpose connected with a matter with respect to which it has power to make laws, it requires the province to acquire the land on its behalf, and expense or, if the land belongs to the province, to transfer it to the federal government on such terms as may be agreed or, in default of agreement, as may be determined by an arbitrator appointed by the CJP," he said.*

Minister of Maritime Affairs in his tweet on 6 Oct 20, has posted a letter of Government of Sindh according to which Sindh Govt. has made these islands available to Federal Government as per law **(Encl:V)**

Environmental Issues

The environmental concerns have also been raised for construction of mega projects near to beaches. Environmentalists believe that building the city on the beaches would destroy all aquatic life including fish and forests. The sandy beaches the east coast of Karachi of these islands are the only areas where the endangered green turtles visit for breeding purposes. The area lies along the Indus Flyway and as such serves as an important breeding, roosting and feeding ground for migratory and resident bird species. The migratory birds include pelicans, flamingos, cranes and resident species comprising herons, waders, terns, egrets, kites, etc. The civil society activists propagate that "The construction of the city and development of islands would deprive local fishermen of their livelihood and effect the mangrove forests.

Conclusion

Establishment of Pakistan Islands Development Authority PIDA is a good step of federal government for future of Pakistan. It will give lot to impetus to Pakistan s' economy. Island projects are very much attractive for foreign investment and these projects would create various job opportunities, increase the international competitiveness of industry, tourism, and commerce in the country's maritime zones. On the other hand environmental Issues which are challenges in construction of island project, and the reservations/reaction of Sindh and Balochistan governments for establishing PIDA through ordinance should be resolved.

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Encl-I
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The Gazette of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, WEDNESDAY, SEPTEMBER 2, 2020

PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN

LAW AND JUSTICE DIVISION

Islamabad, the 1st September, 2020

No. F. 2(1)/2020-Pub.—The following Ordinance Promulgated on 31st August, 2020 by the President is hereby published for general information:—

ORDINANCE NO. XI OF 2020

AN

ORDINANCE

to establish the Pakistan Islands Development Authority.

WHEREAS it is expedient to establish an Authority for the development and management of the Islands in the internal waters and territorial waters of Pakistan;

AND WHEREAS the Senate and the National Assembly are not in session and the President of the Islamic Republic of Pakistan is satisfied that circumstances exist which render it necessary to take immediate action;

Price: Rs. 40.00

[5969(2020)Ex.Gaz.]

NOW, THEREFORE, in exercise of his powers conferred by clause (1) of Article 89 of the Constitution of the Islamic Republic of Pakistan, the President is pleased to make and promulgate the following Ordinance:—

Chapter-I

PRELIMINARY

1. **Short title, extent, application and commencement.**—(1)This Ordinance shall be called the Pakistan Islands Development Authority Ordinance, 2020.

(2) It extends to the whole of Pakistan.

(3) It shall apply to specified areas as defined in this Ordinance.

(4) It shall come into force at once.

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

(a) **"acting Chairman"** means the acting Chairman of the Authority appointed under section 10;

(b) **"agency"** means any agency established by the Authority to perform one or more of its functions under this Ordinance.

(c) **"Authority"** means the Pakistan Islands Development Authority established under section 4;

(d) **"building"** includes any factory, industrial or business establishment, shop, godown, warehouse, house, outhouse, hut, hutment, shed, garage, stable, well or platform, and any other structure, whether meant for residential or business proposes or not, not being for agricultural purposes or use, made of masonry, bricks, wood, mud, thatch, metal or any other material;

(e) **"Chairman"** means the Chairman of the Authority;

(f) **"land"** includes buildings and benefits arising out of land and things attached to the earth or permanently fastened to anything attached to the earth;

(g) **"finance"** shall have the same meaning as assigned thereto in the Financial Institutions (Recovery of Finances) Ordinance, 2001 (XLVI of 2001);

(h) **"financial institution"** shall have the same meaning as assigned thereto in the Financial Institutions (Recovery of Finances) Ordinance, 2001 (XLVI of 2001);

(i) **"Fund"** means the Pakistan Islands Development Authority Fund created under this Ordinance;

(j) **"Government"** means the Federal Government of Pakistan;

(k) **"internal waters"** means the internal waters of Pakistan determined in accordance with the Territorial Waters and Maritime Zones Act, 1976 (LXXXII of 1976);

(l) **"member"** means a member of the Authority;

(m) **"Policy Board"** means the Policy Board of the Authority constituted under this Ordinance;

(n) **"prescribed"** means prescribed byrules or regulations made under this Ordinance;

(o) **"Patron"** means the Patron of the Authority;

(p) **"regulations"** means regulations made under this Ordinance;

(q) **"rules"** means rules made under this Ordinance;

(r) **"scheme"** means a scheme or schemes, plan, facility or project, on profit or non-profit basis, comprising development or re-development, in the specified areas, of––

(i) new or existing islands or reclaimable coastal areas forming part of the sovereign territory of Pakistan, or

(ii) mix-use, housing, commercial or public amenity plots, buildings or units and related infrastructure, or

(iii) infrastructure and services including transportation systems and road networks, traffic management systems, healthcare facilities, educational facilities, recreational and cultural facilities, municipal and civic facilities and services, communications systems and facilities, utilities infrastructure and network including water supply, drainage, sewerage, sanitation, or

(iv) energy generation, procurement, transportation, transmission and distribution systems including for electric power through any energy source and gas (LNG, RLNG, LPG etc.), or

(v) industrial estates and parks, technology parks; and

(vi) all facilities, systems and works incidental or ancillary thereto, planned, made, undertaken or supervised or approved by the Authority under this Ordinance.

(s) **"specified areas"** means islands within the internal waters and territorial waters listed in the First Schedule;

(t) **"territorial waters"** means the territorial waters of Pakistan determined in accordance with the Territorial Waters and Maritime Zones Act, 1976 (LXXXII of 1976); and

(u) **"Vice-Chairman"** means the Vice-Chairman of the Authority.

3. **The specified areas.**—(1) The specified areas shall vest in the Federal Government and the Authority shall, for and on behalf of the Federal Government, possess, control, manage and deal with the specified areas in accordance with the provisions of this Ordinance.

(2) The Federal Government may, by notification in the official Gazette, amend the First Schedule.

Chapter-II

CONSTITUTION OF THE AUTHORITY AND FUNCTIONS

4. **Establishment of the Authority.**—(1) The Government shall, by notification in the official Gazette, establish the Pakistan Islands Development Authority.

(2) The Authority shall be a body corporate, having perpetual succession and a common seal, with power, subject to the provisions of this Ordinance, to acquire and hold property, both movable and immovable, and shall sue and be sued in the said name.

(3) The head office of the Authority shall be at Karachi and the Authority may establish regional and such other offices in such other parts of Pakistan as it may deem necessary.

5. **Functions of the Authority.**—(1) The Authority shall—

(a) initiate and maintain a continuous process of reclamation, master planning, urban planning, spatial planning for the specified areas;

(b) establish policies, direction and strategies in relation to development within the specified areas and other functions in connection therewith;

(c) identify immovable properties and projects suitable for the development of schemes; within the specified areas.

