

Annexure-B

[AS PASSED BY THE NATIONAL ASSEMBLY]

A

Bill

to amend the Pakistan Airports Authority Act, 2023

Whereas it is expedient to amend the Pakistan Airports Authority Act, 2023 (XLV of 2023) for the purpose hereinafter appearing;

It is hereby enacted as follows:

1. **Short title and commencement.**— (1) This Act shall be called the Pakistan Airports Authority (Amendment) Act, 2026.

(2) It shall come into force at once.

2. **Amendment in long title, Act XLV of 2023.**— In the Pakistan Airports Authority Act, 2023 (XLV of 2023), hereinafter referred to as the said Act, in the long title, for the word “achnimistration”, the word “administration” shall be substituted.

3. **Amendment in section 2, Act XLV of 2023.**— In the said Act, in section 2:

(1) in clause (r), for the words “Aviation Division” the words “Division concerned to which business of this Act is allocated” shall be substituted; and

(2) in clause (z), for the words “Aviation Division” the words “Division concerned to which business of this Act is allocated” shall be substituted.

4. **Amendment in section 6, Act XLV of 2023.**— In the said Act, in section 6:

(1) in sub-section (1):

(a) after clause (c), the following clause (ca) shall be inserted:

“(ca) An officer of the Division concerned to which business of this Act is allocated not below the rank of Joint Secretary nominated by the Secretary;”

(b) in clause (d), for the word “hint”, the word “him” shall be substituted;

(2) in sub-section (6), for the expression “sub-section (4)”, the expression “sub-section (5)” shall be substituted; and

(3) in sub-section (7):

(a) for the expression “sub-section (4)”, the expression “sub-section (5)” shall be substituted; and

(b) for the expression “sub-section (5)”, the expression “sub-section (6)” shall be substituted.

5. **Amendment in section 7, Act XLV of 2023.**— In the said Act, in section 7, after sub-section (4), the following sub-section (4A) shall be inserted:

“(4A) In case of urgency and notwithstanding anything contained in this section, the Chairperson may allow transaction of any business of the Board through circulation among the members and, if approved by the two-third majority of the members, it shall be deemed to have been approved by the Board.”

6. **Amendment in section 9, Act XLV of 2023.**— In the said Act, in section 9, in sub-section (1), for clauses (b) and (c), the following shall be substituted:

“(b) four most senior officers of the Authority including Director Finance;

(c) a representative of the Division concerned to which business of this Act is allocated nominated by the Secretary; and”.

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7. Amendment in section 10, Act XLV of 2023.— In the said Act, in section 10:

- (1) for sub-section (1), the following shall be substituted:

“(1) The Prime Minister may, in the prescribed manner, appoint an officer in the service of Pakistan or service of the Authority, or a private sector expert as the Director General.”

- (2) after sub-section (1), the following sub-sections (1a) and (1b) shall be inserted:

“(1a) Subject to sub-section (1), a person shall not be appointed as the Director General unless he fulfils the minimum qualification and experience prescribed in the rules.

(1b) The term of office of the Director General shall be three years and the Prime Minister may extend the term for a period not exceeding two years.”

8. Amendment in section 15, Act XLV of 2023.— In the said Act, in section 15, in sub-section (3):

- (1) in clause (f), the expression “on its behalf in terms of section 23” shall be omitted; and
(2) clause (g) shall be omitted.

9. Insertion of section 17A, Act XLV of 2023.— In the said Act, after section 17, the following section 17A shall be inserted:

“17A. Conflict of interest regarding officers.— (1) For so long as he holds office and for a period of two years thereafter, the Director General and every officer of the Authority shall not —

- (a) own, or be a shareholder, director, partner or an employee of any aviation undertaking, business or contractor of the Authority;
- (b) have any direct or indirect pecuniary or other benefit, share or interest in or be engaged in an aviation undertaking, business or contractor of the Authority; and
- (c) receive any direct or indirect pecuniary or other benefit, share or interest in the manufacture or distribution of expensive equipment being or is likely to be procured by the Authority.

