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PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN  
MINISTRY OF LAW AND JUSTICE

*Islamabad, the 7th July, 2021*

No. F. 2(1)/2021-Pub.—The following Ordinance promulgated on 6th July, 2021 by the President is hereby published for general information:—

ORDINANCE NO. XIV OF 2021

AN

ORDINANCE

*to establish the Pakistan Airports Authority*

WHEREAS it is expedient to provide for the establishment of the Pakistan Airports Authority, for ownership, management with management of airports an ancillary thereto;

AND WHEREAS it is expedient to provide for services and facilities including air navigation services necessary for the safe, efficient, adequate, economical and properly coordinated air transport operations in Pakistan;

(469)

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AND WHEREAS to transfer the airports, undertakings and its allied infrastructure vested in the Pakistan Civil Aviation Authority to the Pakistan Airports Authority so established and for matters connected therewith and incidental thereto;

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;

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

1. **Short title, extent application and commencement.**—(1) This Ordinance shall be called the Pakistan Airports Authority Ordinance, 2021.

(2) It extends to the whole of Pakistan.

(3) It shall apply to all airports, except works, airports, aerodromes, airfields and things connected therewith which are owned by the Federal Government and established for the exclusive use of defence services.

(4) The Federal Government may, by notification in the official Gazette, direct that this Ordinance, or any provisions thereof which it may specify, shall come into force on such date as it may appoint in this behalf.

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

(a) “aerodrome” shall have the same meaning as assigned thereto in Pakistan Civil Aviation Ordinance, 2021;

(b) “airport” shall have the same meaning as assigned thereto in the Pakistan Civil Aviation Ordinance, 2021;

(c) “Authority” means the Pakistan Airports Authority established under section 3;

(d) “airport facilities” includes CNS or ATM services and facilities of all kinds including runways, taxiways, hangars, parking facilities and all other facilities necessary or desirable for the landing and taking off of an aircraft; embarkation and disembarkation of passengers, loading unloading and handling of passenger baggage, cargo; transportation facilities, all necessary appurtenances,



machinery and equipment; terminal building with developed commercial concessions including shops, hotels, restaurants and catering facilities for passenger comfort and convenience; aircraft maintenance and repair facilities considered necessary or convenient by the Authority in connection therewith;

- (e) **"airport property"** means all tangible or intangible property, assets and rights of whatsoever kind used or intended to be used in connection with the airport and whether in the possession or control of the Pakistan Civil Aviation Authority, including the airport lands, land records and all documents of whatsoever kind relating to the airport;
- (f) **"Board"** means the Board constituted under section 7;
- (g) **"CNS and ATM services"** means provision of communication, navigation and surveillance and air traffic management services of the Authority;
- (h) **"Chairperson"** means the Chairperson of the Board;
- (i) **"Director General"** means the Director General of the Authority; and
- (j) **"Division concerned"** means the Division to which the business of this Ordinance stands allocated.

3. **Establishment of the Authority.**—(1) As soon as may be, after the commencement of this Ordinance, the Federal Government shall, by notification in the official Gazette, establish an authority to be known as the Pakistan Airports 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 by the said name.

4. **Power of the Federal Government to issue directives, etc.**—The Federal Government may, by notification in the official Gazette as and when it considers necessary, issue directives to the Authority on matters of policy and such directives shall be binding on the Authority and whereas question arises as to whether any matter is a matter of policy or not, the decision thereof of the Federal Government shall be final.



5. **Power and functions of the Authority.**—(1) The powers and function of the Authority shall be to:—

