

IN THE SUPREME COURT OF PAKISTAN
(ORIGINAL JURISDICTION)

CMA No. -----/2018

IN

Suo Moto Case No. 13/2015

Suo Moto Case No. 13/2015 (Suo Moto action regarding monitoring and evaluation framework of
NGOs/INGOs)

Compliance report of the Order dated 27 June 2018 passed by the Hon'ble Supreme Court of Pakistan
in the subject case

IN THE SUPREME COURT OF PAKISTAN
(ORIGINAL JURISDICTION)

CMA No. -----/2018

IN

Suo Moto Case No. 13/2015

Suo Moto Case No. 13/2015 (Suo Moto action regarding monitoring and evaluation framework of
NGOs/INGOs)

Compliance report of the Order dated 27 June 2018 passed by the Hon'ble Supreme Court of Pakistan
in the subject case

INDEX

Sr #	Description of documents	Dated	Pages
1.	Report by the Secretary, Law and Justice Commission of Pakistan	31-08-2018	1
2.	Order of the Hon'ble Supreme Court of Pakistan dated 17 th June 2015 (Annex-A)	17-06-2015	10
3.	Order of the Hon'ble Supreme Court of Pakistan dated 23 rd June 2015 (Annex-B)		11
4.	The 20 Agenda Items of national Action Plan (Annex-C)	24-12-2014	12
5.	Order of the Hon'ble Supreme Court of Pakistan dated 1 st July 2015 (Annex-D)	01-07-2015	13
6.	Template developed by LJCP to capture both general sectoral information and specific information relating to INGOs/NGOs (Annex-E)	-	15
7.	Report by the Secretary, Law and Justice Commission of Pakistan (Annex-F)	07-01-2017	30
8.	Order of the Hon'ble Supreme Court of Pakistan dated 27 th June 2018 (Annex-G)	27-06-2018	41
9.	Order of the Hon'ble Supreme Court of Pakistan dated 9 th August 2018 (Annex-H)	09-08-2018	42
10.	Letter to SECP and Mol requesting Information for submission in the Court (Annex-J)	15-08-2018	43
11.	Information furnished by the Ministry of Interior (Annex-K)	16-08-2018	46
12.	Information furnished by the Ministry of Interior (Annex-K-1)	17-08-2018	58
13.	List of INGOs (Annex-L)	-	76
14.	Policy for regulation of International Non-governmental Organizations (INGOs) in Pakistan (Annex-M)	01-10-2015	80
15.	Draft Bill to regulate the utilization of foreign contribution "The Foreign Contribution Act, 2016" (Annex-N)	-	86
16.	Policy for regulation of organizations receiving foreign contributions notified by Economic Affairs Division, Government of Pakistan (Annex-P)	28-11-2013	103
17.	Information furnished by the Securities Exchange Commission of Pakistan (Annex-Q)	17-08-2018	116
18.	Information furnished by the Chief Commissioner, Islamabad Capital Territory (Annex-R)	02-08-2018	118
19.	Information furnished by the Social Welfare Department, Government of Sindh (Annex-S)	17-08-2018	119
20.	Information furnished by the Social Welfare Department, Government of Balochistan (Annex-T)	12-07-2018	128
21.	Information furnished by the Government of Khyber Pakhtunkhwa (Annex-U)	-	129
22.	Information furnished by the Social Welfare and Bait-ul-Maal Department, Government of Punjab (Annex-V)	-	138
23.	The Punjab Charities Act 2018 (Annex-W)		148
24.	Report of the Committee constituted by the PM in 2015 to review law and regulations regarding accreditation and activities of the INGOs (Annex-X)		158
25.	Affidavit	31-8-2018	163

Certified that the paper book as bound is complete and correct.

Secretary
Law and Justice Commission of Pakistan
Date 31-8-2018

In the Hon'ble Supreme Court of Pakistan

Suo Moto Case No. 13/2015 (Suo Moto action regarding monitoring and evaluation frame work of NGOs/INGOs)

Compliance report of the Order dated 9 August 2018 passed by the Hon'ble Supreme Court of Pakistan in the subject case

A. Background of the case:

In the subject case, the Supreme Court of Pakistan (SCP) took serious notice of the weak state of regulation of the international and national non-for-profit organizations (INGOs & NGOs) operating across the country and directed the Federal and provincial governments to examine and submit details of activities, financials and audits to ascertain the effectiveness of the regulatory framework/monitoring mechanism **(Annexure-A)**.

Vide Order dated 23 June 2015, the Court issued directions to the Federal and Provincial *"governments to submit concise statements setting out all relevant particulars relating to NGOs operating within the Pakistan and the provinces, respectively (Annexure-B)."*

In response, the Federal and Provincial Governments submitted reports which were considered by the Hon'ble Court at the hearing dated 1 July 2015 and termed the same grossly unsatisfactory and inadequate. The Court further observed that the 20 points National Action Plan announced on 24th December, 2014 **(Annexure-C)** includes the stipulation that "all funding sources of terrorists and terrorist outfits will be frozen". The Court observed that the achievement of objective National Action Plan to the extent of NGOs cannot be possible due to non-availability of relevant statistics. The Court directed for serious efforts for monitoring and regulating the NGOs in accordance with the applicable statutes **(Annexure-D)**.

