

[AS PASSED BY THE SENATE]

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BILL

to provide for reforms of the regulatory regime applicable to business, trade and investment by removing cumbersome and complex regulatory requirements and to establish the Pakistan Regulatory Registry and the Pakistan Business Portal

WHEREAS, it is expedient to provide for a legal framework for a modern, simple and transparent regulatory regime and eliminate cumbersome procedures and requirements;

AND WHEREAS, it is expedient to comply with international obligations in respect of regulatory reforms;

AND WHEREAS, it is expedient to establish the Pakistan Regulatory Registry and the Pakistan Business Portal and to provide for matters connected therewith and incidental thereto;

It is hereby enacted as follows: -

1. Short title, extent and commencement. - (1) This Act shall be called the Asaan Karobar Act, 2025.

(2) It shall extend to the whole of Pakistan.

(3) It shall come into force at once.

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

(a) “BOI” means the Board of Investment established under the Board of Investment Ordinance, 2001 (XV of 2001);

(b) “burden” means any or all of the following: -

- (i) financial costs, including compliance, time, and administrative costs; or
 - (ii) requirements, processes and procedures determined through the final decision of the Cabinet under section 13, as causing administrative inconvenience, uncertainty, delays and adversely affecting consumer choice, efficiency, productivity and profitability.
- (c) “**business**” includes any lawful enterprise, trade, whether or not incorporated or registered;
- (d) “**Cabinet Committee**” means the Cabinet Committee on Regulatory Reforms (CCoRR) constituted by the Prime Minister through Notification No. F.5/24/2024-Com, dated the 18th September, 2024 or any other cabinet committee designated by the Prime Minister to perform functions under this Act;
- (e) “**electronic document**” includes documents, records, information, communication, payments, or transactions in electronic form;
- (f) “**Government Agency**” means -
 - (i) a ministry, division, department, or sub-ordinate office of the Federal Government;
 - (ii) an authority, agency, undertaking, business, or other entity or body established by or under a Federal statute or controlled directly or indirectly by the Federal Government; and
 - (iii) an authority, agency, undertaking, business or other entity or body that is subject to Federal law or operates in Federal territory;that is or may be charged with the function of administering or enforcing any laws, or issuing, administering or enforcing R.I.CO.

- (g) **"Portal"** means the Pakistan Business Portal established under section 16;
- (h) **"prescribed"** means prescribed by rules or regulations, as the case may be, made under this Act;
- (i) **"Registry"** means the Pakistan Regulatory Registry established under section 7;
- (j) **"Regulatory Impact Assessment (RIA) Tool and Guidelines"** or **"RIA"** means the evidence-based approach approved by the BOI to critically assess policy options and the consequences of Government Agency's actions to support policy decisions;
- (k) **"Regulatory Management System"** or **"RMS"** means the set of policies, procedures, processes, IT systems, and tools employed to pursue and maintain good quality regulatory and other policy functions of Government Agencies;
- (l) **"RLCO"** means any rules, licenses, circulars, orders, regulations, SROs, by-laws, notifications, certificates, office memoranda, permits, instructions, forms, authorizations, directives, resolution or other instruments made, issued or enforced by a Government Agency with regulatory effect and functions, and includes such other instruments as may be notified by the Federal Government;
- (m) **"Schedule"** means Schedule to this Act;
- (n) **"Secretary"** means the Secretary of the Board of Investment;
- (o) **"System"** means an electronic system for creating, generating, sending, receiving, storing, reproducing, displaying, recording or processing information; and
- (p) **"Unit"** means the Asaan Karobar Technical Unit established under section 5.