- (a) plan, promote and prepare schemes for the construction, development, operation and maintenance of airports; its allied infrastructure and facilities for safe, efficient, adequate, environmental friendly, economical and properly coordinated civil air transport services and air navigation services;
- (b) conduct airport operations in a cost-effective and efficient manner;
- (c) take measures as are necessary for the efficient operation and management of the airspace;
- (d) ensure application of safety standards at the airport;
- (e) ensure smooth operation of functions of different agencies at airports;
- (f) plan, develop, construct and upgrade airport and airport facilities including aviation infrastructure in Pakistan;
- (g) operate, manage and maintain airports and aerodromes in an efficient and businesslike manner including provision of airport services and facilities such as—
  - (i) landing and taking off of aircraft, airfields, runways, taxiways, parking aprons, lighting of airfield; marking and signage of airfields, runways, taxiway and apron;
  - (ii) search and rescue services; assistance to an aircraft in distress over the territory of Pakistan, provision of crash landing, fire fighting at all airports and aerodromes to aircraft in need and environmental hazard control services;
  - (iii) airfield supervisory, security services and any other services necessary for the safe, efficient operations for aircraft during landing and takeoff;
  - (iv) maintenance and repair of aircraft; aircraft hangars;
  - (v) common hydrant infrastructure, its allied services and facilities for aircraft refueling including waste disposal;



- (vi) services and facilities for the handling of cargo, storing and processing of cargo, customs and quarantine services for cargo;
  - (vii) passenger terminals, concourses, ground handling facilities, baggage handling systems and equipment, inter-terminal transit systems, flight information and public address systems, flight catering services and facilities;
  - (viii) services and facilities for the operation of customs, immigration, narcotics control, public health and quarantine checks and control;
  - (ix) management of commercial concessions, licenses and leases at the airport for facilitation of passengers including airport retails;
  - (x) operation, management, maintenance and serviceability of systems, equipment, buildings, allied infrastructure including their periodic up-gradation, replacements, overhauls; and
  - (xi) any service or facility connected thereto or ancillary to the operation of airports as may be prescribed;
- (h) plan, procure, install, maintain navigational aids, communication equipment, beacons and ground aids at the airports and at such locations as may be considered necessary for provision of communication navigation services (CNS), air traffic management services (ATM) to provide safe and efficient operation of aircrafts and communication services;
- (i) develop and implement master plan and airport layout plan for management of estates and land at airports and aerodromes;
- (j) ensure security clearance of all persons performing functions of the Authority; and
- (k) prescribe and collect the rates, fees and charges authorised by this Ordinance or by any rules and regulations made thereunder.
- (2) The Authority may, if it considers necessary,—
- (a) approve estimates of development projects and maintenance works and award of contracts for construction, maintenance and operation of airports and facilities;



- (b) subject to clause (a) undertake any approved works, incur any expenditure, procure vehicles, plants, machinery and material, required for its use and enter into and perform all such contracts as it may consider necessary or expedient;
- (c) approve capacity building programmes, trainings and training facilities which are associated thereto and in furtherance of its functions or any matter relating to airport management;
- (d) enter into contracts for the supply of goods, services or any other contracts as may be necessary for the exercise, performance and discharge of its functions;
- (e) enter into public-private partnership and or private sector participation arrangements;
- (f) acquire by purchase, lease, exchange or otherwise any land or immovable property or any interest in such land or property;
- (g) pledge any property vested in it, including the immovable assets transferred to it under this Ordinance for purposes including raising finances for the development projects to be undertaken by it;
- (h) grant lease of land for airport or for development of allied infrastructure; and
- (i) form one or more companies under the Act of 2017 (XIX of 2017) for performance of its functions under this Ordinance.

(3) Notwithstanding anything contained in this Ordinance, the Authority may provide consultancy, construction and management services; and technical services for establishment of private airports and undertake operations in Pakistan and abroad in relation to airports, ground aids and safety services or any facilities thereat. For such services the Authority may enter into any arrangement on such terms and conditions as may be agreed to between the Authority and the sponsor or agency.

(4) Subject to the provisions of any other law for the time being in force, the Authority and the Director General may exercise such powers and perform such functions, as the Federal Government may, by notification in the official Gazette, specify.

(5) The acquisition of any land or any interest in land for the Authority or for any development or establishment of airports under this Ordinance shall be deemed to be an acquisition for a public purpose within the meaning of the Land



Acquisition Act, 1894 (I of 1894), and the provisions of the said Act shall apply to all such proceedings.

(6) The Director General or any person authorised by him may enter upon and survey any land, erect pillars for the determination of intended lines of works, make borings and excavations and do all other acts which may be necessary for the preparation of any scheme, provided that, when the affected land does not vest in the Authority, the power conferred by this sub-section shall be exercised in such manner as to cause the least interference with and the least damage to the rights of the owner thereof.