(d) recommend to the Federal or relevant Provincial Government policies, laws and actions to be applied to the specified areas to enhance the international competitiveness of industry, tourism and commerce in specified areas;

(e) recommend to the Government incentives in relation to taxes, customs and excise duties and other fiscal incentives applicable to investors in the specified areas;

(f) promote and stimulate the specified areas as trade, investment and logistics centers and hubs, duty free areas and international tourist destinations in line with the directions of the Patron;

(g) recommend to the Government to provide or procure immovable property or a project through any means permissible under law, including compulsory acquisition; purchase, lease or license through private agreement; donation by any private party or any state land or project by any government or other public authority, on such terms as may be mutually agreed between the Government and the relevant transferor or provider;

(h) cause studies, surveys, experiments or technical researches to be undertaken or contribute towards the cost of any such studies, surveys, experiments or technical researches, to be undertaken by any other entity, public or private, for the development and efficient exploitation of the specified area;

(i) if necessary, prepare and approve a master or site plan of a specified area containing zoning, spatial or town planning, infrastructure development, land use and building control regulations in consonance with the planning under the applicable building and town-planning dispensation;

(j) undertake, design, approve and execute a scheme or schemes within the specified areas;

(k) prescribe transparent criteria and procedure for registration, membership, possession, transfer and cancellation of immovable property in a scheme;

(l) develop procedures for allocation, allotment, lease or auction, if any, of any type of immovable property, including the procedure to transact or exchange the actual property or allotment or allocation file thereof;

(m) formulate and, from time to time, vary the organogram, job descriptions, human resource policies and terms and conditions of employment of all employees of the Authority;

(n) create or abolish posts and oversee the performance of its employees;

(o) take disciplinary action against employees in the prescribed manner;

(p) establish all kinds of committees for assistance and advice in relation to the performance of its functions and determine the membership and terms of reference of a committee;

(q) develop and maintain public amenities and common areas in a scheme;

(r) maintain updated record of immovable property including title, leasehold rights, mortgage, easement, license, tenancy and possession thereof;

(s) publish geo-tagged title, leasehold rights, mortgage and other rights or interests in an immovable property on its website;

(t) collect all levies, taxes, duties, fees and charges on the transfer, or possession of an immovable property, or any encumbrance thereon, under any law after agreeing on an arrangement with the relevant agency;

(u) exercise control over maintenance of buildings, their common areas and amenities in a scheme;

(v) impose, levy and collect fines, fees, tolls, penalties, surcharges and charges as may be prescribed;

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(w) coordinate with similar agencies or bodies at the Federal, Provincial and local level for the achievement of the objectives of this Ordinance;and

(x) perform any ancillary functions or a function under this Ordinance.

(2) The Authority may—

(a) establish as many agencies and committees, as the Authority considers necessary or expedient to assist it in the performance of any of its functions under this Ordinance;

(b) raise funds through any means considered appropriate in the circumstances including through real estate investment trusts, bonds, sukuk and other forms of finances obtained on the basis of participation term certificate (PTC), musharika certificates, term finance certificates (TFC) or any other financial or debt instruments or securities;

(c) raise funds and obtain finance or loans from donor agencies, governmental bodies, and financial institutions, including on the security of its Fund or any portion thereof;

(d) provide or facilitate and support the provision of finance, including housing finance, for the achievement of the objectives of this Ordinance;

(e) generate electricity or obtain utilities in bulk or otherwise and carry out, maintain, arrange, manage and provide all facilities, services and utilities, including water, gas and sewerage in schemes;

(f) manage and maintain utilities or cause the management and maintenance of utilities within the specified areas;

(g) assign any function to a local government or local authority and vice versa on mutually agreed terms and conditions;

(h) outsource any function through public private partnership or any other mode;

(i) hire or utilize services for undertaking of schemes including design, technical evaluation and monitoring thereof;

(j) provide and release receipts, guarantees, indemnity bonds, cheques and enter into contracts, deeds, instruments, arrangements, joint ventures and agreements with any person or grant concessions, for the working of the Authority, for the preparation, planning,

development, execution, implementation and maintenance of schemes and for carrying out the purposes of this Ordinance;

(k) set up agencies, companies, subsidiaries, trusts, societies, associations, joint-ventures whether contractual or incorporated or any other vehicles for the purposes of carrying out its objectives;

(l) incur any expenditure and procure Plant, Machinery, equipment, instruments and necessary materials;

(m) plan, approve and execute mergers and amalgamations with other housing schemes or cooperative housing societies subject to the approval of the competent authorities of those housing schemes or housing societies for such merger or amalgamation;

(n) impose, vary, and recover development charges and transfer fees in respect of any immovable property within any scheme;

(o) lease, purchase, procure, sell, exchange, mortgage, rent out or otherwise dispose of or deal with any property under the management and control of the Authority;

(p) cancel or re-plan any scheme or part thereof;

(q) do all such acts, deeds and things that may be necessary or expedient for the purpose of proper preparation, planning, development, execution, implementation, management and maintenance of schemes;

(r) frame, amend or repeal service, conduct of business and other regulations necessary for carrying out the purposes of this Ordinance;

(s) make recommendations to the Government for prescription of rules under this Ordinance;

(t) institute, commence, prosecute, defend, compromise, settle any and all actions, disputes, suits and legal proceedings whether civil or criminal before any court, tribunal, administrative body or authority; and

(u) exercise any other power that is necessary for the performance of any function.

(3) Except where any powers and functions are specified in this Ordinance to be exercised or performed by the Government or the Policy Board, all the powers and discretions of the Authority shall be exercised, and the functions and duties of the Authority shall be performed, by the Chairman.

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(4) Notwithstanding anything contained in this Ordinance, all acts and proceedings of the Authority shall be subject to the control of the Government and the Government may revoke, suspend or modify any such acts or proceedings.

Chapter-III

PATRON, POLICY BOARD AND ADMINISTRATION

6. **Patron and Policy Board.**—(1) The Prime Minister shall be the Patron of the Authority, who shall review the performance of the Authority and may, from time to time, give to the Authority general policy directions to implement the same, subject to the terms of this Ordinance.

(2) The Government shall, by notification in the official Gazette, constitute the Policy Board comprising not less than five and not more than eleven members, including the Chairman for a term of five years. In case of any casual vacancy, a member other than the Chairman may, in the like manner, be nominated by the Patron for the remaining unexpired term of the outgoing member.

(3) The Chairman shall preside over the meetings of the Policy Board, however, in his absence, a member nominated by the Chairman may so preside.

(4) A member, unless disqualified under this Ordinance from holding office, may be re-appointed by the Patron in the above manner, provided that no individual shall serve for more than two consecutive terms as a member.

(5) Two-thirds of the members, including the Chairman or his nominee under sub-section (3) present in person or through video-conference or tele-conference, shall constitute the quorum for a meeting of the Policy Board. Subject to quorum, the decisions of the Policy Board shall be taken by majority of the members present and voting, provided that in the event of a tie, the Chairman or his nominee under sub-section (3) presiding at such meeting shall have a second and casting vote.

(6) The Policy Board shall meet at least once in every calendar quarter and a meeting of the Policy Board shall be held on such date and at such time and place, as the Chairman may determine.

(7) The Chairman shall appoint a Secretary of the Authority on such terms and conditions as may be prescribed and who shall perform such functions as the Chairman may direct. The Secretary of the Authority shall also be the secretary of the Policy Board and shall maintain or cause to be maintained, in the prescribed manner, the record of each meeting of the Policy Board including the minutes of the meetings as approved by the Chairman.

(8) The Chairman may invite any person other than a member to attend a meeting of the Policy Board for the purposes of advising or assisting the Policy Board on any agenda item taken up for consideration at such meeting.

