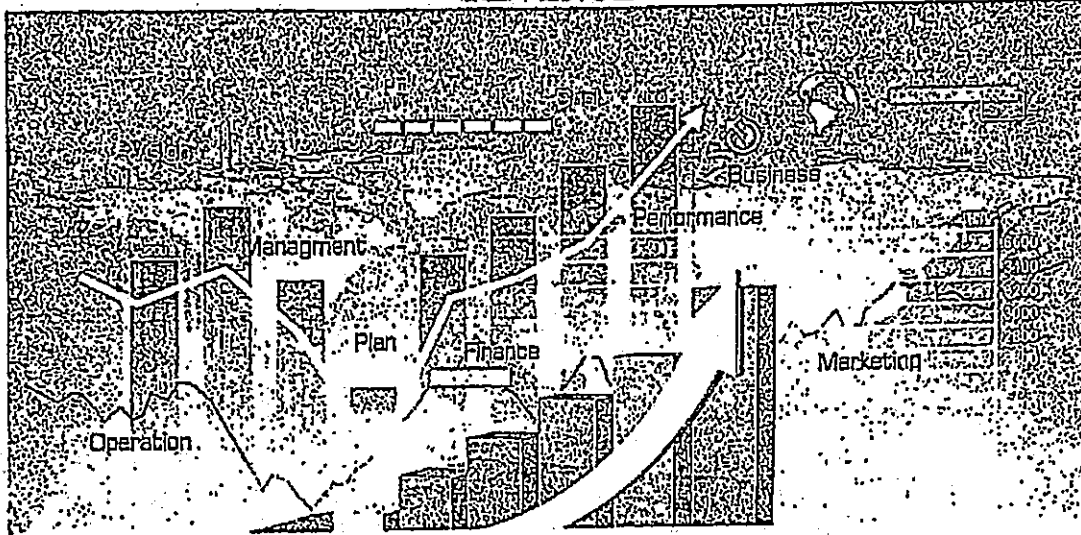


SENATE OF PAKISTAN



REPORT OF THE SENATE STANDING COMMITTEE ON FINANCE AND REVENUE



**REPORT ON A PRIVATE MEMBER'S BILL TITLED "THE FOREIGN
INVESTMENT (PROMOTION AND PROTECTION) (AMENDMENT) BILL,
2026" REFERRED BY THE HOUSE IN SITTING HELD ON 11TH MAY, 2026**

**PRESENTED BY
SENATOR SALEEM MANDVIWALLA
CHAIRMAN**

SENATE SECRETARIAT

REPORT ON A PRIVATE MEMBER'S BILL TITLED "THE FOREIGN INVESTMENT (PROMOTION AND PROTECTION) (AMENDMENT) BILL, 2026" REFERRED BY THE HOUSE IN ITS SITTING HELD ON 11TH MAY, 2026

I, Senator Saleem Mandviwalla, Chairman Senate Standing Committee on Finance and Revenue have the honor to present the report of the Committee on a Private Member Bill titled "The Foreign Investment (Promotion and Protection) (Amendment) Bill, 2026" referred by the House in its sitting held on 11th May, 2026 to the Committee for Consideration and report.

2. The Committee comprises of the following honorable Members:-

1. Senator Saleem Mandviwalla	Chairman
2. Senator Farooq Hamid Naek	Member
3. Senator Sherry Rehman	Member
4. Senator Mohsin Aziz	Member
5. Senator Anusha Rahman Ahmad Khan	Member
6. Senator Muhammad Talha Mahmood	Member
7. Senator Shahzaib Durrani	Member
8. Senator Fesal Vawda	Member
9. Senator Ahmed Khan	Member
10. Senator Manzoor Ahmed	Member
11. Senator Syed Faisal Ali Subzwari	Member
12. Senator Muhammad Abdul Qadir	Member
13. Senator Dilawar Khan	Member
14. Senator Zeeshan Khanzada	Member
15. Minister for Finance and Revenue	Ex-Officio Member
16. Minister of State for Finance and Revenue	Ex-Officio Member

3. The Committee considered the Bill in its meeting held on 29th July, 2026, at 2:00 p.m. in Committee Room No.1, Parliament House, Islamabad. The meeting was attended by the following Members:-

1. Senator Saleem Mandviwalla	Chairman
2. Senator Sherry Rehman	Member
3. Senator Manzoor Ahmed Kakar	Member
4. Senator Mohammad Abdul Qadir	Member
5. Senator Dilawar Khan	Member
6. Minister of State for Finance and Revenue	Ex-Officio Member