(7) When any person enters into or upon any land in pursuance of sub-section (6), he shall at the time of entering or as soon thereafter as may be practicable pay or tender payment for all necessary damage to be done as aforesaid and in case of dispute as to the sufficiency of the amount so paid or tendered the dispute shall be referred to the deputy commissioner of the district whose decision shall be final.

**6. Operation, control of airports etc.—**(1) For the purposes of this Ordinance the Authority shall apply to the Pakistan Civil Aviation Authority for issuance or renewal of a licence to establish, develop, maintain and operate an airport.

(2) The airports and aerodromes transferred to the Authority on the commencement of this Ordinance, shall be exempted from the provision of licensing under sub section (1) for a period of one year and shall progressively apply for issuance of licences for the operation and maintenance of such airports and aerodrome.

(3) The Authority for the purpose of operation, management and development of airports or aerodrome may enter into such agreements, arrangements and contract as it may deem appropriate, subject to conditions as may be prescribed.

**7. Board.—**(1) The general direction and administration of the Authority and its affairs shall vest in a Board consisting of such members which may exercise all powers, perform all functions and do all acts and things which may be exercised, performed or done under this Act by the Authority, namely:—

Sr. No.	Name	Status
(1)	(2)	(3)
1.	Secretary of the Division concerned	Chairperson
2.	Vice Chief of Air Staff, Pakistan Air Force	Member



(1)	(2)	(3)
3.	Director General of the Authority	Member
4.	a representative not below BPS-21 of the Planning, Development and Special Initiatives Division	Member
5.	a representative not below BPS-21 of the Finance Division	Member
6.	Member of Federal Board of Revenue	Member
7.	Any officer of the Authority duly qualified to hold the post of Secretary of the Board	Secretary

(2) The Federal Government may, by notification in the official Gazette, amend sub-section (1) so as to add any clause thereto, or modify any clause thereof or omit any clause therefrom.

(3) The Board may co-opt not more than three technical independent members having requisite experience and qualification, for such period as it may determine. The meetings of the Board shall be held at such times and places and in such manner as may be prescribed by regulations.

(4) For the purpose of advising or assisting the Board in the performance of its functions, the Board may appoint such committees as it deem fit.

(5) Each committee appointed by the Board shall consist of at least two members together with such other persons as the Board under sub-section (4) may deem fit for the purpose in respect of which the committee is appointed.

(6) On receipt of advice from any of its committees, the Board shall decide whether or not to adopt that advice, in whole or in part or with such modifications as the Board thinks fit.

(7) A committee appointed under sub-section (4) shall, in the performance of its functions delegated by the Board, at all times be subject to such directions, conditions and restrictions as may be imposed by the Board and shall adhere to all policies of the Board.

(8) The chairman of each committee appointed under sub-section (4) shall ensure that the committee prepares and submits to the Chairperson of the Board a report of the functions delegated to the committee, and the progress thereof, before the end of every quarter in the year.

**8. Meetings and proceedings of Board.—**(1) The meetings of the Board shall be held as and when convened by the Chairperson, at least quarterly.



(2) The Chairperson or, in his absence, a member authorised by him in this behalf and three members shall constitute a quorum for a meeting of the Board.

(3) A decision at a meeting of the Board shall be adopted by a simple majority of the members present and voting except that in the case of an equality of votes the Chairperson or as the case maybe, the member presiding the meeting shall have a casting vote in addition to his original vote.

(4) The Chairperson, or in his absence a member authorised by the Board in this behalf shall preside meeting of the Board.

(5) Subject to the quorum Board may act notwithstanding any vacancy in its membership.

(6) Subject to the provisions of this Ordinance, the Board may regulate its own procedure generally and in particular, the holding of meetings, the notice to be given of such meetings, the proceedings thereat, the recording and keeping of minutes and the custody, production and inspection of such minutes.

**9. Executive Committees.**—(1) There shall be an Executive Committee of the Authority consisting of the Director General, who shall be its head, Additional Director General, Deputy Director General, Director Human Resource and Director Finance to be its members including such other members as may be nominated by the Director General from amongst the most senior officers of the Authority.

(2) The Executive Committee shall exercise such administrative, executive, financial and technical powers as may be delegated to it by the Board.

