

[AS PASSED BY THE SENATE]

A

Bill

further to amend the Export Development Fund Act, 1999

WHEREAS it is expedient further to amend the Export Development Fund Act, 1999 (VI of 1999), for the purpose hereinafter appearing;

It is hereby enacted as follows: —

1. Short title and commencement. — (1) This Act shall be called the Export Development Fund (Amendment) Act, 2026.

(2) It shall come into force at once.

2. Amendment of section 2, Act VI of 1999. — In the Export Development Fund Act, 1999 (VI of 1999), hereinafter, referred to as “the said Act”, in section 2,-

- (a) clause (c) shall be omitted;
- (b) in clause (f), after the semi colon the word “and” shall be inserted; and
- (c) in clause (g), for the semi colon the word “and” a full stop shall be substituted and thereafter clause (h) shall be omitted.

3. Amendment of section 5, Act VI of 1999.— In the said Act, for section 5, the following shall be substituted, namely: —

“5. Board of Administrators of Export Development Fund. — (1) There shall be a Board of Administrators, to be appointed by the Federal Government, consisting of the following members, namely: —

- (a) top four exporters based on previous three years data *member*
- (b) one top non-textile and apparel exporter based on previous three-year data *member*
- (c) one each from the Agriculture, IT, and industry sectors to be nominated by the Division to which business of this Act stands allocated *members*
- (d) Chairperson of Pakistan Business Council *member*

- (e) President of Federation of Pakistan Chamber of Commerce and Industry *member*
- (f) Secretary of the Division to which the business of Finance is allocated or his representative not below BS-21 *member*
- (g) Secretary of the Division to which the business of Commerce is allocated or his representative not below BS-21 *member*
- (h) Secretary of the Division to which the business of National Food Security & Research is allocated or his representative not below BS-21 *member*
- (i) Secretary of the Division concerned to which the business of Industries and Production is allocated or his representative not below BS-21 *member*
- (j) Chief Executive, Trade Development Authority of Pakistan *member*
- (k) Executive Director, Export Development Fund *member*

Provide that in case any of the exporter(s) under clause (a) and (b) of this sub-section opts not to accept the membership of the Board of Administrators, the next top exporter(s) from the same categories specified in said clauses shall be offered the membership of the Board:

Provided further that one of the three members nominated under clause (c) shall be from the Small and Medium Enterprises (SME):

Provided also that exporters nominated under clause (c) shall not be amongst the sectors represented in paragraphs (a) and (b).

(2) The Chairman of the Board shall be appointed by the Federal Government from amongst the private members.

(3) The Secretary to the Board shall be appointed by the Board from amongst its' members.

(4) The Federal Government may appoint additional members as and when considered necessary provided that the majority of the Board members shall be from private sector.

(5) Meeting of the Board shall be presided over by the Chairman and, in his absence, by a private member elected by the Board.”.

4. Amendment of section 6, Act VI of 1999.— In the said Act, section 6 shall be omitted.

5. Amendment of section 7, Act VI of 1999.— In the said Act, in section 7,-

(a) in clause (f), the word “and”, at the end, shall be omitted;

(b) in clause (g) for the full stop, at the end, a semi colon shall be substituted and the following new clauses shall be added, namely:-

“(h) review the viability and feasibility of existing portfolio of projects and decide as to whether they shall continue or be discontinued; and

(i) review the performance of already executed projects under the EDF, oversee and steer the capacity building and reform process of EDF governance structure and associated institutional arrangements.”.

6. Amendment of section 8, Act VI of 1999.— In the said Act, in section 8, in sub-section (1), the expression “and, in his absence, by the Vice Chairman” shall be omitted.

7. Omission of sections 9 to 12, Act VI of 1999.— In the said Act, sections 9 to 12, shall be omitted.

8. Amendment of section 15, Act VI of 1999.— In the said Act, in section 15, in sub-section (1), clause (ii) shall be omitted.

STATEMENT OF OBJECTS & REASONS

Export Development Fund (EDF) is administered under the Export Development Act 1999. The Act aims to define purpose of export development fund to strengthen and develop infrastructure for promotion of exports. The objective of EDF is to address bottlenecks faced by the exporters and producers of export goods & services in Pakistan with a view to increase the performance of export sector.

2. The EDF has been funded through collection of surcharge on export receipts. The EDF works under the administration of a Board of Administrators. The current Board is headed by the Minister of Commerce and includes members from public and private sector duly appointed by the federal government. The proposed amendments will substitute the current governance structure allowing private sector members, through majority representation, to administer the fund efficiently and effectively while ensuring the chairpersonship to remain with a prominent exporter. The proposed amendment will further provide for transformation into a section 42 Company in order to manage the future affairs of the EDF Fund as per corporate governance rules.



(Jam Kamal Khan)
Commerce Minister