4. Senator Manzoor Ahmed Kakar, while explaining the statement of objects and reasons of the Bill titled "the Foreign Investment (Promotion and Protection) (Amendment) Bill, 2026, also underlying the spirit of the proposed legislation. He informed the Committee that the proposed



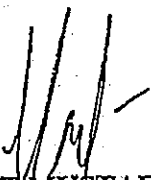
amendment seeks to clarify the scope and application of the Act to strengthen the legal framework and provide greater protection to investments. The representative of the Finance Division responded that the existing law was enacted specifically to facilitate the Reko Diq Project, which remains the only project qualifying under its provisions. He stated that no project in any other province has been declared eligible under the law. He further explained that the legislation provides extensive fiscal incentives, including exemptions from taxes, customs duties, sales tax, and other levies, and that extending its scope would require granting the same concessions to other projects, resulting in significant fiscal implications. In view of Pakistan's commitments under the Extended Fund Facility (EFF) Programme, the Government is currently constrained from introducing new tax exemptions. Accordingly, he maintained that there is no justification for amending the law at present, as no other project qualifies under its provisions.

5. The Minister of State for Finance clarified that the Government already provides a range of fiscal and non-fiscal incentives to investors under the existing legal and policy framework, including through Special Economic Zones (SEZs) and Export Processing Zones (EPZs). He clarified that the concessions provided under the relevant law are exceptional incentives granted exclusively to the Reko Diq Project and cannot be extended to other projects under the prevailing fiscal constraints. He further assured the Committee that all available incentives and institutional facilitation through the Board of Investment (BOI), Special Investment Facilitation Council (SIFC), Ministry of Commerce, and other relevant agencies would continue to be extended to credible investment proposals in accordance with the existing framework. He emphasized that the Government's foremost priority is to facilitate genuine domestic and foreign investment and to ensure that investment proposals are processed fairly and expeditiously. He further invited the Members of the Committee to bring forward any credible investment proposals received from domestic or foreign investors, assuring the Committee that such proposals would be given priority consideration.

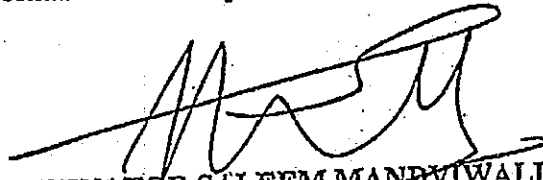
6. The representative of the M/o Law and Justice informed that the proposed amendment was unnecessary, as the matter was already comprehensively covered under Section 3 of the existing Act. He explained that the existing provision empowers the Federal Government to include any eligible project in Schedule-I, where considered appropriate, without the need for any legislative amendment. Thereafter, the Committee advised the mover to submit any credible investment proposals received from domestic or foreign investors to the Minister of State for Finance for consideration by the relevant authorities on a priority basis.



7. In view of the assurance extended by the Government, the mover agreed to withdraw the Bill, therefore, the Committee disposed of the said Bill. The Bill as introduced in the Senate is annexed. The Committee also gave approval for presentation of this report to the House.



(IFFAT MUSTAFA)
Secretary Committee



(SENATOR SALEEM MANDVIWALLA)
Chairman Committee

As
[TO BE INTRODUCED IN THE SENATE]

**A
BILL**

to amend the Foreign Investment (Promotion and Protection) Act, 2022

WHEREAS it is expedient to amend the Foreign Investment (Promotion and Protection) Act, 2022 (XXXV of 2022) in the manner and for the purpose hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and commencement.— (1) This Act may be called the Foreign Investment (Promotion and Protection) (Amendment) Act, 2026.

(2) It shall come into force at once.

2. Amendment of section 1, Act XXXV of 2022.— In the Foreign Investment (Promotion and Protection) Act, 2022 (XXXV of 2022), in section 1, for sub-section (2), the following shall be substituted, namely:-

"(2) It extends to the whole of Pakistan, including all qualified investments in Balochistan Province not less than US\$500 million, and not limited to any one project, as mentioned in schedules and annexures of this Act."

STATEMENT OF OBJECTS AND REASONS

The purpose of the subject amendment is to clarify the scope and application of the Act in order to make it wholesome and boost prospects of new investment by giving it protection under the Act. This amendment will encourage and attract new investment in the form of major projects worth US\$500 million or more, leading to improvement of economy, creation of jobs and overall development of not only the area and province in which these investments are made but also the country on the whole.

SENATOR MANZOOR AHMED
Member-in-Charge