(3) The Executive Committee may, in an emergency which in its opinion requires immediate action, take such action as it considers necessary, and shall report it for approval to the Board in its next meeting.

**10. Director General duties, powers and functions.**—(1) The Federal Government shall appoint the Director General who shall be an eminent professional of known integrity and competence with at least twenty years of related experience in airport management, business, engineering, finance, accounting, economics, or the aviation industry.

(2) The Director General be the executive head of the Authority and shall be responsible for the day-to-day management and administration of the Authority and exercise such powers and functions subject to the provisions of this Ordinance including—



- (a) the overall operation, management and maintenance of Airport including all safety aspects;
- (b) financial and operational matters;
- (c) superintend the performance of the functions of the Authority as set out in section 6 of this Ordinance;
- (d) oversee the works and ongoing provision of Airport Services and Air Navigation Services;
- (e) have responsibility for the enforcement and administration, on behalf of the Board as specified from time to time.

(3) In the absence or inability of the Director General to perform his functions, the Chairperson of the Board may appoint a senior most employee of the Authority to discharge the functions of the Director General during his absence or inability.

**11. Term of office of the Director General.**—(1) Subject to the provisions of this Ordinance, the Director General shall hold office for a term of three years from the date of his appointment or till attaining the age of sixty years whichever is earlier and shall receive such salary and allowances and be subject to such conditions of service as may be determined by the Federal Government.

(2) The Director General may be eligible for re-appointment for a period of up to two years subject to upper age limit of sixty years.

**12. Resignation by the Director General.**—The Director General by notice in writing to the Federal Government may resign from his office:

Provided that such resignation shall take effect from the date of accepted from the Federal Government.

**13. Removal of the Director General.**—(1) Subject to sub-section (2), the Federal Government may, remove the Director General from his office.

(2) The Director General may be removed from his office, if he,—

- (a) in the opinion of the Federal Government, fails to discharge, or becomes incapable of discharging, his duties under this Ordinance; or
- (b) has been convicted of an offence involving moral turpitude; or



- (c) has knowingly acquired or continued to hold without the permission in writing of the Federal Government, directly or indirectly or through a partner, any share or interest tangible or intangible in any licence, certificate, permit, authorization, inspections, examinations, contract related to aviation industry affecting the regulatory control of the Authority.

**14. Disclosure of interest by Director General.**—(1) In case of any, direct or indirect interest in any matter relating to a contract or other transaction or project of the Authority, the Board Member or the Director General, as the case may be, shall disclose the nature of his interest in the first meeting of the Board after which it comes to his knowledge.

(2) A disclosure under sub-section (1) shall be recorded in the minutes of the meeting of the Board and, after the disclosure, that member or Director General shall not take part in any deliberation of the Board with respect to that contract, transaction or project. For the purpose of determining whether there is a quorum, a member or Director General shall be treated as being present at a meeting notwithstanding that they cannot vote or have withdrawn from the meeting in respect of the matter in question.

**15. Delegation of powers.**—(1) The Authority may, by general or special order, delegate to the Executive Committee, the Director General or an officer of the Authority any of its powers, functions under this Act, subject to such conditions as it may think fit to impose:

Provided that every delegation under this section shall be in writing and shall be revocable by the Board, but no such delegation shall prevent the Board from exercising the powers so delegated.

**16. Recruitment of officers, etc.**—(1) The Authority may, from time to time, appoint such Officers, servants, experts and consultants as it may consider necessary for the performance of its functions.

(2) The Authority shall prescribe by regulations the procedure for appointment of its officers, servants, experts and consultants, and the terms and conditions of their service.

**17. Members, officers etc., to be public servants.**—The Director General, 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 or the rules or regulations made thereunder, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code (Act XLV of 1860).



**18. Intentional damage to airport facilities or property.—**

Whosoever intentionally damages any airport facility or property in or about any airport or interferes with the navigational or communication aids for landing or take-off of aircraft at any airport or in flight in such manner as to endanger, or likely to endanger the life of any person or property, shall commit an offence under this Ordinance, on summary conviction, punishable with imprisonment for a term not exceeding ten years or with fine not exceeding ten million rupees or with both.