(9) A member may resign from his office at any time by writing under his hand addressed to the Patron and such resignation shall be effective from the date of its acceptance by the Patron.

(10) No act or proceeding of the Policy Board shall be invalid merely by reason of existence of a vacancy in or defect in the constitution of the Policy Board.

7. **Disqualification of members.**—The Government shall not nominate a person as a member or chairman who—

(a) is or, at any time, has been convicted of an offence involving moral turpitude;

(b) is or, at any time, has been adjudicated as an undischarged insolvent;

(c) is found to be a lunatic or of unsound mind or otherwise physically incapacitated; or

(d) is in a situation of irreconcilable conflict of interest with the Authority or has a financial interest in any scheme or a conflicting interest directly or indirectly between his interest as a Chairman or member and has failed to disclose such interest in writing to the Federal Government.

8. **Removal of a member.**—The Government shall remove a member including the Chairman during the term of their office if such member or chairman is—

(a) disqualified from being a member or as the case may be the chairman; or

(b) absent from three consecutive meetings of the Policy Board without leave of absence from the Policy Board; or

(c) acting in any manner prejudicial to the objects of this Ordinance or any scheme; or

(d) disqualified for employment in, or dismissed from service of Pakistan.

9. **Functions of the Policy Board.**—(1) Subject to sub-section (1) of section 6, the Policy Board shall have the responsibility of laying down the policies, plans and guidelines for carrying out the purposes of this Ordinance.

(2) Without prejudice to the generality of the functions mentioned in sub-section (1), the Policy Board shall—

(a) establish and maintain strategic direction of the Authority;

(b) recommend uniform standards, guidelines, best practices and administrative processes and procedures to be used by the Authority and or other entities engaged in the Specified Areas;

(c) conduct inquiries, carry out surveys, collate, analyze and publish information, statistics and factors influencing or relevant to development, business or investment and to disseminate such information, statistics and factors to investors or potential investors, whether local or foreign, for furthering the objects of this Ordinance;

(d) recommend to the Government incentives in relation to taxes, customs and excise duties and other fiscal incentives applicable to investors within the Specified Areas;

(e) exercise general supervision and control on the performance of functions carried out by the Authority within the specified areas relating to—

(i) maintenance of public ways, public streets, public open spaces, graveyards, public gardens, play grounds, lighting of public ways, public streets and public places, plantation of trees, landscaping and beautification of public places, prevention and removal of encroachments on public ways, streets and places; and

(ii) provision and maintenance of water supply schemes and public sources of drinking water, including wells, water pumps, tanks, ponds and other works for the supply of water and open drains.

(f) oversee implementation of overall strategic objectives of the Authority;

(g) monitor performance and review achievements of the Authority;

(h) approve the audited accounts of the Authority;

(i) arrange for and oversee the provision of funds for the Authority;

(j) approve feasibility studies and proposals for development of scheme or schemes in specified areas;

(k) take measures for capacity building of the Authority for performing its objectives under this Ordinance;

(l) transact such other business of the Authority as the Patron or the Chairman may place before it; and

(m) to carry out and perform any other function that are supplemental, incidental, or consequential to any of the aforesaid functions.

10. **Chairman and acting Chairman.**—(1) The Government shall appoint a Chairman of the Authority on such terms and conditions as may be prescribed.

(2) The Chairman shall be a person of sound integrity and competence, meeting one of the following:—

(a) that he is a serving or retired officer of the Government in BPS-22 or equivalent; or

(b) that he is a serving or retired officer of the armed forces, not below the rank of a Lieutenant-General or equivalent;

Explanation—The serving officers from the civil bureaucracy and the armed forces shall be eligible to be appointed as the Chairman on deputation or secondment basis, as per the applicable laws and rules, or;

(c) that he is an experienced professional or business person, not having less than fifteen years of experience in his field and possesses—

(a) a masters degree recognized by the Higher Education Commission of Pakistan, in the field of accounting, finance, business administration, management, commerce, engineering, economics, planning, law, real estate or urban development; or

(b) the qualification of chartered accountancy, cost and management accountancy, barrister-at-law or solicitor.

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(3) The Chairman shall not be more than sixty-two years of age on the date of first appointment as Chairman.

(4) The Government shall constitute an evaluation committee, comprising at least one Minister and at least two Secretaries, respectively, of the Government, for the purposes of evaluating and recommending suitable candidates to the Government for appointment as Chairman. For this purpose, the evaluation committee shall, on behalf of the Government, solicit applications from candidates through advertisement and recommend at least three names to the Government. If the Government is not satisfied with the recommendations of the evaluation committee, it may require further recommendations in the like manner.

(5) The Chairman shall, subject to this Ordinance, hold office for a term of four years and may be re-appointed by the Government for an additional term of four years.

Explanation—In the event of re-appointment as Chairman, sub-section (3) shall not apply.

(6) In case of—

(a) death, resignation or removal of the Chairman; and

(b) immediately upon the notification of establishment of the Authority under section 4 and pending appointment of the first Chairman,

the Patron shall, in his discretion, appoint an acting Chairman to exercise the powers and discretions and discharge the functions and duties of the Chairman under this Ordinance, till a full-time Chairman is appointed, which shall be done within three months of the occurrence of the vacancy under clause (a) or notification referred to in clause (b), as applicable.

Explanation—An acting Chairman, appointed under this Act, shall not be precluded from appointment as the permanent Chairman.

11. **Functions and powers of Chairman.**—The Chairman shall be the chief executive officer of the Authority responsible for the management, administration and operations of the Authority and, subject to the provisions of this Ordinance, shall exercise all powers and discretions and perform all functions and duties of the Authority under this Ordinance.

12. **Appointments of employees etc.**—(1) The Authority may, in such manner and on such terms and conditions as may be prescribed by regulations,

appoint, remove and regulate the working of the employees, consultants and advisers of the Authority as may be necessary for the purposes of this Ordinance.

(2) The Authority may, from time to time, request the Government to arrange for the secondment or deputation of employees of the Government to the Authority for the purposes of this Ordinance and the Government may depute such employees, subject to their relevant service rules and regulations.

13. **Members, officers, experts to be public servants.**—The Chairman, members, officers, servants, experts and consultants of the Authority shall, when acting or purporting to act in pursuance of any of the provisions of this Ordinance, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code Act,1860 (Act XLV of 1860).

14. **Indemnity.**—No suit, prosecution or other legal proceedings shall lie against the Patron, Authority, the Chairman, any member, officer, servant, expert or consultant of the Authority in respect of anything done or intended to be done, in good faith and in line with the provisions of this Ordinance.

15. **Delegation of functions.**—The Chairman may, through a written order, delegate any powers, functions or duties of the Authority to any other officer or employee of the Authority and may at his discretion, through a written order, revoke and rescind such delegation.

16. **Conflict of interest.**—(1) A member of the Policy Board other than the Chairman, shall not directly or indirectly receive any remuneration for his position as the member except the reasonable expenses incurred by the member in the performance of duties under this Ordinance and such fee for attending the meetings as may be prescribed.

(2) The pecuniary interests of the immediate family members or close personal or business associates of a member or an employee of the Authority shall also be considered to be the pecuniary interest of the member or employee.

