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PART I

Acts, Ordinances, President's Orders and Regulations

SENATE SECRETARIAT

Islamabad, the 21st May, 2026

No. F. 9(42)/2026-Legis.—The following Act of Majlis-e-Shoora (Parliament) received the assent of the President on 20th May, 2026 and is hereby published for general information: —

ACT NO. XXXIV OF 2026

AN

ACT

An Act further to amend the Special Economic Zones Act, 2012

WHEREAS, it is expedient further to amend the Special Economic Zones Act, 2012 (XX of 2012), for the purposes hereinafter appearing;

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Price: Rs. 10.00

[10872(2026)/Ex. Gaz.]

It is hereby enacted as follows: -

1. Short title and commencement. -(1) This Act shall be called the Special Economic Zones (Amendment) Act, 2026.

(2) It shall come into force at once.

2. Amendment of section 3, Act XX of 2012. - In the Special Economic Zones Act, 2012 (XX of 2012), hereinafter referred to as the said Act, in section 3, for paragraph (1), the following shall be substituted, namely: -

“(1) SEZ Authority” means the Federal or, as the case may be, a Provincial SEZ Authority established under section 10;”

3. Amendment of section 5, Act XX of 2012.- In the said Act, in section 5, in sub-section (2), for the expression, “the Provincial”, the word “a” shall be substituted.

4. Amendment of section 8, Act XX of 2012.- In the said Act, in section 8, sub-section (2) shall be omitted.

5. Amendment of section 9, Act XX of 2012.- In the said Act, in section 9:-

(a) in the rider clause, the parentheses and the number “(1)” shall be omitted; and

(b) in paragraph (a), the word “Provincial” shall be omitted.

6. Amendment of section 10, Act XX of 2012.- In the said Act, in section 10: -

(a) In sub-section (1), after the full stop at the end, the following shall be added, namely: -

"The Federal Government shall, by notification in the official Gazette, establish a Federal SEZ Authority for the Islamabad Capital Territory and SEZs established by the Federal Government. The Federal SEZ Authority shall only oversee the relevant SEZ to be established by the Federal Government on land held in the name of the Government of Pakistan or established on provincial land after consent of the respective provincial government.";

(b) In sub-section (3), after the word "Each" the word "Provincial" shall be inserted;

(c) After sub-section (3), a new sub-section (3A) shall be inserted, namely:

"(3A) The Federal SEZ Authority shall consist of. –

(a) A Chairperson, who may be the Minister in charge Chairman of the Board of Investment;

(b) Secretary, Board of Investment, (who shall chair the Federal SEZ Authority in absence of the Chairperson), act as Vice President;

(c) A Chief Executive Officer who may be appointed by the Prime Minister and shall be the Secretary of the Federal SEZ Authority;

(d) Federal Secretaries of Industries & Production, Planning Development and Special Initiatives, Commerce, Finance (Main), Inter Provincial Coordination, Power, Energy or their nominee not below BPS-21;

(e) Two (2) private members to be appointed by the Federal Government on such terms and conditions as it may determine. The members shall be of known integrity and competence with at least ten years of experience in the field of law, economics, technology or finance, coupled with experience of the industrial section;

(f) President of the Federation of Pakistan Chambers of Commerce and Industry (FPCCI); and

(g) Member of each Province appointed by the Chief Minister of the respective province, which member shall be of known integrity and competence with at least ten years of experience in the field of law, economics, technology or finance, coupled with experience of the industrial section."

(d) In sub-section (4), the expression, "in its respective Province" shall be omitted.

7. Amendment of section 12, Act XX of 2012.- In the said Act, in section 12, for sub-section (1), the following shall be substituted, namely: -

“(1) Where a SEZ is proposed to be established by a Province, the zone application shall be submitted to the BOA by the SEZ Authority of that Province. Where a SEZ is proposed to be established by the Federal Government, the zone application shall be submitted to the BOA by the Federal SEZ Authority.”

8. Amendment of section 13, Act XX of 2012.- In the said Act, in section 13, -
- (a) in sub-section (1); -
 - (i) for the expression “a developer”, the expression “one or more developers” shall be substituted.
 - (ii) for the full stop, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely: -

“Provided that more than one developer may only be selected where the area of the zone is more than one thousand acres and each developer is allotted not less than five hundred acres.”, and
 - (b) in sub-section (5);
 - (i) the word “jointly” shall be omitted; and
 - (ii) for the expression “on behalf of the respective Provincial Government”, the expression “and the authorized representative of the Developer” shall be substituted.
9. Amendment of section 15, Act XX of 2012.- In the said Act, in section 15, in sub-section (1), after the word “Authority”, the expression “of the territory or Province” shall be inserted.
10. Amendment of section 16, Act XX of 2012.- In the said Act, in section 16, in sub-section (1), -
- (a) in paragraph (c), for the expression “at least”, the expression “up to” shall be substituted; and
 - (b) in paragraph (i), for the word “Provincial”, the word “concerned” shall be substituted.
11. Amendment of section 17, Act XX of 2012.- In the said Act, in section 17, in paragraph (n), after the expression “Provinces”, the expression “or territories” shall be inserted.