**19. Making false, misleading statement.—**

Whosoever makes, either knowingly or recklessly, any statement which is false or misleading in any material return, claim or other document, which is required or authorised to be made under this Ordinance, rules and regulations made thereunder shall commit an offence under this Ordinance, on summary conviction, punishable with imprisonment for a term not exceeding three years or with fine not exceeding five million rupees or with both.

**20. Contravention of this Ordinance, rules and regulations.—(1)**

Whosoever, while on duty or lawfully employed on any airport or aerodrome, or on any aircraft used by or for the purposes of air transport and cargo services or vehicle endangers the safety of any person —

- (a) by contravening of the provisions of this Ordinance, or any rules or regulations made thereunder; or
- (b) by contravening any lawful order, direction given in writing to such person, or made in respect of his service; or
- (c) by being under the influence of any drug, narcotic substances, etc; or
- (d) by any rash or negligent act;

(2) Subject to sub-section (1) whoever contravene any provision of this Ordinance shall commit an offence under this Ordinance, on summary conviction, punishable with imprisonment for a term not exceeding one years or with fine not exceeding five hundred thousand rupees or with both.

**21. Commission of intentional fraud.—**

Whosoever, with intent to defraud, demands or receives from any other person delivering goods for carriage or warehousing by means of the Authority or from any other person making use of the facilities provided by means of the Authority, and greater or less amount than he should demand or receive, shall commit an offence under this Ordinance, on summary conviction, punishable with imprisonment for a term not exceeding three years or with fine not exceeding one million rupees or with both.



**22. Offence of trespass, etc.—(1) Whosoever—**

- (a) enters a prohibited or restricted area of any airport facility or property, refuses to leave such airport facility or property after being requested to do so by an officer in-charge of the airport or any authorised officer of the Authority or member of the Airport Security Force shall be deemed to be a trespasser for the purpose of this Ordinance;
- (b) being on airport facility or property, or upon any vehicle used by or for the purposes of the Authority—
  - (i) refuses when called upon by an officer in-charge of the airport or any authorised officer of the Authority or member of the Airport Security Force to give his name and address, or give a false name or address, for the purpose of avoiding prosecution;
  - (ii) behaves in an offensive or a violent manner to the annoyance of any other person;
  - (iii) discharges any firearm or does anything which may cause injury to any person on such airport facility or property or vehicle;
  - (iv) commits any nuisance which directly or indirectly endangers flight safety by any means including but not limited to laser lights, kite flying, fireworks or flying a drone within the restricted area;
  - (v) commits any act of indecency, or uses abusive or foul language;
  - (vi) without lawful excuse, contravenes any lawful direction given by officer in-charge of airport or any authorised employee or member of the Airport Security Force;
  - (vii) save with the express permission of the Director General, deals, sells or exposes for sale any article or advertise, applies for or solicits customers of any description;
  - (viii) smokes in any part of such airport facility or property or aircraft or vehicle bearing a notice that smoking is prohibited;



- (ix) disposes of garbage, or deposit refuse or any other object at an airport or aerodrome except by placing it in the receptacle provided for the purpose;
- (x) abandons any property or other thing at an airport or aerodrome; and
- (xi) engages in gambling, or operate a gambling device, at an airport or aerodrome;
- (c) writes, draws, or affixes any profane, obscene, indecent or abusive word, matter, representation or character upon any airport facility or property or upon any aircraft or vehicle within the airport or aerodrome;
- (d) defaces the writings on any board or any notice authorised to be maintained upon any airport facility or property or upon any aircraft or vehicle within the airport or aerodrome;
- (e) damages or without lawful excuse interferes with any airport facility or property;
- (f) being a driver or conductor of any vehicle, disobeys within the premises of the Authority, any reasonable directions given by an officer in-charge of the airport or any authorised officer of the Authority or member of the Airport Security Force;
- (g) fails to deliver at the earliest possible opportunity to any authorised employee any property, which there is reason to believe has been lost or forgotten or found on any premises of the Authority, or on any aircraft or vehicle used by or for the purposes of the Authority;
- (h) wilfully obstructs or impedes any other person in the discharge of his duties arising out of his employment in or for the purposes of the Authority;
- (i) gives or offers to any other person money or money's worth for the purpose of avoiding payment of any sum due to the Authority; or
- (j) unlawfully removes any property of the Authority, shall commit an offence under this Ordinance, on summary conviction, punishable with imprisonment for a term not exceeding three years or with fine not exceeding one million rupees or with both.