3. **Application of the Act.** - Notwithstanding anything contained in any other law, the provisions of this Act shall apply in relation to the matters contained herein, including, but not limited to, the powers and functions of the BOI, Government Agencies, and the Cabinet Committee.
4. **Certain provisions not to apply.** - The provisions of this Act relating to regulatory reform shall not apply to -
 - (a) offices, bodies, or institutions, created or existing by or under the Constitution of the Islamic Republic of Pakistan 1973;
 - (b) the Supreme Court of Pakistan, the High Courts, the Federal Shariat Court and all other courts created by the Constitution or the law;
 - (c) criminal law, criminal procedure, the police and other law enforcement agencies, not including procedural and regulatory matters relating thereto;
 - (d) imposition and collection of taxes not including procedural and regulatory matters relating thereto;
 - (e) foreign relations and foreign policy, not including procedural matters or matters relating to the regulation of trade;
 - (f) national security, strategic installations and matters pertaining to the armed forces, and the defence of Pakistan; and
 - (g) any other entity or subject included in the Schedule.
5. **Asaan Karobar Technical Unit.** - (1) Not later than thirty days from the coming into force of this Act, the Secretary shall establish the Asaan Karobar Technical Unit.
 - (2) Head of the Unit to be appointed by the Government shall be a grade-20 officer of the Federal Government or a person from private sector having relevant qualifications as may be prescribed under the rules.

- (3) For the performance of the functions of the Unit, Head of the Unit may with the approval of the Federal Government, appoint such persons including technical experts as may be required from amongst the officers of Federal Government or Private Sector on such terms and conditions as may be prescribed.

6. Functions and powers of the Asaan Karobar Technical Unit. — (1)

Subject to sub-section (2), the Unit shall -

- (a) oversee and monitor the process of regulatory reform under this Act;
- (b) establish and maintain an online Registry to catalogue, describe, and map relevant laws and RLCOs;
- (c) review proposals for legislation relating to regulation of matters affecting business, trade and investment and to propose changes thereto prior to their being placed before the Cabinet;
- (d) review proposals for issuance of or amendments to RLCOs and propose changes thereto;
- (e) co-ordinate with Government Agencies and Provincial Governments for uniformity and harmonization of laws and policies having impact on matters affecting business, trade and investment throughout Pakistan;
- (f) require Government Agencies, to enter on the Registry, all laws and RLCOs pertaining to them that are in force, with such description as may be consistent with guidelines issued by it in this regard, and within such period as it may stipulate;
- (g) require Government Agencies to review existing laws and RLCOs and to propose retention, amendment or repeal thereof in order that they may be consistent with the parameters stated in section 8;

- (h) review proposals received from Government Agencies and the general public, as the case may be, for retention, amendment or repeal of laws and RLCOs;
- (i) prescribe codes, principles, guidelines and standards for strengthening regulatory governance to be adhered to by Government Agencies during the process of regulatory reform under this Act;
- (j) prescribe the manner in which new laws and RLCOs may be entered on the Registry;
- (k) conduct or commission studies, *inter alia*, for identification of investment constraints for small and medium enterprises and women entrepreneurs and to take such steps as are necessary to eliminate such identified constraints through the process of regulatory reform under this Act;
- (l) issue clarifications, notifications, instructions, guidelines, SOPs and other instruments for carrying out the objects of this Act;
- (m) undertake awareness campaigns, market regulatory reforms initiatives, and collaborate with stakeholders, Government Agencies, civil society, academia experts, donor agencies, development partners, at both national and international level for identification and implementation of regulatory reform process;
- (n) conduct training and capacity building exercises for Government Agencies for the purposes of their functions under this Act; and
- (o) perform any other functions assigned to it by the Cabinet Committee or the Federal Government and to take such steps as are necessary or ancillary to the performance of functions under this Act.

(2) The functions and powers of the Unit shall be performed and exercised by the Head of the Unit who may, subject to such conditions and limitations as he may determine, delegate the same to persons appointed under sub-section (3) of section 5 and may also constitute committees from amongst such persons for the said purpose.

7. **Establishment of Pakistan Regulatory Registry.** — (1) The Unit shall establish and maintain an electronic registry to be known as the Pakistan Regulatory Registry for cataloguing and mapping of laws and RLCOs.

