

Passed on 22-01-2018

[AS PASSED BY THE SENATE]

A

BILL

further to amend the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001

WHEREAS it is expedient further to amend the Auditor-General's (Functions, Powers and Terms and conditions of Service) Ordinance, 2001 (XXIII of 2001), for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and commencement.—(1) This Act may be called the Auditor-General's (Functions, Powers and Terms and Conditions of Service) (Amendment) Act, 2018.

(2) It shall come into force at once.

2. Amendment of section 2, Ordinance XXIII of 2001. – In the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, hereinafter referred to as the said Ordinance, in section 2, in sub-section (1),-

(a) after clause (a), the following new clauses shall be inserted, namely:-

“(aa) “appropriation accounts” means accounts relating to expenditure brought into account during a financial year to several items specified in the schedules of authorized expenditure authenticated under Article 83, or as the case may be, Article 123 of the Constitution of the Islamic Republic of Pakistan;

(ab) “audit” includes regularity audit, information technology audit, environmental audit, forensic audit, performance audit, management audit, special audit and any other kind of audit, report or analysis, deemed appropriate by the Auditor-General;

2

(b) after clause (c), the following new clause shall be inserted and the remaining clauses shall be renumbered, namely:-

"(d) "public sector enterprise" means a corporation or company established under any Act of Majlis-e-Shoora (Parliament) or a Provincial Assembly or Local Government or by any resolution or order of the Federal, Provincial or Local Government, or a company established under the Companies Act, 2017 (XIX of 2017) or previous companies legislation which is owned or controlled by the Federal or a Provincial or Local Government."

2A. Insertion of new Section 3A, in the Ordinance XXIII of 2001.— In the said Ordinance, after section 3, the following new section 3A shall be inserted, namely:-

"3A. Qualification.— No person shall be appointed as the Auditor General of Pakistan unless he has been a BS 22 officer of Pakistan Audit and Accounts Service and also served at least fifteen years of his service in the department of Auditor General of Pakistan:

Provided that the deputation period of service of such officer shall not be counted as his service in the department of the Auditor General of Pakistan."

3. Amendment of section 4, Ordinance XXIII of 2001.—In the said Ordinance,___

- (a) in section 4, for the word "five" the word "four" shall be substituted; and
- (b) the Explanation shall be omitted.

3

4. Amendment of Section 7, Ordinance XXIII of 2001.- In the said Ordinance, in Section 7, _

- (a) after the word "accounts" occurring for the first time, the words "including appropriation accounts" shall be inserted;
- (b) for the word "district", occurring for the first time, the words "Local Government" shall be substituted; and
- (c) for the words "District Authority" the words "Local Authority" shall be substituted.

5. Amendment of section 8, Ordinance XXIII of 2001. -In the said Ordinance, in section 8, for clause (d), the following shall be substituted, namely:-

- “(d) audit the accounts of any authority or body established by, or under the control, of, the Federal or a Provincial Government or Local Government, including public sector enterprises, and determine the nature and extent of such audit.”

6. Amendment of section 9, Ordinance XXIII of 2001. -In the said Ordinance, in section 9, for the word “district”, wherever occurring, the words “Local Government” shall be substituted.

7. Amendment of section 11, Ordinance XXIII of 2001. - In the said Ordinance, in section 11, -

- (a) In sub-section (1), for the semicolon a full stop shall be substituted and the proviso shall be omitted; and
- (b) sub-section (2) shall be omitted.

8. Amendment of section 12, Ordinance XXIII of 2001. - In the said Ordinance, in section 12, -

- (a) for the word “district”, occurring in the marginal note and for the first time, the words “Local Government” shall be substituted; and

4

- (b) for the word "which", occurring for the third time, the word "such" shall be substituted.

9. Amendment of section 13, Ordinance XXIII of 2001. - In the said Ordinance, in section 13, for the word "district", the words "Local Government" shall be substituted.

10. Amendment of section 14, Ordinance XXIII of 2001. - In the said Ordinance, in section 14, -

- (a) in sub-section (1), in clause (a), for the word "district", the words "Local Government" shall be substituted; and
- (b) in sub-section (2), after the word "record", a comma shall be inserted and, after the comma inserted as aforesaid, the words and commas "whether manual or electronic, and access to information technology systems," shall be inserted.

11. Amendment of section 15, Ordinance XXIII of 2001. - In the said Ordinance, for section 15, the following shall be substituted, namely:-

"15. Audit of public sector enterprises.-Notwithstanding anything contained in any other law for the time being in force, the Auditor-General shall audit the accounts of a public sector enterprise in accordance with the provisions of this Ordinance and he shall have, for the purpose of such audit, right of access to the books and accounts of public sector enterprises, whether manual or electronic."

12. Omission of section 16, Ordinance XXIII of 2001. - In the said Ordinance, section 16 shall be omitted.

13. Addition of new section 24, Ordinance XXIII of 2001. - In the said Ordinance, after section 23, the following new section shall be added, namely:-

"24. Indemnity.- No suit, prosecution or any other proceedings shall lie against the Auditor-General or any other authorized officer of the Department of Auditor General for any act which is done in good faith in connection with their responsibilities or duties under this Ordinance or the rules and regulations made thereunder."

STATEMENT OF OBJECTS AND REASONS

A number of amendments have been necessitated in the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance No. XXIII of 2001 after the passage of 18th Amendment of Constitution of Islamic Republic of Pakistan. In addition to this, the latest trends in the field of auditing and resultant reforms also require amendment in the AGP's Ordinance 2001 in order to bring the organization at par with other Supreme Audit Institutions globally. The proposed amendments would enable the department of Auditor General of Pakistan to fulfill its constitutional responsibilities in an efficient and effective manner.

2. The Bill seeks to achieve the aforesaid objects.

Senator Mohammad Ishaq Dar
Minister for Finance, Revenue,
Economic Affairs, Statistics
And Privatization
Minister-in-Charge