

THE BOARD OF INVESTMENT ORDINANCE, 2001

ORDINANCE No. XV OF 2001

An Ordinance to provide for the establishment of the Board of Investment as an apex agency to promote, encourage and facilitate both local and foreign investment

[22nd March, 2001]

WHEREAS it is expedient to provide for the establishment of Board of Investment to promote, encourage and facilitate local and foreign investment, and for matters connected therewith and ancillary thereto;

AND WHEREAS the National Assembly and the Senate stand suspended in pursuance of the Proclamation of Emergency .of the fourteenth day of October, 1999, and the Provisional Constitution Order No. 1 of 1999;

AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action;

Now, therefore, in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No. 1 of 1999, read with the Provisional Constitution (Amendment) Order No.9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:—

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.— (1) This Ordinance may be called the Board of Investment Ordinance, 2001.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

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

- (a) "Board" or "BOI" means the Board of Investment established under section 3;
- (b) "Chairman" means the Chairman of the Board;
- (c) "CCOI" means the Cabinet Committee on Investment constituted by Notification No.38(Cab)/97, dated 13th September, 1997;.

- (d) "Investment Policy" means the investment policy, the CCOI. may, from time to time, approve;
- (e) "member" means the member of the Board;
- (f) "National Industrial Zone" means an industrial estate, an export processing zone, a free industrial zone and export-oriented unit or a free trade zone, notified as such by the Federal Government;
- (g) "President" means President of the Board;
- (h) "Provincial Investment Committee" means any Provincial Investment Committee established under section 16;
- (i) "regulations" means regulations made under this Ordinance;
- (j) "rules" mean rules made under this Ordinance;
- (k) "Secretary" means the Secretary of the BOI: and
- (l) "Vice-President" means the Vice-President of the Board.

CHAPTER I

ESTABLISHMENT OF THE BOARD OF INVESTMENT

3. Establishment of the Board of Investment. (1) There is hereby established a Board to be called the Board of Investment (BOI) for carrying out the purposes of this Ordinance.

(2) The Board shall consist of—

- (a) the Chief Executive of the Islamic Republic of Pakistan who shall be its President; .
- (b) Federal Minister in Charge of the Division, to which the business relating to the BOI is allocated, who shall be its Vice-President;
- (c) Chairman of the BOI; and
- (d) not less than seven and not more than twenty-five ex officio members- and non-official members, provided that not less than three non-official members shall be appointed from private sector from amongst persons of renowned integrity, expertise, experience and knowledge including, inter alia, academia, science, agriculture, banking, business, commerce, economic, engineering, finance, industry, investment, law, marketing, mathematics, statistics and technology. '

4. Chairman.--The Chairman shall--

- (a) be appointed by the Federal Government on such terms and conditions as it may determine by Notification in the official Gazette; and
- (b) exercise such powers and perform such functions as may be assigned to him by the Board.

5. Secretary.— (1) The Federal Government may, either from the Federal Government or from the private sector, appoint a Secretary who shall attend meetings of the Board and perform such functions as the Chairman may assign.

(2) The Secretary shall be the Principal Staff Officer and Principal Accounting Officer of the 1301 and shall have the status of a Secretary to the Federal Government.

6. Non-official members.— (1) The members of the Board who are not appointed ex officio by the Federal Government hereinafter referred to as non-official members, shall hold office for a term of two years and shall be eligible for re-appointment.

(2) A non-official member may, by writing under his hand addressed to the Federal Government, resign his office.

(3) A casual vacancy of any non-official member shall be filled in by appointment of another member for the residue of the term of his predecessor.

(4) A non-official member shall hold office during the pleasure of the Federal Government, and may be removed from office if such member has, in the opinion of the Federal Government, so abused the position as to render his continuance in office detrimental to public interest:

Provided that no member shall be removed from office until he has been given a reasonable opportunity of being heard.

7. Meetings of the Board.— (1) Except as hereinafter provided, the Board shall regulate the procedure for its own meetings.

(2) The Board shall meet at least once every three months.

(3) Meetings of the Board shall be presided--

- (a) by the President;
- (b) in the absence of the President, by the Vice-President;
- (c) in the absence of both the President and the Vice-President by the Chairman,
or
- (d) in the absence of the President, the Vice-President and the Chairman, by a member nominated by the President.

(4) The quorum for meeting shall be one-third of the total membership of the Board.

(5) All questions in the meetings of the Board shall be decided by a majority of the members present and voting; and in case of equality of votes, the person presiding over the meeting shall have a second or casting vote.

(6) Any urgent business of the Board may be transacted by circulation among all its members and any proposal so circulated and approved by a majority of the members shall be as effective and binding as if such proposal had been passed at a regular meeting of the Board.

8. Validity of proceedings. No act, proceedings, decision or order of the Board or a Committee thereof shall be invalid by reason only of existence of any vacancy or defect in the constitution of the Board or, as the case may be, a Committee of the Board.

9. Functions of BOI.— (1) Notwithstanding anything contained in any law the BOI shall—

- (a) from time to time, review the national investment policy and laws, and propose any amendments, modifications and relaxations therein it may deem appropriate to the Cabinet for approval;
- (b) initiate and consider sectoral investment proposals and categories of investment which may require specific treatment and propose such sectoral incentives or conditions or criteria requiring rationalization of existing policies; and
- (c) be associated by the Federal Government in the formulation of all policies that may have an impact on investment in Pakistan, including inter alia, economic, fiscal and trade policies;
- (d) identify and promote the investment opportunities in different sectors and their promotion in Pakistan and abroad;
- (e) co-ordinate with concerned Ministries, Departments, Agencies and Provincial Governments with regard to policies and their implementation having impact on investment;
- (f) provide one window facilities for provision of all services and utilities to investors by concerned Federal and Provincial Agencies;
- (g) deal with matters relating to National Industrial Zones as may be referred to it by the Federal Government;
- (h) monitor the progress of investment programmes and projects at all stages and ensure, through inter-agency and inter-provincial coordination, prompt implementation and operation;

- (i) review investment promotion plans, formulate institutional arrangements, make transparent and simplified procedures and guidelines for investment promotion;
- (j) appraise, evaluate and process all investment proposals and projects received from the investors for submission to the Cabinet or a Committee of the Cabinet or the Board;
- (k) appoint commissions, expert bodies and consultants to study various aspects of attracting investment in all sectors and improving the investment climate, procedures and other related matters;
- (l) maintain a data-base of investment projects in the private sector that involve local and foreign capital;
- (m) negotiate and finalize agreements for protection and promotion of investment with other countries and represent Pakistan on regional and international organizations pertinent to investment promotion;
- (n) liaise with private sector trade bodies and associations for their active participation in promotion of investment;
- (o) collect, compile, analyze, maintain and distribute investment-related information and, from time to time publish periodical analytical reports in investment trends;
- (p) promote a congenial environment for investment by ensuring de-regulation and other measures to remove obstacles to investment;
- (q) develop a marketing, image-building and public relations strategy to generate interest in the potential and opportunities of the Pakistani market, and publicize its activities;
- (r) communicate all major important administrative, financial and policy matters to the management of business undertakings falling within the purview of the investment policy approved by the Government;
- (s) establish Overseas Commissions consisting of prominent overseas Pakistani entrepreneurs and other individuals to act as investment promotion counsellors purely in an honorary capacity;
- (t) consider individual investment proposals and categories of investment which require special treatment and recommend, where appropriate, additional incentives or relaxation of conditions or criteria required under existing policies;
- (u) from time to time, determine and review the scale of fees and charges for services provided to the investors by it; and
- (v) any other function assigned by the Cabinet and the CCOI.