23. **Arrest without warrant.**—(1) Whosoever commits any offence mentioned in section 19, section 20, section 21, or section 22 under this Ordinance may be arrested without warrant by officer in-charge of the airport or any authorised officer of the Authority or member of the Airport Security Force.

(2) Whosoever commits any offence against this Ordinance or any regulations made thereunder, other than an offence mentioned in sub-section (1), may be arrested without warrant by officer in-charge of the airport or any authorised officer of the Authority or member of the Airport Security Force if—

- (a) there is reason to believe that such person will abscond;
- (b) he refuses on demand to give his name and address; or
- (c) there is a reason to believe that the name and address given by him are incorrect:

Provided that, save where there is reason to believe that such person will abscond, he shall, if his true name and address are ascertained, be released on his executing a bond without sureties for his appearance before a Special Magistrate when required under this Ordinance.

(3) Any person who commits any of the offences under section 22 may be required by officer in-charge of the airport or any authorised officer of the Authority or member of the Airport Security Force to leave the premises, aircraft or vehicle, as the case may be, in which such person is at the time of the commission of the offence and if such person fails to comply with such requirement he may be removed therefrom with such force as may be reasonably necessary in the circumstances.

24. **Maintenance of public order.**—The officer in-charge of the airport or any duly authorized officer of the Authority shall be responsible for maintenance of public order or good order at the airport or aerodrome under this Ordinance and shall be vested with powers necessary for implementation of this provision.

25. **Power to try offences summarily.**—Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (Act V of 1898) or in any other law for the time being in force, an officer in-charge of the airport and duly authorized officer of the Authority trying an offence in accordance with this Ordinance or rules made thereunder shall, for the purpose of the trial, be deemed to be Special Magistrate of the First Class specially empowered under section 14 of the Code of Criminal Procedure, 1898 (Act V of 1898), and any punishment of fine summarily imposed shall be deemed to have been passed by Special Magistrate.



26. **Penalty for abetment of offences and attempted offences.**—Whosoever abets the commission of any offence under this Ordinance or attempts to commit such offence shall be liable to the punishment provided for the offence.

27. **Recovery of dues as fine under Code of Criminal Procedure.**—Notwithstanding anything contained under this Ordinance or any other law for the time being in force, all fee, charges, sums, rents and dues under sub-section (3) of section 20 and all arrears of such charges, fees, dues and rents under this Ordinance, may be recovered in addition to other modes as prescribed, upon summary proceedings before a magistrate in the manner provided in the Code of Criminal Procedure, 1898 (Act V of 1898) for recovery of fines.

28. **Financial year.**—(1) The financial year of the Authority is the period of twelve months ending on the 30th day of June in any year.

(2) The first financial year shall consist of the period commencing on the date of the establishment of the Authority and ending on the 30th day of June of the following year.

29. **Budget.**—The Board shall, approve the budget of each financial year by such date and in such form as may prescribed including a statement showing the estimated receipts and current and development expenditure and sums which are likely to be required during the next financial year.

30. **Fund.**—(1) There shall be a fund to be known as the Pakistan Airports Authority Fund, which shall vest in the Authority and shall be utilised by the Authority to meet charges in connection with its functions under this Ordinance including the payment of salaries and other remuneration to the Director General, officers, servants, experts and consultants of the Authority.

(2) The Authority Fund shall consist of—

- (a) grants made by the Federal Government ;
- (b) loans obtained from the Federal Government ;
- (c) sale proceeds of bonds issued under the authority of the Federal Government;
- (d) loans obtained by the Authority with the special or general sanction of the Federal Government ;
- (e) foreign aid and loans obtained with the sanction of and on such terms and conditions as may be approved by, the Federal Government ; and



(f) all other sums received and fees collected by the Authority.

(3) Subject to the provision of any other law for the time being in force the Authority shall be competent to levy and collect.