(3) A member or an employee of the Authority shall be in conflict of interest, if the member or employee —

(a) is an employee or a consultant of a business entity that has, or of a trade association of business entities that have, a substantial pecuniary interest in any of the functions of the Authority;

(b) owns, controls or has directly or indirectly more than ten per cent equity in a business entity that has a substantial pecuniary interest in any of the functions of the Authority;

(c) receives more than twenty-five per cent of his individual income from a business entity that has a substantial pecuniary interest in any of the functions of the Authority; or

(d) benefits either directly or indirectly, financially or otherwise, from any other organization for being the member or employee of the Authority.

(4) An employee of the Authority shall disclose to the Chairman a potential, real or perceived conflict of interest as soon as he becomes aware of the potential conflict. A member of the Policy Board other than the Chairman shall disclose before the Policy Board or any of its committees seized of the matter a potential, real or perceived conflict of interest as soon as he becomes aware of the potential conflict. The Chairman shall disclose to the Patron a potential, real or perceived conflict of interest as soon as he becomes aware of the potential conflict. Any uncertainty or doubt on part of the disclosing party with respect to the existence of conflict of interest shall be decided by the corresponding person or forum as applicable to whom disclosure is to be made in terms of this sub-section.

(5) A member shall not take part in the proceedings of the Policy Board in which any question of conflict of interest of that member is on the agenda.

(6) The disclosure of conflict of interest and the decision of the Chairman, Policy Board or the Patron, as the case may be, shall be specifically recorded in writing and form part of the records of the Authority.

17. **Committees and sub-committees.**—(1) The Chairman may constitute committees and sub-committees and assign specific tasks to the said committees or sub-committees for efficient performance of the functions of the Authority. The committees or sub-committees, so constituted, shall perform their mandated tasks in the manner to be specified by the Chairman.

(2) A committee or sub-committee may comprise one or more members of the Policy Board, employees or officers of the Authority or such experts or persons as the Chairman may consider appropriate for the relevant mandate of the said committee or sub-committee.

(3) The committees or sub-committees, as applicable, shall submit their reports to the Chairman.

Chapter-IV

DEVELOPMENT OF SCHEMES AND PROCUREMENTS ETC.

18. **Development of schemes.**—(1) The Authority shall prepare or cause to be prepared feasibility studies for the development of a scheme or schemes and determine the mode of development accordingly.

(2) All schemes prepared by the Authority shall be submitted to the Patron for its approval, except those schemes, the provisional estimated cost of which does not exceed such limit as may be prescribed by rules or for which no loan or grant is required from the Government.

(3) The Authority shall publish the sanctioning of any scheme in the official Gazette and shall forthwith proceed to execute the scheme.

(4) The publication of a sanction under sub-section (3), shall be conclusive evidence that the scheme has been duly framed and sanctioned.

19. **Procurement, outsourcing and public private partnership etc.**—(1) The Authority may outsource any of its activities, including development works, through any mode including public private partnership and joint ventures.

(2) Notwithstanding anything contained in the Public Private Partnership Authority Act, 2017 (VIII of 2017), any rules and regulations made thereunder or any similar laws, the Authority may, by regulations, prescribe the manner, methods and procedures for undertaking public private partnerships and joint ventures under this Ordinance and such prescribed conditions shall exclusively govern public private partnerships and joint ventures by the Authority.

(3) Notwithstanding anything contained in the Public Procurement Regulatory Authority Ordinance 2002 (XXII of 2002), any rules and regulations made thereunder or any similar laws, the Authority may, by regulations, prescribe the manner, methods and procedures for undertaking procurements under this Ordinance and such prescribed conditions shall exclusively govern procurements by the Authority.

20. **Redevelopment schemes.**—(1) The Authority may undertake redevelopment including renewal, reconstruction, or upgradation of whole or a part of a scheme within the specified area.

(2) The provisions of this Ordinance for development of a scheme shall, with necessary changes, apply to redevelopment under sub-section (1).

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21. **Common property.**—(1) The common property or common areas in a scheme including common areas in buildings shall remain vested in the Government. The Authority shall control, manage and deal with all such common property and common areas for and on behalf of the Government, for the purposes of this Ordinance.

(2) The Authority may delegate and regulate the management of the common property or common areas in a scheme in the prescribed manner.

Chapter-V

REGISTER OF TITLES

22. **Registrar.**—(1) The Authority may appoint one or more Registrars of titles for specified area or part thereof on the terms and conditions as may be prescribed.

(2) In the course of performance of his duties under this Ordinance, the Registrar may exercise the powers of a civil court under the Code of Civil Procedure, 1908(Act V of 1908), as may be enforced in the specified area, for summoning any person, document, enforcing attendance of any person or compulsory production of any document or taking statement on oath.

23. **Record of titles.**—(1) The Authority may, in the prescribed manner, maintain the records of titles itself or outsource the same in the specified area or part thereof, to a central depository company or any other similar entity registered under the applicable law.

(2) The Authority may link the record of titles in the specified area with the record of the National Database and Registration Authority on mutually agreed terms and conditions.

(3) The Authority shall maintain computerized record of titles which may be exhibited on the website of the Authority, in the prescribed manner.

24. **Registration of properties.**—(1) The certificate of title issued by the Registrar shall be deemed to constitute a title document of the relevant immovable property.

(2) The Registrar shall maintain the particulars and holding rights of each immovable property including certificate of title, leasehold rights, mortgage, an easement, a right of occupation or any other right or interest which shall be available online on the website of the Authority with geo-tagged system, in such manner as may be prescribed.

(3) The Registrar may issue certified copies of certificates of title in the prescribed manner.

25. **Regulation of transfers etc.**— Dealings with immovable property in the specified areas including transfer, lease, licence or encumbrance of such immovable property may be restricted and controlled in such manner as may be prescribed under this Ordinance.

Chapter-VI

FINANCE

26. **Fund.**—(1) There shall be created Authority Fund which shall be formed, administered and controlled by the Authority.

(2) The Fund shall consist of —

(a) funds, loans or grants provided by the Government, a Provincial Government a local government or any donor agencies;

(b) grants and loans negotiated and raised or otherwise obtained by the Authority;

(c) fee, charges, rentals, tolls, fines and other moneys received or collected by the Authority;

(d) income from lease or sale of property;

(e) funds from bonds, sukuk and other forms of finances obtained on the basis of participation term certificate, musharika certificates, term finance certificates or any other financial or debt instruments or securities issued by the Authority; and

(f) all other sums received by the Authority.

27. **Bank accounts.**—The Authority may open and maintain its bank accounts at such scheduled banks as it may determine.

28. **Budget and accounts.**—(1) The Chairman shall cause to be prepared the budget of the Authority for each financial year commencing on the first day of July of a year and ending on the thirtieth day of June of the succeeding year.

(2) The Chairman shall cause the budget prepared under sub-section (1) to be placed before the Policy Board for its approval.

(3) The books and accounts of the Authority shall be maintained in such manner as may be prescribed in accordance with Article 170 of the Constitution.

29. **Audit.**—(1) Subject to Article 170 of the Constitution, the Authority shall appoint a firm of chartered accountants, which is placed in category "A" by the State Bank of Pakistan, for the annual audit of the accounts of the Authority.

(2) The Chairman shall cause the audited financial statements to be placed before the Policy Board for its approval.

Chapter-VII

TAXES, FEES AND CHARGES

30. **Authority to be exempt from taxation.**—Notwithstanding anything contained in any other law, for a period of ten years starting from the date of notification under sub-section (1) of section 4, the Authority shall be exempt from payment of tax on its income, profits and gains.