(2) The Unit may procure requisite software, hardware, systems, codes, data, infrastructure or other material to effectively manage and operate the Registry and for its future expansion and such software, hardware, systems, codes, data, infrastructure or other material shall, at all times, be accessible to and remain the property of the Unit.

8. **Parameters for review of laws and RLCOs.** — (1) The review of laws and RLCOs shall be carried out in order to determine: -

- (a) whether the laws and RLCOs are necessary and consistent with the objects of this Act as well as regulators' codes, internationally recognized regulatory quality principles, RIX, RMS, smart regulations, risk-based regulations, Pakistan regulators principles and code of practice and guidelines issued by the Unit;
 - (b) the expected burdens on businesses for compliance with the laws and RLCOs;
 - (c) whether a law or RLCO is to be retained with or without amendment or repealed.
- (2) The Unit may issue a checklist or other instructions to be followed for the purpose of the review of laws and RLCOs in terms of sub-section (1).

9. **Entering laws and RLCOs on the Registry.** — (1) The Unit shall direct Government Agencies to make available on the Registry, all laws and RLCOs applicable to or being administered by them as well as any other information specified by the Unit within such time as it may determine.
- (2) Every Government Agency shall nominate a representative to co-ordinate with the Unit for the purpose of ensuring compliance with sub-section (1) and with other provisions of this Act.
- (3) The head of each Government Agency, by whatever name called, shall transmit to the Unit a certificate on the schedule set by the Unit to the effect that sub-section (1) stands complied with.
- (4) Upon the transmission of the certificate referred to in sub-section (3), the RLCOs entered on the Registry by a Government Agency shall be deemed to be the only RLCOs in force and all other RLCOs pertaining to such Government Agency shall cease to be effective.
10. **Public comments.** — The laws and RLCOs entered on the Registry shall be made accessible to the public for a period of not less than thirty days, inviting comments in the manner specified on the Registry, and public awareness in this regard shall be ensured by publicity through electronic, digital and print media.
11. **Review by Government Agencies.** — On expiry of the period referred to in section 10, and within such time as the Unit may determine, each Government Agency shall review the laws and RLCOs relating to it in terms of the parameters stated in section 8 and submit to the Unit, proposals regarding retention, with or without amendment, or repeal of such laws and RLCOs.
12. **Review by the Asaan Karohar Technical Unit.** — (1) The Unit shall review the laws, RLCOs, and proposals entered or submitted under sections 9, 10 and 11 and make a determination as to retention of a law or RLCO without change, amendment or repeal.
- (2) The laws and RLCOs approved by the Unit to be retained shall continue to be in force.

(3) The laws and RLCOs approved by the Unit for amendment or repeal shall be transmitted by the Head of the Unit to the Secretary for submission to the Cabinet Committee.

13. Decision by Cabinet. — (1) The proposals relating to laws and RLCOs shall be considered by the Cabinet Committee.

(2) A Minister-in-charge in respect of whose ministry or division reform has been proposed by the Unit and who holds a position opposed to such reform or any part thereof shall be invited to justify his position before the Cabinet Committee.

(3) The Cabinet Committee shall consider the proposed reform and the opposition by a Minister-in-charge, if any, and proceed to take a decision in such terms as it may deem fit and transmit the same to the Cabinet for ratification.

14. Repeal and amendment of laws and RLCOs. — (1) The proposals for amendment to or repeal of laws ratified by the Cabinet under sub-section (3) of section 13 shall be transmitted to the *Majlis-e-Shoora* (Parliament) for legislation.

(2) Notwithstanding anything contained in any other law, amendments to or repeal of RLCOs as ratified by the Cabinet under sub-section (3) of section 13 shall be notified in the official Gazette and shall come into force upon such notification.

15. Phases of Regulatory Reform. — (1) The process of regulatory reform under sections 9, 10, 11, 12, 13 and 14 may be carried out in phases, and proposals for amendment or repeal made by the Unit under sub-section (3) of section 12 may be submitted to the Cabinet Committee separately or in the form of a single summary.

