

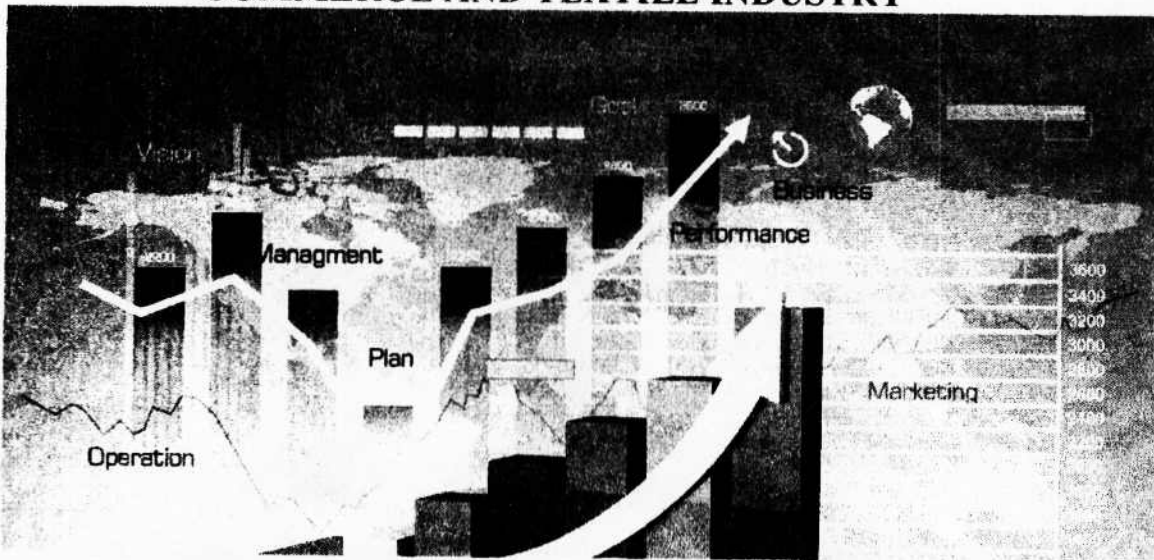
1-1-2020

REPORT NO. 04

# SENATE OF PAKISTAN



## REPORT OF THE SENATE STANDING COMMITTEE ON COMMERCE AND TEXTILE INDUSTRY



REPORT OF THE SENATE STANDING COMMITTEE ON  
COMMERCE AND TEXTILE INDUSTRY ON THE BILL TO AMEND THE  
TRADE ORGANIZATIONS ACT, 2013 (THE TRADE ORGANIZATIONS  
(AMENDMENT) BILL, 2019).

PRESENTED BY  
SENATOR MIRZA MUHAMMAD AFRIDI  
CHAIRMAN

## SENATE SECRETARIAT

### REPORT OF THE SENTATE STANDING COMMITTEE ON COMMERCE AND TEXTILE INDUSTRY ON THE BILL TO AMEND THE TRADE ORGANIZATIONS ACT, 2013 (THE TRADE ORGANIZATIONS (AMENDMENT) BILL, 2019).

I, Senator Mirza Muhammad Afridi, Chairman of the Standing Committee on Commerce and Textile Industry have the honour to present, on behalf of the Committee, this report on the Bill to amend the Trade Organizations Act, 2013 (The Trade Organizations (Amendment) Bill, 2019), moved by Senator Naseebullah Bazai in the Senate Sitting held on 2<sup>nd</sup> September, 2019.

2. The Honourable Chairman Senate referred the matter to Standing Committee on the Commerce and Textile industry with the direction to report back to the House.