31. **Authority to collect property charges.**—The Authority shall collect property charges, if any, in respect of any properties situated within the specified areas in the prescribed manner.

32. **Authority to levy fees and rates.**—The Authority shall fix fees or rates for rendering of any service in a scheme including registration fee, water rate, sanitation fee, solid waste management fee, development or redevelopment charge and maintenance fee or any other fees, dues and charges as may be determined by the Authority from time to time.

33. **Additional charge or surcharge.**—If a person fails to pay a tax, fee or charge to the Authority, the Authority may in the prescribed manner, levy and collect additional charge and surcharge for non-payment of dues within the specified time.

Chapter-VIII

PENALTY AND PROCEDURE

34. **Penalty.**—Whoever contravenes any provision of this Ordinance, rules or regulations made or scheme sanctioned thereunder shall, if no other penalty is provided for such contravention, be punishable with imprisonment which may extend to six months or fine or with both.

35. **Offences and cognizance.**—(1) If a person commits an offence specified in—

(a) Part-A of the Second Schedule, such person shall be liable to imprisonment for a term which may extend to seven years or fine which may extend to five hundred thousand rupees or with both and where an accused was directed by the Authority for immediate discontinuance of the offence and which is still continuing, the court may impose a further fine which may extend to fifty thousand rupees for every day for the period the accused has persisted in the offence from the date of its commission; and

(b) Part-B of the Second Schedule, such person shall be liable to imprisonment for a term which may extend to three years or fine which may extend to one hundred thousand rupees or with both and where an accused was directed by the Authority for immediate discontinuance of the offence and which is still continuing, the court may impose a further fine which may extend to ten thousand rupees for every day for the period the accused has persisted in the offence from the date of its commission.

(2) An offence punishable under sub-section (1) shall be cognizable on a complaint in writing of an officer authorized by the Authority made to the officer in-charge of the police station.

36. **Offences to be cognizable and bailable.**—Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (Act V of 1898), offences under this Ordinance shall be bailable and cognizable by the magistrate of first class on the complaint of an employee authorized by the Authority.

37. **Offences by companies.**—(1) Where an offence under this Ordinance has been committed by a company, every person who at the time of commission of offence was in charge of and was responsible for the conduct of its activities shall be deemed to be guilty of the offence and shall be liable to be proceeded against under this Ordinance.

(2) Nothing contained in this section shall render any such person liable if it is proved that the offence was committed without the person's knowledge or that such person exercised due care to prevent the commission of the offence.

38. **Summary trial of offences.**—Any magistrate empowered for the time being to try in a summary way the offence specified in sub-section (1) of section 260 of the Code of Criminal Procedure, 1898 (Act V of 1898), may, if such magistrate or bench of magistrates thinks fit, on application being made in this behalf by the prosecution try any offence punishable under this Ordinance in accordance with the provisions contained in sections 262 to 265 of the said Code.

39. **Cognizance of offences.**—No court shall take cognizance of any offence punishable under this Ordinance except on a complaint in writing made by the Authority or by an officer authorized for the purpose by the Authority.

Chapter-IX

MISCELLANEOUS

40. **Duty to assist the Authority.**—(1) The Authority may in the performance of its functions seek assistance of any office, authority or agency working under the Government, a Provincial Government or a local government.

(2) The office, authority or agency shall comply with the direction of the Authority under sub-section (1) unless, for reasons to be recorded in writing and within thirty days of the direction, an officer not below the rank of head of the office, authority or agency requests the Authority to place the matter before the Chairman whose decision, on such matter, shall be final.

41. **Authentication of instruments of the Authority.**—All orders, decisions and other instruments of the Authority shall be authenticated by the signature of the Chairman or any other employee of the Authority authorized by the Chairman, in the prescribed manner.

42. **Annual report.**—(1) The Authority shall, within three months of the end of a financial year, submit to the Patron an annual report.

(2) The Annual report under sub-section (1) shall consist of—

(a) the statement of accounts and audit reports of the Authority;

(b) a comprehensive statement of the work and activities of the Authority during the preceding financial year and its proposed projects; and

(c) such other matters as may be prescribed or as the Authority may consider appropriate.

43. **Recovery of dues.**—Any sum due to the Authority from, or any sum wrongly paid by the Authority to, any person under this Ordinance, shall be recoverable as arrears of land revenue.

44. **Conversion of property to a different use.**—If a person converts a property to a different use or purpose than the one provided under a scheme, master plan or classification map without the previous approval in writing of the Authority, he shall be liable to punishment of fine which may extend to

ten thousand rupees per day from the date of its conversion till the default continues or with imprisonment for a term which may extend to one year or with both.

45. **Ejectment of unauthorized occupants.**—(1) Subject to provision of an opportunity of hearing, the Chairman or any person authorized by the Chairman may summarily eject any person in unauthorized occupation of any land or property vested in the Authority and may for such ejectment use such force as may be necessary.

(2) Subject to provision of an opportunity of hearing, the Chairman or any person authorized by the Chairman may, on his own motion or on the application of the owner, summarily eject any person in unauthorized occupation of any land or plot in a housing scheme developed and controlled by the Authority and may, for such ejectment, use such force as may be necessary.

(3) Nothing contained in sub-sections (1) and (2) shall prohibit the Chairman or any person authorized by the Chairman to proceed against such person on commission of an offence, as provided in this Ordinance.

46. **Removal of building, etc. erected or used in contravention of this Ordinance.**—(1) If any building, structure, work or land is erected, constructed or used in contravention of the provisions of this Ordinance or of any rule, regulation or order made thereunder, the Chairman or any person authorized by him or the Authority in this behalf, may, by order in writing, require the owner, occupier, user or person in control of such building, structure, work or land to remove, demolish or alter the building, structure or work or to use it in such manner so as to bring such erection, construction or user in accordance with the said provisions of this Ordinance or of any rule, regulation or order made thereunder.

(2) If an order under sub-section (1) in respect of any building, structure, work or land is not complied with within such time as may be specified therein, the Chairman or any person authorized by him or the Authority in this behalf, may, after giving the person affected by the order an opportunity of being heard, remove, demolish or alter the building, structure or work, or stop the use of the land by sealing the premises or land and, in so doing, may use such force as may be necessary and may also recover the cost therefor, from the person responsible for the erection, construction or use of the building, structure, work or land in contravention of the provisions as aforesaid.

47. **Power to dispose of land.**—The Authority may retain, or may lease, sell, exchange, rent or otherwise dispose of any land vested in it.

48. **Police assistance.**—The officer-in-charge of a police station shall render such police assistance as the deputy commissioner may require in the discharge of his functions under this Ordinance.

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49. **Jurisdiction of courts barred.**—Save as otherwise provided by this Ordinance, no court or other authority shall have jurisdiction to question the legality of anything done or any action taken under this Ordinance by or at the instance of the Authority.

50. **Power to make rules.**—(1) The Government may, on the recommendation of the Authority and by notification in the official Gazette, make rules to carry out the purposes of this Ordinance.

(2) Prior to formal prescription, the draft rules shall be published in the official Gazette and on website of the Authority for eliciting public opinion within such time period as may be considered appropriate in the circumstances.

51. **Power to make regulations.**—(1) Subject to the provisions of this Ordinance and any rules prescribed hereunder, the Authority may, by publication in the official Gazette and uploading on its website, make regulations as may be necessary to carry out the purposes of this Ordinance.

