



SENATE SECRETARIAT

REPORT NO. 03

REPORT OF THE SENATE STANDING COMMITTEE ON CABINET SECRETARIAT

ON

“The Oil and Gas Regulatory Authority (Amendment) Bill, 2022”
Moved by Ali Muhammad Khan, Minister of State for Parliamentary
Affairs, on 25th January, 2022.

PRESENTED BY

Rana Maqbool Ahmad

Chairman Senate Standing Committee on Cabinet Secretariat

SENATE SECRETARIAT

REPORT OF THE SENATE STANDING COMMITTEE ON CABINET SECRETARIAT

I, Senator Rana Maqbool Ahmad, Chairman Senate Standing Committee on Cabinet Secretariat have the honor to present the report of the Committee on "The Oil and Gas Regulatory Authority (Amendment) Bill, 2022" introduced by Mr. Ali Muhammad Khan, Minister of State for Parliamentary Affairs, in the Senate sitting held on 25th January, 2022. The House in its sitting held on 25th January, 2022 referred the matter to the Committee for Consideration and report.

2. The Committee comprises of the following honorable Members:-

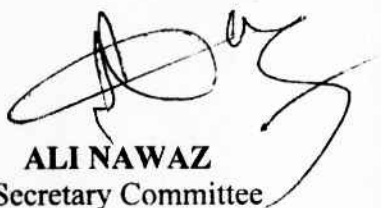
1. Senator Rana Maqbool Ahmad	Chairman
2. Senator Saifullah Sarwar Khan Nyazee	Member
3. Senator Kamil Ali Agha	Member
4. Senator Sarfaraz Ahmed Bugti	Member
5. Senator Khalida Ateeb	Member
6. Senator Syed Muzafar Hussian Shah	Member
7. Senator Moula Bux Chandio	Member
8. Senator Mushtaq Ahmad Khan	Member
9. Senator Engineer Rukhsana Zuberi	Member
10. Senator Saadia Abbasi	Member
11. Senator Naseebullah Bazai	Member
12. Senator Muhammad Talha Mahmood	Member
13. Minister-in-Charge Cabinet Division	Ex-Officio Member

3. The Committee considered the Bill in its meeting held on 16th February, 2022 at 02:30 pm, in Committee Room No. 3 Parliament House, Islamabad. The meeting was attended by the following Members.

1. Senator Rana Maqbool Ahmad	Chairman
2. Senator Saifullah Sarwar Khan Nyazee	Member
3. Senator Kamil Ali Agha	Member
4. Senator Khalida Ateeb	Member
5. Senator Engineer Rukhsana Zuberi	Member
6. Senator Naseebullah Bazai	Member
7. Engineer Ali Muhammad Khan	Ex-Officio Member

4. The Minister of State for Parliamentary Affairs briefed the Committee that the Bill was necessary in order to remove some lacunas from the existing Oil and Gas Regulatory Authority Ordinance, 2002. Representative of OGRA stated that the Bill was regarding fixing of gas prices. In practice the OGRA sends proposals to the Government which has to approve and notify the prices. However, if the Government fails to approve and notify/advise the prices within the given time of forty days, or notify after forty days, then the people resume to litigations for declaring the notification after forty days as illegal. So the amendment is aimed to empower the OGRA to notify the prices in case the Government fails to notify.

5. After detailed discussion, the Committee decided to put the Bill to vote, whereupon the Bill was unanimously passed by the Committee as introduced in the House. The Committee approved presentation of report in the House.



ALI NAWAZ
Secretary Committee



SENATOR RANA MAQBOOL AHMAD
Chairman Committee

[AS PASSED BY THE NATIONAL ASSEMBLY]

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BILL

further to amend the Oil and Gas Regulatory Authority Ordinance, 2002

WHEREAS, it is expedient further to amend the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. **Short title and commencement.**— (1) This Act shall be called the Oil and Gas Regulatory Authority (Amendment) Act, 2021.

(2) It shall come into force at once.

2. **Amendment of section 8, Ordinance XVII of 2002.**— In the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), in section 8,-

(a) in sub-section (3), for full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

"Provided that the Federal Government shall ensure that the sale prices so advised are not less than the revenue requirement determined by the Authority.", and

(b) for sub-sections (4) and (5), the following shall be substituted, namely: -

"(4) If the Federal Government fails to advise the Authority within the time specified in sub-section (3), the category wise prescribed prices so determined by the Authority under sub-sections (1) and (2), as the case may be, shall be notified by the Authority as the category wise sale prices.

(5) Each licensee for natural gas shall pay to the Federal Government the development surcharge in respect of each unit of natural gas sold in a manner as prescribed by the Federal Government under the Natural Gas (Development Surcharge) Ordinance, 1967 (I of 1967) and the rules made thereunder. Any amount paid by a licensee under this sub-section shall be an expenditure for which allowance shall be made in computing profits or gains under the Income Tax Ordinance, 2001 (XLIX of 2001) for the purposes of this sub-section."

Statement of Objects and Reasons

"Oil & Gas Regulatory Authority (Amendment) Act, 2021"

The purpose of the amendments is to ensure natural gas pricing on regular basis. The OGRA through these amendments shall eliminate gaps between regular, semi-annual tariff determination and notification.

2. In order to carry out the mandate of law, the bill is aimed to achieve the above objects.

MR. IMRAN KHAN
Prime Minister of Pakistan