3. The composition of the Committee is as under:

1.	Senator Mirza Muhammad Afridi	<b>Chairman</b>
2.	Senator Syed Shibli Faraz	Member
3.	Senator Ahmed Khan	Member
4.	Senator Dilawar Khan	Member
5.	Senator Rana Mahmood ul Hassan	Member
6.	Senator Ghous Mohammad Khan Niazi	Member
7.	Senator Nuzhat Sadiq	Member
8.	Senator Islammudin Shaikh	Member
9.	Senator Muhammad Tahir Bizinjo	Member
10.	Senator Atta-Ur-Rehman	Member
11.	Senator Imamuddin Shouqeen	Member
12.	Senator Khushbakht Shujat	Member
13.	Senator GianChand	Member
14.	Minister for Commerce	Ex-Officio Member

4. The Committee discussed the matter in its meeting held on 11<sup>th</sup> September, 2019, wherein the Committee was provided with all relevant details. The meeting was attended by the following members:

I.	Senator Mirza Muhammad Afridi	Chairman
II.	Senator Shibli Faraz	Member
III.	Senator Imamuddin Shouqeen	Member
IV.	Senator Gianchand	Member
V.	Senator Dr. Ghous Muhammad Khan Niazi	Member
VI.	Senator Ahmed Khan	Member
VII.	Senator Naseebullah Bazai	Mover
VIII.	Senator Mian Muhammad Ateeq Shaikh	Special Invitee

5. The Mover of the Bill, Senator Naseebullah Bazai apprised the Committee that currently, the term of the Chairman, Vice Chairman, President and Vice President of the FPCCI stands at one year. This period does not ensure continuity in the FPCCI and is a hindrance to effective implementation of Policies. The amendment bill aims to increase the tenure from one year to three Years.

6. Senator Imamuddin Shouqeen opined that currently, Presidency of the FPCCI is held on rotation basis, thus allowing all provinces to be represented. With tenure of one year, a President of the FPCCI is elected every 6 years. However, he opined that if the tenure is increased to three years, a President from Balochistan would be elected after every 21 years, and this would be detrimental to the smaller provinces. He opposed the amendment Bill. Former Senator Ilyas Ahmad Bilour, speaking on behalf of the Chambers of Commerce and FPCCI seconded the concerns, stating that this would indeed be detrimental to smaller provinces and their businessmen. Senator Gianchand opined that this was an issue of the FPCCI, and they should resolve the matter internally. Senator Mian Muhammad Ateeq Shaikh also opposed the amendment.

7. The representatives of the various Chambers of Commerce were also present in the meeting. They agreed that the amendment would not only alter the tenure of office bearers of the FPCCI, but also for all the Chambers of Commerce.

8. Following detailed discussions, and hearing all stakeholders, the Committee therefore recommended that the House may grant leave to the Member-in-Charge to withdraw the Bill to amend the Trade Organizations Act, 2013 (The Trade Organizations (Amendment) Bill, 2019) in terms of Rule 115 of the Rules of Procedure and Conduct of Business in the Senate, 2012. The Committee also gave approval for presentation of this report to the House.

  
(Iffat Mustafa)  
Secretary Committee

  
(Senator Mirza Muhammad Afridi)  
Chairman Committee

**[TO BE INTRODUCED IN THE SENATE]**

**A**

**BILL**

*to amend the Trade Organizations Act, 2013*

**WHEREAS** it is expedient to amend the Trade Organizations Act, 2013 (II of 2013), for the purposes hereinafter appearing;

It is hereby enacted as follows:-

**1. Short title and commencement.**-(1) This Act may be called the Trade Organizations (Amendment) Act, 2019.

(2) It shall come into force at once.

**2. Amendment of Section 11, Act II of 2013.**- In the Trade Organizations Act, 2013 (II of 2013), in section 11, in sub-section (1), for the expression "one year" the expression "three years" shall be substituted.

**STATEMENT OF OBJECTS AND REASONS**

Trade Organizations in a country represent the business sector and play vital role in the development of policy framework for improvement in business environment and economic growth. The Trade Organizations Act, 2013, defines the role, responsibilities and operational framework including code of corporate governance for trade organizations. However, for the purpose of organizational tenure of the office bearers of the trade organizations, it has been prescribed that they shall hold the office as Chairman, Vice Chairman, President or Vice President, for one year. The tenure prescribed in the Act, does not suffice the need for perpetuity of the policies made or initiatives taken for the development of the business sector.

This amendment in the Act provides increase in the tenure of the office bearers of the trade organizations to ensure the continuity and due implementation of the policies made for the improvement in business sector, in line with the trends followed by developed countries of the world.

**SENATOR NASEEBULLAH BAZAI  
MEMBER-IN-CHARGE**