12. Amendment of Section 20, Act XX of 2012.- In the said Act, in section 20, in sub-section (2), in paragraph (ii), for the expression “; and” occurring at the end a colon (:), shall be substituted, and thereafter the following proviso shall be inserted, namely:-
- “Provided that notwithstanding anything contained to the contrary, in the case of public-private partnerships and private sector Special Economic Zones, the Authority shall examine and approve zone entry applications, allot land to such enterprises, and determine the price of the land so allotted in accordance with the terms of the concession agreement or, as the case may be, the development agreement.”
13. Amendment of section 21, Act XX of 2012.- In the said Act, in section 21, -
- (i) in sub-section (2), in paragraph (iv), the word “Provincial” shall be omitted; and
- (ii) after sub-section (2), the following new sub-section (3) shall be inserted, namely: -
- “(3) In the case of public-private partnerships and private sector Special Economic Zones, the terms of the concession agreement executed between the relevant Provincial Authority or company and the Developer shall prevail over the terms of the development agreement.”
14. Amendment of section 22, Act XX of 2012.- In the said Act, in section 22, -
- (a) in sub-section (2), for the word “Provincial”, the word “concerned” shall be substituted; and
- (b) sub-section (7) shall be omitted.
15. Amendment of section 23, Act XX of 2012.- In the said Act, in section 23, sub-section (3), paragraph (a), shall be omitted.
16. Amendment of section 24, Act XX of 2012.- In the said Act, in section 24, in sub-section (2), for the expression, “SEZ Authority of the relevant Province”, the expression, “relevant SEZ Authority” shall be substituted.
17. Amendment of section 27, Act XX of 2012. - In the said Act, in section 27, in sub-section (1), -
- (a) for paragraph (i), the following shall be substituted, namely: -
- “(i) the Federal and Provincial Governments to ensure, at government expense in the case of SEZs established on public land or by public sector

entities, the provision of road access, all utilities including electricity, gas, telecommunication services, and other essential facilities up to the designated zero point within one year of the notification of the SEZ. The BOA may, on a case by case basis, also allow such provision at government expense for SEZs established by private parties; as per criteria approved by it; and”

(b) clause (ii) shall be omitted.

18. Amendment of section 29, Act XX of 2012.- In the said Act, in section 29, in sub-section (3), in paragraph (i), after the expression “Province”, the expression “or territory” shall be inserted.

“19. Amendment of section 34, Act XX of 2012. - In the said, in section 34: - in sub-section (2), after paragraph (iii), a new paragraph (iv) shall be added, namely: -

“(iv) such additional benefits granted by BOA to the relevant hi-tech industry or particular region shall be available to any other SEZs established or to be established with the relevant hi-tech industry or established or to be established in the particular region.”

(ii). In sub-section (3), in paragraph (i), for the word “development”, the word “developer” shall be substituted.”

19. Amendment of section 37, Act XX of 2012.- In the said Act, in section 37, for paragraph (b) and the proviso thereto, the following shall be substituted, namely: -

“(b) exemption from all taxes on income for enterprises commencing commercial production for the next ten years or until the thirtieth day of June 2035, whichever is earlier.”

20. Amendment of section 38, Act XX of 2012.- In the said Act, for section 38, the following shall be substituted, namely: -

“38. Establishment of Special Economic Zone Appellate Tribunal. - (1) A Special Economic Zone Appellate Tribunal shall be established, and no court shall

take cognizance of any legal dispute under this Act or the rules or regulations made thereunder to which the jurisdiction of the Special Economic Zone Appellate Tribunal extends.

(2) Notwithstanding anything contained therein, the Federal Government may, by notification in the official Gazette, designate an existing tribunal established under any other law to exercise the powers and perform the functions of the Special Economic Zone Appellate Tribunal under this Act.

(3) The Tribunal constituted under sub-section (1) shall have exclusive jurisdiction to determine all matters pertaining to this Act, any rules or regulations made pursuant to this Act and the operation and implementation of this Act or such rules or regulations by any person or body empowered by, under or by virtue of this Act or such rule or regulation, including without limiting the generality of the foregoing, the exercise of powers and functions by the BOA, Approval Committee, BOI, SEZ Authority, SEZ Committee or an interim administrator appointed by an SEZ Authority:

Provided that the foregoing shall not include service matters pertaining to civil servants as defined in the Civil Servants Act, 1973 (LXXI of 1973).

(4) The Tribunal shall consist of a chairman and two other members. The chairman and members shall be appointed by the Federal Government on such terms and conditions as it may determine.

(5) The Chairman of the Tribunal shall be an advocate of known integrity and competence with at least twenty years of experience in commercial matters and the members of the tribunal shall be persons of known integrity and having professional experience of at least ten years in the field of law, economics, technology, or finance, coupled with experience of the industrial section.

(6) The Chairman and members of the Tribunal constituted under sub-section (1) shall hold office for a period of three years and shall be eligible for reappointment for a similar term or terms or until attaining the age of sixty-eight

years in case of the chairman and sixty-two years in the case of a member, whichever is earlier.

(7) The Tribunal shall decide a matter expeditiously but not later than three months of its filing before the said tribunal.

Explanation. - It is clarified that the timeframe for rendering a decision within three months is mandatory and not directory.

(8) The Tribunal for the purpose of deciding an appeal be deemed to be a civil court and shall have all the powers vested in such a court under the Code of Civil Procedure, 1908 (Act V of 1908) and judgments of such tribunal shall be deemed to be a decree of a civil court issued under Act V of 1908.

(9) Any person aggrieved by an order, judgment or decree of the Tribunal under this section may prefer an appeal to the Supreme Court of Pakistan within sixty days.”

21. Amendment of section 40, Act XX of 2012.- In the said Act, the existing text shall be designated as sub-section (1), and thereafter the following new sub-section (2) shall be added, namely: -

“(2) In case of any conflict between this Act and any rules and regulations made under this Act, the provisions of this Act shall prevail.”

SYED HASNAIN HAIDER,
Secretary.