(2) Prior to formal prescription, the draft regulations shall be published on the website of the Authority for eliciting public opinion within such time period as may be considered appropriate in the circumstances.

52. **Removal of difficulties.**—If any difficulty arises in giving effect to any provision of this Ordinance, the President may make such orders or give such directions as are necessary to remove the difficulty.

53. **Overriding effect.**—The provisions of this Ordinance shall have effect notwithstanding anything contained in any other law for the time being in force.

FIRST SCHEDULE
(see section 3)

LIMITS OF THE SPECIFIED AREAS

(1) The Bundal and Buddo Islands

SECOND SCHEDULE:
(see section 35)

LIST OF OFFENCES

Part- A

1. Discharging any dangerous chemical, inflammable, hazardous or offensive article in the ocean, any drain, or sewer, public water course or public

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land vested in, managed, or controlled by Authority or an agency in such manner as causes oils likely to cause danger to persons passing by or living or working in any neighborhood or area, or risk or injury to property or causing harm to the environment.

2. Failure of industrial or commercial concerns or such property holders to provide adequate and safe disposal of affluent or prevention of their mixing up with the ocean or water supply or sewerage system.

Part-B

3. Willfully obstructing any officer or servant of Authority or any person authorized to exercise power conferred under this Ordinance.

4. Failure to deliver back possession of property to the Authority on expiration and cancellation of lease or allotment or exemption of plot.

5. Doing an act without licence, approval or permission when the doing of such act requires a licence or permission under any of the provisions of the Ordinance or any rules or regulations made thereunder.

6. Erection or re-erection of building over set back area or parking area or building line area required to be left open under the rules or bylaws for using such space for any purpose which is not approved.

7. Establishing any parking stand on any property or on any open space and public park or land vested in or managed, maintained or controlled by the Authority.

8. Establishing temporary shops or running any restaurant or vending stalls for eatables, wooden Khokas or any sort of commercial activity on any road, street, footpath, public place, over a drain, or any other property vesting in the Authority.

9. Obstructing or tampering with any road, street, drain or sewer pipe or pavement or tampering with any main pipe, meter or any apparatus or appliance for the supply of water or sewerage system or laying out a drain or altering any drain in a street or road.

10. Connecting any house drain with a drain in a public street without approval of the Authority.

11. Drawing off, diverting or taking any water except with the permission required under this Ordinance. rules or regulations.

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12. Willfully causing damage, or allowing damage to be caused to any property which vests in the Authority, or unlawfully converting it to his own or any other person's use.

13. Refusal or willfully neglecting to provide any officer or servant of the Authority with the means necessary for entering into any premises for the purpose of collecting any information or making an examination or enquiry in relation to any water works.

14. Failure or neglect of a sponsor to abide by or fulfill the commitment made to a person regarding allotment of a plot, housing unit or price of the same in any scheme.

15. Without lawful excuse, failing or refusing to comply with any direction or order issued by the Authority under this Ordinance.

16. Attempting to commit or abetting the commission of an offence punishable under this Ordinance.

DR. ARIF ALVI,
President.

FARRUKH ALI MUGHAL,
Solicitor General.

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Encl-II

ACT No. LXXXII OF 1976

An Act to provide for the declaration of the territorial waters and maritime zones of Pakistan

WHEREAS it is expedient to provide for the declaration of the territorial waters and maritime zones of Pakistan and for matters connected therewith ;

It is hereby enacted as follows :—

1. **Short title and commencement.**—(1) This Act may be called the Territorial Waters and Maritime Zones Act, 1976.

(2) It shall come into force at once.

2 **Territorial waters.**—(1) The sovereignty of Pakistan extends and has always extended to the territorial waters of Pakistan, hereinafter referred to as the territorial waters, as well as to the air space over, and the bed and sub-soil of, such waters.

(2) The limit of the territorial waters is twelve nautical miles beyond the land territory and internal waters of Pakistan measured from the baseline.

(3) The baseline from which such limit shall be measured and the waters on the landward side of which shall form part of the internal waters of Pakistan shall be specified by the Federal Government by notification in the official Gazette.

(4) Where a single island, rock or a composite group thereof constituting a part of the territory of Pakistan is situated off the main coast, the baseline referred to in sub-section (3) shall be drawn along the outer seaward limits of such island, rock or composite group.

3. **Use of territorial waters by foreign ships.**—(1) Without prejudice to the provisions of any other law for the time being in force and subject to the provisions of sub-section (2) and sub-section (3), all foreign ships shall enjoy the right of innocent passage through the territorial waters.

Explanation.—For the purposes of this section, passage is innocent so long as it is not prejudicial to the peace, good order or security of Pakistan.

(2) Foreign warships, including submarines and other under water vehicles and Foreign Military Aircraft may enter or pass through the territorial waters and the air space over such waters with the prior permission of the Federal Government :

Provided that submarines and other under water vehicles shall navigate on the surface and show their flag while passing through such waters.

(3) Foreign super ankers, nuclear powered ships and ships carrying nuclear or other inherently dangerous or noxious substances or materials may enter or pass through the territorial waters after giving prior notice to the Federal Government.

(4) The Federal Government may, if satisfied that it is necessary so to do in the interest of the peace, good order or security of Pakistan or any part thereof, suspend, by notification in the official Gazette, subject to such exceptions and qualifications, if any, as may be specified in the notification, the entry of all or any class of foreign ships into such area of the territorial waters as may be specified in the notification.

4. **Contiguous Zone.**—(1) The Contiguous Zone of Pakistan, hereinafter referred to as the Contiguous Zone, is an area adjacent to and beyond the territorial waters and extending seawards to a line twenty-four nautical miles measured from the baseline declared under sub-section (3) of section 2.

(2) The Federal Government may exercise such powers and take such measures in or in respect of the Contiguous Zone as it may consider necessary to prevent and punish the contravention of, and an attempt to contravene, any law in force in Pakistan relating to—

(a) the security of Pakistan;

(b) immigration and sanitation; and

(c) customs and other fiscal matters.

(3) The Federal Government may, by notification in the official Gazette,—

(a) extend to the Contiguous Zone any law relating to any matter referred to in clause (a) or clause (b) or clause (c) of sub-section (2), for the time being in force in Pakistan or any part thereof, with such modifications, if any, as may be specified in the notification; and

(b) make such provisions as it may consider necessary for facilitating the enforcement of such law and any law so extended shall have effect as if the Contiguous Zone formed part of the territory of Pakistan.

5. **Continental Shelf.**—(1) The Continental Shelf of Pakistan, hereinafter referred to as the Continental Shelf, shall comprise the seabed and sub-soil of the submarine areas that extend beyond the limit of the territorial waters of Pakistan throughout the natural prolongation of the land territory of Pakistan to the outer edge of the continental margin or, where the outer edge of the continental margin does not extend up to a distance of two hundred nautical miles from the baseline declared under sub-section (3) of section 2, up to that distance.

(2) Pakistan has, and always had, full and exclusive sovereign rights in respect of its Continental Shelf, including—

(a) exclusive sovereign rights for the purpose of exploration, development exploitation, conservation and management of all resources, both living and non-living;

(b) exclusive rights and jurisdiction to authorize, regulate and control scientific research;

(c) exclusive rights and jurisdiction for the construction, maintenance or operation of artificial islands, off-shore terminals, installations and other structures and devices necessary for the exploration and exploitation of the resources of the Continental Shelf, for the convenience of shipping or for any other purpose; and

(d) exclusive jurisdiction to preserve and protect the marine environment and to prevent and control marine pollution.