(a) air navigation charges, aeronautical charges related to landing, parking and hanger, passenger services, security and vigilance, noise related, emission related aircraft, aero-bridges, aircraft power supply and throughput charges;

(b) fees paid by individuals in respect of airport infrastructure development charges; and

(c) fees and charges in respect of commercial exploitation of the Authority's properties, including land, buildings and aircraft.

(4) The Pakistan Airports Authority Fund shall be kept in scheduled Bank of Pakistan.

31. **Maintenance of accounts.**—The accounts of the Authority shall be maintained in such form and manner as the Federal Government may determine in consultation with the Auditor General of Pakistan.

32. **Audit of accounts.**—(1) The accounts of the Authority shall be audited every year by the Auditor General of Pakistan.

(2) Copies of the audit report shall be sent to the Authority and the Authority shall forward the report along with its comments to the Federal Government.

(3) The Authority may, in addition to the audit under sub-section (1), cause to be carried out internal audit of its accounts.

33. **Authority to be deemed to be a local Authority.**—The Authority shall be deemed to be a local authority for the purpose of borrowing money under the Local Authorities Loans Act, 1914 (IX of 1914), and the making and execution of any scheme under this Ordinance shall be deemed to be a work which such authority is legally authorised to carry out.

34. **Liability of the Federal Government to be limited.**—The liability of the Federal Government to the creditors of the Authority shall be limited to the extent of grants made by it and the loans raised by the Authority with the sanction of the Federal Government.



35. **Submission of yearly report, returns, etc.**—The Authority shall submit to the Federal Government periodical reports, accounts statements, or any other report at such time and at such intervals as the Federal Government may specify.

36. **Exemption from taxes.**—Notwithstanding anything contained in the Income Tax Act, 2001 (Act XLIX of 2001), or any other law for the time being in force relating to income tax, super tax, sales tax on services, property tax the Authority shall be exempted from paying any such taxes as aforesaid on its incomes, services, profits or gains, property, from the date of commencement of this Ordinance till five years period or as extended from time to time.

37. **Act X of 2012 not to apply to Authority.**—The Industrial Relations Act, 2012 (Act X of 2012) or any other law related to industrial relations for the time being in force, shall not apply to or in relation to the Authority or any person in the service of the Authority.

38. **Indemnity.**—No suit, prosecution or other legal proceedings shall lie against the Authority, the Director General, or any member, officer, servant, expert or consultant of the Authority in respect of anything, done or intended to be done in good faith under this Ordinance or of any rule or regulation made there under or for any damage sustained by anything belonging to or under the control of the Authority.

39. **Transfer of Airports, undertakings etc.**—(1) On commencement of this Ordinance the Federal Government by notification to be published in the official Gazette determine the date and mode manner in which all assets and undertakings, including lands, buildings, airports and aerodromes, works, machinery, apparatus, equipment, material, plants, cash balances, share in pension fund according to the pension liability, capital, reserves, reserve funds, investments, concessions, licence, leases and book debts and all other rights and interests arising out of such undertakings as were immediately before that day vested in the Pakistan Civil Aviation Authority, Airports and Operations Division shall, without any conveyance or assignment, shall be transferred to and vest in, the Authority in fee simple absolute and all liabilities in respect of the said assets shall be the liability of the Authority.

(2) The undertaking of the Pakistan Civil Aviation Authority, Airports and Operations Division which is transferred to, and which vests in, the Authority under sub-section (1) shall be deemed to include all assets, rights, obligations, powers and privileges, in relation to its undertaking, all books of account and documents relating thereto and shall also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the Pakistan Civil Aviation Authority, in relation to its undertaking.



(3) The assets and liabilities of the Pakistan Civil Aviation Authority, Airports and Operations Division shall be evaluated by the Federal Government and taken on books, and the excess of the assets over the liabilities will be deemed to be the Federal Government's contribution to the Authority either as equity or loan as may be determined by the Federal Government.

(4) The evaluation of the net assets transferred to the Authority under sub-section (3), the terms governing the transfer, the return on equity, if any, and the conditions governing the loan shall be determined by the Federal Government.

(5) The Federal Government Lands and Buildings (Recovery of Possession) Act, (LIV of 1965) 1965 shall apply to lands and buildings vesting in the Authority and for the purpose of such application shall have effect as if reference therein to the Federal Government included a reference to the Authority.