(2) In case an officer has served less than three years, after service prohibition under sub-section (1) shall be for one year only.

(3) Whenever it comes to the notice of the Director General or any other officer that in relation to any matter being decided by the Authority, he has professionally acted on behalf of any person having any share or interest in that matter, or any of his immediate relatives, or his employer or employee would receive or have a reasonable expectation of receiving, a direct or indirect pecuniary or other benefit, share or interest or would suffer or have a reasonable expectation of suffering, a direct or indirect pecuniary or some other detriment, he shall, in case of the Director General, immediately inform the Secretary or, in case of any other officer, the Director General and abstain from taking part in the decision.

(4) If a former Director General or other officer of the Authority wants relaxation of any of the prohibition contained in sub-section (1) or sub-section (2), he may, by swearing an affidavit of absence of conflict of interest, apply to the Secretary for such relaxation.

(5) If no conflict of interest is found after scrutiny of the last two years' service in the Authority by the applicant, the Secretary, for reasons to be recorded in writing, may grant the relaxation under sub-section (4).”

10. Amendment in section 18, Act XLV of 2023.— In the said Act, in section 18, in sub-section (2), for the words “asset or properly”, the words “asset or property” shall be substituted.

11. **Amendment in section 19, Act XLV of 2023.**— In the said Act, in section 19, in sub-section (3), for the comma at the end, a full-stop shall be substituted.
12. **Amendment in section 21, Act XLV of 2023.**— In the said Act, in section 21, in the marginal heading, for the word “laud”, the word “land” shall be substituted.
13. **Amendment in section 34, Act XLV of 2023.**— In the said Act, in section 34, in sub-section (2), for the words “Directo General”, the words “Director General” shall be substituted.
14. **Amendment in section 40, Act XLV of 2023.**— In the said Act, in section 40, in sub-section (1), for the word “month”, the word “months” shall be substituted.
15. **Amendment in section 68, Act XLV of 2023.**— In the said Act, in section 68, for the words “by notification in the official Gazette”, the expression “by publication on the website of the Authority,” shall be substituted.

STATEMENT OF OBJECTS AND REASONS

Aviation Division has merged in Defence Division in February 2025 while the Aviation Division/ Ministry is still reflected in the Pakistan Airports Authority Act 2023 (XLV of 2023). The Secretary Defence is the chairperson of the Pakistan Airports Authority's Board. In order to ensure continuity, it is appropriate to add another high-ranking officer of the Defence Division in the Board. There may be a case of emergency and meeting of the Board may not be feasible on a very short notice. A provision for decision of the Board through circulation with higher bar of majority is required to meet unforeseen circumstances/ emergencies. Executive Committee of the Pakistan Airports Authority (PAA) is an internal decision-making forum of PAA. Finance Division has objected to its representation in the Executive Committee. It is proposed to be replaced rep of Finance Division with a rep of Defence Division and inclusion of Director Finance of PAA in the Executive Committee. The existing provision regarding appointment of the Director General of PAA (DG) is restrictive which does not allow appointment of DG from the private sector. Only a public servant in the service of Pakistan and an officer of PAA are eligible for the post. It is proposed to expand the choice to allow appointment of DG from private sector as well. The qualification and experience required for eligible candidates for this post will be mentioned in detailed in the rules. There are certain restrictions on PAA's Board regarding delegation of powers but some day-to-days functions have also been included in that list, making it non-flexible and may harm the interests of PAA. Those restrictive clauses are proposed to be removed. PAA awards billions of contracts. It also allocates slots to airlines and perform other important commercial functions. There is no robust conflict of interest provision for in-service officers and cooling off period after service for the officers/ decisionmakers of PAA. A robust provision is added to plug this gap. Airport Orders are administrative nature orders which are passed frequently by the DG. Condition of Gazette notification of these orders causes inordinate delays in implementation of these order. Further, many patent error have also been identified in the Act which require correction. Hence, this Bill.

Sd/-
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Minister for Defence