(3) No person, including a foreign Government, shall, except under, and in accordance with the terms of, any agreement with the Federal Government of a licence or letter of authority granted by the Federal Government, explore the Continental Shelf or exploit its resources or carry out any search or excavation or conduct any research within the Continental Shelf or drill therein or construct, maintain or operate therein for any purpose whatsoever any artificial islands, off-shore terminal, installation or other structure or device.

(4) The Federal Government may, by notification in the official Gazette,—

(a) declare any area of the Continental Shelf and its superjacent waters to be a designated area ; and

(b) make such provisions as it may deem necessary with respect to all or any of the following matters, namely :—

(i) the exploration, development, exploitation and protection of the resources of the Continental Shelf within such designated area ;

(ii) the safety and protection of artificial islands, off-shore terminals, installations and other structures and devices in such designated area ;

(iii) the protection of marine environment of such designated area ;

(iv) customs and other fiscal matters in relation to such designated area ; and

(v) the regulation of entry into and passage through the designated area of foreign ships by the establishment of fairways, sealanes, traffic separation schemes or any other mode of ensuring freedom of navigation which is not prejudicial to the interests of Pakistan.

(5) The Federal Government may, by notification in the official Gazette,—

(a) extend to the whole or any part of the Continental Shelf any law for the time being in force in Pakistan or any part thereof, with such modifications, if any, as may be specified in the notification ; and

(b) make such provisions as it may consider necessary for facilitating the enforcement of such law ;

and any law so extended shall have effect as if the Continental Shelf or, as the case may be, the part thereof to which it has been extended formed part of the territory of Pakistan.

(6) Subject to any measures that may be necessary for protecting the interests of Pakistan, and without prejudice to the provisions of sub-section (2), the Federal Government may not impede the laying or maintenance of submarine cables or pipelines on the seabed of the Continental Shelf by foreign States :

Provided that the consent of the Federal Government shall be necessary for the delineation of the course for the laying of such cables or pipelines.

6. **Exclusive Economic Zone.**—(1) The Exclusive Economic Zone of Pakistan, hereinafter referred to as the Exclusive Economic Zone, is an area beyond and adjacent to the territorial waters the limit of which is two hundred nautical miles from the baseline declared under sub-section (3) of section 2.

(2) In the Exclusive Economic Zone, its bed and sub-soil and the superjacent waters, Pakistan has—

(a) exclusive sovereign rights for the purpose of exploration, development, exploitation, conservation and management of all resources, both living and non-living, as well as for producing energy from tides, winds, currents and the sun.

(b) exclusive rights and jurisdiction for the construction, maintenance or operation of artificial islands, off-shore terminals, installations and other structures and devices necessary for the exploration and exploitation of the resources of the Zone or for the convenience of shipping or for any other purpose ;

(c) exclusive rights and jurisdiction to authorize, regulate and control scientific research ;

(d) exclusive jurisdiction to preserve and protect the marine environment and to prevent and control marine pollution ; and

(e) such other rights as are recognized by international law.

(3) No person, including a foreign Government, shall, except under, and in accordance with the terms of, any agreement with the Federal Government or a licence or letter of authority granted by the Federal Government, explore or exploit any resources of the Exclusive Economic Zone or carry out any search or excavation or conduct any research within the Exclusive Economic Zone or drill therein or construct, maintain or operate therein for any purpose whatsoever any artificial island, off-shore terminal, installation or other structure or device :

Provided that fishing in the Exclusive Economic Zone shall be regulated by the provisions of the Exclusive Fishery Zone (Regulation of Fishing) Act, 1975 (XXII of 1975).

(4) The Federal Government may, by notification in the official Gazette,—

(a) declare any area of the Exclusive Economic Zone to be a designated area ; and

(b) make such provisions as it may deem necessary with respect to all or any of the following matters, namely :—

(i) the exploration, development, exploitation and protection of the resources of such designated area ;

(ii) other activities for the economic exploitation and exploration of such designated area, such as the production of energy from tides, winds, currents and the sun ;

(iii) the safety and protection of artificial islands, off-shore terminals, installations and other structures and devices in such designated area ;

(iv) the protection of marine environment of such designated area ;

(v) customs and other fiscal matters in relation to such designated area ; and

(vi) the regulation of entry into and passage through the designated area of foreign ships by the establishment of fairways, sealanes, traffic separation schemes or any other mode of ensuring freedom of navigation which is not prejudicial to the interest of Pakistan.

(5) The Federal Government may, by notification in the official Gazette,—

(a) extend to the whole or any part of the Exclusive Economic Zone any law for the time being in force in Pakistan or any part thereof subject to such modifications as may be specified in the notification; and

(b) make such provisions as it may consider necessary for facilitating the enforcement of such law, and any law so extended shall have effect as if the Exclusive Economic Zone or, as the case may be, the part thereof to which it has been extended formed part of the territory of Pakistan.

(6) The provisions of sub-section (6) of section 5 shall apply in relation to the laying or maintenance of submarine cables or pipelines on the seabed of the Exclusive Economic Zone as they apply in relation to the laying or maintenance of submarine cables or pipelines on the seabed of the Continental Shelf.

(7) In the Exclusive Economic Zone and the air space over the Zone, ships and aircraft of all States shall, subject to the exercise by Pakistan of its rights within the Zone, enjoy freedom of navigation and overflight.

7. **Historic waters.**—(1) The Federal Government may, by notification in the official Gazette, specify the limits of such waters adjacent to its land territory as are the historic waters of Pakistan.

(2) The sovereignty of Pakistan extends, and has always extended, to the historic waters of Pakistan and to the seabed and subsoil underlying, and the air space over, such waters.

8. **Maritime boundaries between Pakistan and States having coasts opposite or adjacent to those of Pakistan.**—(1) Notwithstanding anything contained in any other provision of this Act,--

(a) the delimitation of the territorial waters between Pakistan and any other state whose coast is opposite or adjacent to that of Pakistan shall be determined by agreement between Pakistan and such state and pending such agreement and unless any other provisional arrangements are agreed to between them, the boundary with regard to the territorial waters between Pakistan and such state shall not extend beyond the line every point of which is equidistant from the baseline from which the breadth of the territorial waters of Pakistan and of such state is measured; and

(b) the delimitation of the Contiguous Zone, the Continental Shelf, the Exclusive Economic Zone and other maritime zones between Pakistan and any other state whose coast is opposite or adjacent to that of Pakistan shall be effected by agreement in accordance with equitable principles and taking account of all the relevant circumstances, and pending such agreement or a settlement Pakistan and such state shall make provisional arrangements taking into account the said principles for delimitation of the Contiguous Zone, the Continental Shelf, the Exclusive Economic Zone and other maritime zones.

(2) Every agreement referred to in clauses (a) and (b) of sub-section (1) shall, as soon as may be after it is entered into, be published in the official Gazette.

9. **Publication of charts.**—The Federal Government may cause the baseline referred to in sub-section (3) of section 2, the limits of the Territorial Waters, the Contiguous Zone, the Continental Shelf and the Exclusive Economic Zone and the maritime boundaries as settled by agreements referred to in section 8 to be published in charts.

