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[AS PASSED BY THE SENATE]

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further to amend the Fiscal Responsibility and Debt Limitation Act, 2005

WHEREAS it is expedient further to amend the Fiscal Responsibility and Debt Limitation Act, 2005 (VI of 2005), for the purposes hereinafter appearing;

It is hereby enacted as follows: -

1. **Short title and commencement.** -(1) This Act shall be called the Fiscal Responsibility and Debt Limitation (Amendment) Act, 2026.

(2) It shall come into force at once.

2. **Amendment of section 12, Act VI of 2005.**- In the Fiscal Responsibility and Debt Limitation Act, 2005 (VI of 2005), in section 12, -

(a) in sub-section (1), for the words "four executives including a director general and three directors", the following shall be substituted, namely: -

"executives including a director general and as many directors as may be determined by the committee referred to in sub-section (5)"; and

(b) in sub-section (2), for rider clause, the following shall be substituted, namely: -

“(2) The director general and the directors shall be appointed on contract basis for a term of three years on the basis of eligibly criteria including academic, professional qualifications and experience as may be prescribed. The contract may be extended subject to performance evaluation.”

STATEMENT OF OBJECTS AND REASONS

Fiscal Responsibility and Debt Limitation (FRDL) Act, 2005 (as amended upto 2022), provides for reduction of federal fiscal deficit and ratio of public debt to Gross Domestic Product (GDP) to a prudent level through effective public debt management.

The Debt Management Office (DMO) has been established under the Act *ibid* and has historically operated as small establishment. DMO, *inter-alia*, provides critical support to stakeholders. In order to elaborate its scope, enhance its empowerment and provide plausible framework for the DMO's anticipated future expansion, an amendment is required.

The proposed amendment seeks to strengthen the DMO by providing necessary resources for the effective planning and execution of the Government's debt management functions.


(SENATOR MUHAMMAD AURANGZEB)
Minister for Finance and Revenue