(2) The Unit shall ensure that all laws and RLCOs in force appear on the Registry and that the Registry is kept updated and accessible to the

general public until such time that its control is transferred under sub-section (3).

- (3) The control and management of the Registry shall be transferred to such ministry or division of the Federal Government as and when the Unit may specify, whereafter such ministry or division shall ensure that, within such time as may be specified by the Federal Government, the Registry becomes a complete and updated code of all laws and RLCOs in force in Pakistan.
- (4) The Federal Government may determine the date, after which, a Government Agency shall submit to the Unit in continuum, proposals for amendment to or promulgation of a new law or RLCO for its review in terms of the parameters stated in section 8 before being submitted to the Cabinet or to the authority competent to issue, amend or rescind the same.

16. **Pakistan Business Portal.** -- (1) Not later than two years from the coming into force of this Act, the Federal Government shall, by notification in the Official Gazette, establish an online portal to be known as the Pakistan Business Portal to be operated and maintained by the BOI.

- (2) The Portal shall provide a one window facility for access to information regarding regulatory requirements and shall also facilitate compliance with the said requirements and matters ancillary thereto.
- (3) Without prejudice to the generality of the preceding sub-section, the Portal shall: -
 - (a) provide necessary facilities to enable submission and processing of applications or documents for registrations, licenses, certificates, permits, approvals and permissions;
 - (b) provide mechanisms for online payment of fees, duties, levies, taxes and other charges and issuance of receipts thereof;

- (c) issue online registrations, licenses, certificates, permits, approvals and permissions; and
 - (d) provide any other service ancillary to the above or that may be prescribed.
- (4) The Portal shall be the country's only one window facility and all other such facilities, however established, shall be integrated with the Portal within a period to be notified by the Federal Government:
- Provided that a one window created by a Province may be integrated with the Portal subject to the concurrence of the concerned Provincial Government.
- (5) Any electronic exchange of information, declaration, document or record, transaction, accounts, offer or acceptance of an offer, notice, order, payment, authentication, authorization or information required, delivered or provided, by any person, or by an authorized officer of a Government Agency, organization or department shall be deemed to have been required, delivered or provided, in accordance with law when communicated electronically through the Portal or its allied systems and shall be admissible as evidence in any court, tribunal, judicial or quasi-judicial body or commission of inquiry.
- (6) The Federal Government may prescribe the mode and manner in which a Government Agency may require documents, records or transmissions from the Portal for any purpose including audit, and be allowed access to its premises, computer system or any other systems where data may be stored, recorded or retained.
- (7) Any law requiring documents to be created, retained, notarized, duplicated, submitted, delivered, authenticated, authorized, transmitted, received, stored, processed, approved or evidenced shall be deemed to have been complied with if such documents are available and retrievable in electronic form from the Portal.

- (8) The provisions of the Electronic Transactions Ordinance, 2002 (LI of 2002) and the Prevention of Electronic Crimes Act, 2016 (XL of 2016), to the extent not inconsistent with the provisions of this Act, shall, *mutatis mutandis*, apply to electronic submission of documents, data retention or storage, copyrights, legal recognition and presumption, certification, notarization, registration, offences and other matters, in as much as they relate to the object of, and operations under this Act.
- (9) An authorization or approval required to be given or issued under any law in respect to any matter to which this Act relates, when issued electronically through the Portal, shall be deemed to have been lawfully issued.
- (10) All Government Agencies shall work in aid of the BOI for the purposes of establishing the Portal and its functioning.
- (11) The BOI shall prescribe fees and charges for services provided through the Portal.

17. Source of funds. — (1) The Federal Government shall provide financial resources and funds for carrying out the purposes of this Act including the establishment, functioning, and expansion of the Unit, Registry and the Portal.

- (2) The BOI and the Unit may also apply for and arrange funds for carrying out the purposes of this Act through the following sources:
 - (a) grants and borrowing of money;
 - (b) sums or property which may become payable to or vest in them in respect of any matter incidental to the exercise of their powers and the performance of their functions;
 - (c) income generated from levy of fees and service charges under this Act;

- (d) income generated from investments, sale of products and services; and
- (e) any other source, approved by the Federal Government.