10. **Offences.**—Whoever contravenes any provision of this Act or of any rule or notification made or issued thereunder shall, without prejudice to any other action which may be taken against such person under any other provision of this or of any other law, be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

11. **Offences by companies.**—(1) Where an offence punishable under section 10 has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to the company for, the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly :

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence punishable under section 10 has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purpose of this section,—

(a) "company" means any body corporate and includes a firm or other association of individuals ; and

(b) "director", in relation to a firm, means a partner in the firm.

12. **Place of trial.**—Any person committing an offence punishable under section 10 or under any of the laws extended under this Act may be tried for the offence in such place or places as the Federal Government may, by general or special order published in the official Gazette, direct in this behalf.

13. **Previous sanction of the Federal Government for prosecution.**—No prosecution shall be instituted against any person in respect of any offence punishable under section 10 or under any of the laws extended under this Act without the previous sanction of the Federal Government or such officer or authority as may be authorised by that Government by order in writing in this behalf.

14. **Power to make rules.**—(1) The Federal Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely —

(a) regulation of the conduct of any person in the Territorial Waters, Contiguous Zone, the Continental Shelf, the Exclusive Economic Zone or any other maritime zone of Pakistan ;

(b) regulation of the exploration, development, exploitation, conservation and management of the resources of the Continental Shelf ;

(c) regulation of the exploration, development, exploitation, conservation and management of the resources of the Exclusive Economic Zone

(d) regulation of the construction, maintenance and operation of artificial islands, off-shore terminals, installations and other structures and devices referred to in section 5 and section 6 ;

(e) preservation and protection of the marine environment and prevention and control of marine pollution ;

(f) authorisation, regulation and control of the conduct of scientific research ;

(g) fees in relation to licences and letters of authority referred to in sub-section (3) of section 5 and sub-section (3) of section 6 or for any other purpose ; or

(h) any matter incidental to any of the matters specified in clauses (a) to (g).

MINISTRY OF MARITIME AFFAIRS

JOB OPPORTUNITY

The Ministry of Maritime Affairs, Government of Pakistan invites applications on open merit for the post of Chairman, Pakistan Islands Development Authority from individuals who are Pakistani national and fulfill the criteria given below:-

Eligibility Criteria

Work Experience	(1) The Chairman shall be a person of sound integrity and competence, meeting one of the following:- a) that he is a serving or retired officer of the Government in the BPS-22 or equivalent; or b) that he is a serving or retired officer of the Armed Forces, not below the rank of a Lieutenant-General or equivalent; Explanation: The serving officers from the civil bureaucracy and the Armed Forces will be eligible to be appointed as the Chairman on deputation or secondment basis, as per the applicable laws and rules, or; c) that he is an experienced professional or business person, not having less than fifteen years of experience in his field and possesses:- i. a Masters degree recognized by the Higher Education Commission of Pakistan, in the field of accounting, finance, business administration, management, commerce, engineering, economics, planning, law, real estate, urban development; or ii. the qualification of chartered accountancy, cost and management accountancy, barrister-at-law or solicitor.
Age Limit	The Chairman shall not be more than sixty-two (62) years of age on the date of first appointment as Chairman.
Pay Package	Special Professional Pay Scale (SPPS-I), for details please visit www.moma.gov.pk
Period of Contract	The Chairman shall, subject to this Ordinance, hold office for a term of four years, and may be re-appointed by the Federal Government for an additional term of four years. Discretion of reappointment rests with Federal Government.
Application Submission Guidelines	i. Persons having requisite experience and qualifications should submit their applications and CV along with recent 02 photographs (passport size) and copy of CNIC to the undersigned within 15 days of publication of this advertisement. Applications & CVs can also be sent through email so.nga@moma.gov.pk ii. The applicants working in Government/ semi Government departments or Autonomous Bodies or Armed Forces should obtain NOC from their parent organizations; iii. Only shortlisted applicants will be invited for interviews; iv. Incomplete applications/documents or those received after the due date shall not be entertained; v. The candidates shall not be entitled for any TA/DA.

(Allauddin Ahmed)
Section Officer (POA), Ministry of Maritime Affairs
6th Floor, Kohsar Block, Pak Secretariat
Tele: 051-9201168, Fax: 051-9208530

rt VI: Finance, Property, Contracts and Suits

apter 3: Property, Contracts, Liabilities and Suits

Ownerless property.

(1) Any property which has no rightful owner shall, if located in a Province, vest in the Government of that Province, and in every other case, in the Federal Government.

(2) All lands, minerals and other things of value within the continental shelf or underlying the ocean [398][beyond][398] the territorial waters of Pakistan shall vest in the Federal Government.

[399][

(3) Subject to the existing commitments and obligations, mineral oil and natural gas within the Province or the territorial waters adjacent thereto shall vest jointly and equally in that Province and the Federal Government.

][399]

Power to acquire property and to make contracts, etc.

(1) The executive authority of the Federation and of a Province shall extend, subject to any Act of the appropriate Legislature, to the grant, sale, disposition or mortgage of any property vested in, and to the purchase or acquisition of property on behalf of, the Federal Government or, as the case may be, the Provincial Government, and to the making of contracts.

(2) All property acquired for the purposes of the Federation or of a Province shall vest in the Federal Government or, as the case may be, in the Provincial Government.

(3) All contracts made in the exercise of the executive authority of the Federation or of a Province shall be expressed to be made in the name of the President or, as the case may be, the Governor of the Province, and all such contracts and all assurances of property made in the exercise of that authority shall be executed on behalf of the President or Governor by such persons and in such manner as he may direct or authorize.

(4) Neither the President, nor the Governor of a Province, shall be personally liable in respect of any contract or assurance made or executed in the exercise of the executive authority of the Federation or, as the case may be, the Province, nor shall any person making or executing any such contract or assurance on behalf of any of them be personally liable in respect thereof.

(5) Transfer of land by the Federal Government or a Provincial Government shall be regulated by law.

Suits and proceedings.

The Federation may sue or be sued by the name of Pakistan and a Province may sue or be sued by the name of the Province.

Encl V

No.[illegible]/2020 Encl V
GOVERNMENT OF SINDH
LAND UTILIZATION DEPARTMENT
Karachi, Dated: 26/07/2020

To,

The Secretary,
Cabinet Division
Government of Pakistan,
Islamabad.

SUBJECT:- **CHANGE OF USE OF LAND IN THE LIMITS OF PORT QASIM AUTHORITY.**

I have been directed to invite your kind attention to your Demi Official letter No. D.O.4/1/2019-RA-II/NPH&DA dated 2nd July 2020 addressed to the Chief Secretary, Government of Sindh, regarding Development / Construction Project at Bundal Island.

In pursuance of the said request made by Federal Government, the Provincial Cabinet has decided to make the said Island available to Federal Government, as per law, for the purpose mentioned in the letter under reply in public interest, on such terms and conditions, as may be agreed upon. However, any development or construction activity on the said Island by the Federal Government shall also protect and promote the legitimate interests of local fisherman / population.

The above is submitted for your kind information please.

(EIJAZ HUSSAIN BALOCH)
SECRETARY
LAND UTILIZATION DEPARTMENT

Copy to:-
The Chief Secretary Sindh, Karachi.
The Senior Member, Board of Revenue, Sindh, Karachi.
The Principal Secretary to Chief Minister Sindh, Karachi.
Secretary G.A (SGA&CD) Government of Sindh, Karachi.
Master File 2020.

(EIJAZ HUSS...