**40. Transfer of service of existing employees.**—(1) Subject to the provisions of this Ordinance, any person or category of persons who immediately before the commencement of this Ordinance has been in the service of the Pakistan Civil Aviation Authority, Airport and Operation Division, shall be transferred to the Authority, on the same terms and conditions as were applicable to them, unless modified or amended under the provisions of this Ordinance:

Provided that pay and allowances to which such employees shall be entitled shall not be less favorable than those to which he was entitled immediately before such transfer:

Provided further that the Federal Government shall, by notification in the Gazette, specify a date to be the date on which the existing employees of the Pakistan Civil Aviation Authority of the Airport and Operations Division shall be transferred to the Authority.

(2) The service of a person transferred under sub-section (1) as an employee of the Authority shall be taken for all purposes to have been continuous with the service of the person, immediately before the transfer date, as an employee of the Pakistan Civil Aviation Authority.

(3) Notwithstanding any provision of law, no person transferred to the service of the Authority under sub-section (2) shall be entitled to receive any payment or other benefit merely because he stopped being an employee of the Pakistan Civil Aviation Authority as a result of this section or of any other provision of this Ordinance, or on account of the abolition of his office in the Pakistan Civil Aviation Authority.



(4) If any question arises as to whether any person or any category of persons has been transferred to the service of Authority under sub-section (2), a certificate under the hand of the Director General shall be conclusive evidence that the person or category of persons was or was not so transferred.

41. **Certain existing arrangements to continue.**—All contracts and working arrangement made and all liabilities incurred by the Pakistan Civil Aviation Authority, Airports and Operations Division in connection with, or for the purpose of, the Authority, before the establishment of the Authority, shall be deemed to have been made or incurred by the Authority and have effect accordingly.

42. **Power of the Federal Government to make rules.**—The Federal Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Ordinance.

43. **Power of the Authority to make regulations.**—The Authority may make regulations, not inconsistent with this Ordinance and the rules made thereunder, to provide for all matters for which provision is necessary or expedient for carrying out the purposes of this Ordinance.

44. **Winding up of the Authority.**—No provision of any law relating to the winding up of bodies corporate shall apply to the Authority and the Authority shall not be wound up except by order of the Federal Government and in such manner as the Federal Government may direct.

45. **Removal of difficulties.**—If any difficulty arises in giving effect to any of the provision of this Ordinance, the Federal Government may make such order, not inconsistent with the provisions of this Ordinance, as may appear to him to be necessary for the purpose of removing the difficulty.

DR. ARIF ALVI,  
*President.*

RAJA NAEEM AKBAR,  
*Secretary.*



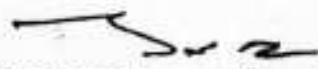
GOVERNMENT OF PAKISTAN  
CABINET SECRETARIAT  
AVIATION DIVISION

**STATEMENT OF OBJECTS AND REASONS**

**Pakistan Airports Authority Ordinance, 2021**

Considering the sensitivity of operations and involvement of airspace being a strategic asset, the role of Civil Aviation in Pakistan shall be bifurcated into two entities: one responsible for regulation of civil aviation activities in Pakistan; whereas, the other shall be responsible for provision of civil aviation services and development of aviation infrastructure in Pakistan. Pakistan Civil Aviation Authority (PCAA) shall be entrusted with regulatory functions; whereas, the Pakistan Airport Authority (PAA) shall be entrusted with commercial and operational aspects of airports.

2. The existing institutional arrangement and legal instruments envisages regulatory as well as service provider roles being performed by a single entity which tantamount to infringement upon the regulatory functions being performed by the regulatory authority. To improve services, enhance efficiency at airports and to comply with the Standard and Recommended Practices (SARPs) of International Civil Aviation Organization (ICAO), an institutional arrangement is needed to create separate authorities for civil aviation regulations and services provision.
3. The Pakistan Airports Authority Ordinance 2021 envisages establishment of separate civil aviation services provision body.
4. The Ordinance is designed to achieve the aforesaid purpose.

  
(Ghulam Sarwar Khan)  
Minister for Aviation