18. Budget and accounts. — (1) In respect of each financial year, by such date as may be specified by the Finance Division, the BOI and the Unit shall submit, through the said Division, for approval of the Federal Government, a statement showing their estimated receipts and expenditure, respectively, and the sums that are likely to be required from the Federal Government during the next financial year, and the accounts of the BOI and the Unit shall be kept in such form and in accordance with such principles and methods as may be determined by the Auditor-General of Pakistan.

(2) Subject to the Public Finance Management Act, 2019, the BOI and the Unit may open accounts with the State Bank of Pakistan or with any scheduled bank in Pakistan for carrying out the purposes of this Act.

(3) Audit of all accounts under this Act shall be conducted at the close of each financial year by the Auditor-General of Pakistan.

19. Assistance. — All Government Agencies shall provide aid and assistance to the BOI and the Unit for achieving the objects of this Act.

20. Prohibition of publication or disclosure of information to unauthorized persons. — (1) No person shall, without the consent of the Secretary or other than in the course of their duties under this Act, publish or disclose to an unauthorized person, the contents of any document or communication or any other information that relates to any matter under this Act whether or not the same has come to that person's knowledge in the course of his duties under this Act.

(2) Any person who contravenes the provisions of sub-section (1) shall be liable to pay fine, not exceeding three hundred thousand Rupees and such other penalties as may be prescribed, including termination of appointment.

21. **Schedule.** — (1) There shall be a schedule to this Act containing a list of Government Agencies, other entities and subjects exempted from the provisions of this Act relating to regulatory reform under section 4.
- (2) The Federal Government may, by notification in the Official Gazette, amend the Schedule by adding, omitting, amending or substituting entries thereof.
22. **Indemnity.** — No suit, prosecution or other legal proceedings shall lie against any person for anything done or intended to be done in his official capacity and in good faith under this Act or the rules, notifications, instructions or directions made or issued thereunder.
23. **Power to make rules.** — The Federal Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.
24. **Power to make regulations.** — Subject to the provisions of this Act and the Rules made hereunder, the Secretary may, by notification in the Official Gazette, make regulations for performance of functions by the Unit under this Act.
25. **Removal of difficulties.** — If a difficulty arises in giving effect to a provision of this Act, the Federal Government may, within two years of the commencement of this Act, make such order as is not inconsistent with the provisions of this Act and as it considers necessary for removal of the difficulty.

SCHEDULE

[see sections 4(g) and 21(1 & 2)]

EXEMPTIONS

STATEMENT OF THE OBJECT AND REASONS

To operate in Pakistan, businesses need to comply with requirements of government department/ organization, which have prescribed multiple Registrations, Licenses and Permits for establishing and operating such businesses. Many of these regulations are outdated and envisage cumbersome processing in a manual environmental. Over a period, new regulations have been added without assessing their impact and removing old ones, which has increased the burden on businesses in terms of extra cost, time and complexity.

2. Moreover, the regulatory environment in Pakistan has never been mapped hence the number and types of regulations governing business activities conducted in different sectors of the economy remain invisible and uncertain. This is creating barriers to entry and adversely impacting efforts to attract investment, promote industrialization and enhance exports.

3. The proposed Bill provides a legal mandate for establishing a registry to map regulations prescribed by Government departments and then empirically assess the need of these regulations through global best practices necessary to attract, realize and retain investments with an aim to eliminate unnecessary regulations, simplify and automate cumbersome procedures. The modernized regulatory requirements will then be integrated through a Pakistan Business Portal which will be a National One Window for identification and issuance of all Government registrations, licences, certification and other permits. The implementation of this initiative will have several benefits for the economy, including increased investment, job creation, and economic growth. It will also help improve Pakistan's competitiveness in the global market and attract foreign investors who are looking for a stable and predictable regulatory environment.

(Kaiser Ahmed Sheikh)
Federal Minister for Board of Investment