Subsequently, vide Order dated 2 July 2015, the Law and Justice Commission of Pakistan (LJCP) was tasked to examine information submitted to the Court. Following a review of the said information submitted, it was found that, at best, the information consists of lists of organizations and key personnel / offices with minimal or no information on their activities and finances. However, regrettably said report lacked the information regarding activities and finances of such NGOs. Therefore, to address said deficiencies, the LJCP compiled a template to capture both general sectoral information and specific information relating to specific not-for profit organizations (INGOs & NGOs) **(Annexure-E)**. Following the approval of the Court, LJCP acquired relevant information and after compiling the same submitted a report to the Court on 7th January 2017 **(Annexure-F)**.

At the hearing on 27 June 2018, the Hon'ble Supreme Court of Pakistan pleased to observe that the report filed by the Ministry of Interior needs to be verified by the Secretary, LJCP whether the said report is exactly in the letter and spirit of its order. Further, the Hon'ble

Court directed the provinces to submit reports within 15 days failing which the Chief Secretaries of the respective provinces have to provide explanation(s) for any delinquency” (Annexure-G).

In compliance, again information was obtained from the relevant governments in the backdrop of this Hon’ble Court’s earlier orders dated 3 June 2015 and 6 August 2015 and submitted a report submitted to the Hon’ble Court on 8th August 2018. At the hearing on 9th August 2018, the Court reviewed the report and issued following directions (Annexure-H).

“In view of our previous order, we have been apprised by the Secretary Law & Justice Commission (LJCP) of Pakistan that the Government of Punjab has filed a report, the Government of Sindh has submitted an incomplete report, and the Government of Balochistan has de-registered all the NGOs and started registration afresh in view of the policy submitted by LJCP. Let a written report with regard to all the Provinces be submitted by LJCP providing us with complete information as to what was the requirements (s) of the various orders passed by this Court and whether such orders have been complied with in letter and spirit till date or not. Let the needful be done within 15 days. Re-list thereafter.”

Again, the Securities and Exchange Commission Pakistan (SECP), Ministry of Interior (MOI) and the Home Secretary Sindh through Chief Secretary, Government of Sindh was requested for provision of following standardized information(Annexure-J):

- a. Has a complete Baseline been compiled for the number of active and dormant non-governmental organizations register-able under various laws?
- b. How many INGOs/NGOs have been verified through an audit covering their (i) finances, (ii) activities and (iii) security?
- c. Has an on-line database and web-site been developed providing relevant details of INGOs/NGOs registered under the various laws for the purposes of transparency, quick check/reference.
- d. Has a monitoring and evaluation framework and system been developed for tracking INGOs/NGOs financial resources, financial transactions and activities supported / implemented by INGOs/NGOs registered under the relevant laws.
- e. Have transparency, disclosure and reporting standards been notified for INGOs/NGOs registered under the relevant laws.

In response, the information received from respective governments has been reviewed and summarized. Summary of the information is as under:

B. Ministry of Interior (MoI) (Annexure-K)

- i. **Baseline data / Statistics of INGOs & NGOs registered under various laws:**
 - 141 online applications were received for registration (Annexure-L). 75 have been registered while applications of 47 INGOs are rejected and 19 applications are under process.
 - 18 out of 47 rejected INGOs have filed representations.

- Ministry has developed a web portal for registration of INGOs in collaboration with NADRA. (<http://ingo.interior.gov.pk>).
- ii. Regulatory Framework and measures taken to regulate the activities and finances of the INGOs and NGOs:**
- Policy for registration of INGOs has been notified on 1 October 2015 (**Annexure-M**). Mol is only mandated to register and regulate INGOs while international institutes, consultancy firms, think-tanks, bilateral and multilateral agencies are out of the ambit of INGO Policy.
 - Draft Bill to regulate the utilization of foreign contribution drafted and duly vetted Bill has been sent to the Finance Division for placing before the Finance Minister (**Annexure-N**).
- iii. Monitoring and Evaluation Framework:**
- In order to decide the registration of INGOs, 03 Committees were established with the approval of the then Minister for Interior:-
 - a. INGO Scrutiny committee (Headed by JS-I, Mol)
 - b. INGO Committee (Headed by Secretary, Mol)
 - c. INGO Special Committee (Headed by Minister for Interior)
 - Reporting requirements have been included in the MoUs signed with the INGOs.
 - Conducted security audit of all INGOs that have been approved for registration while security audit of others is under process. (In order to bring INGOs under the framework of INGO Policy, address concerns of security agencies and to limit operations of INGOs to service delivery in socio-economic development, a Memorandum of Understanding has been revised in consultation with relevant Stakeholders i.e. MoFA, EAD, SECP, FBR, ISI & IB.
 - Registered INGOs have submitted last 3 years audit reports and all NGOs have been directed to have their annual financial audit done from any of the approved audit firm of category A & B notified by the State Bank of Pakistan.
- iv. Development of Website and uploading of necessary information:**
- Mol has its own website which contains all necessary information related to INGOs including the status of application received, processed and decided for registration.
- C. Ministry of Finance, Revenue and Economic Affairs (MoFREA), Government of Pakistan (Annexure-P)**
- i. Baseline data / Statistics of INGOs & NGOs registered under various laws:**
- As per Government of Pakistan new Policy to regulate NGOs in Pakistan, all the national and international NGOs availing foreign funding are required to get registration license from EAD.
 - 51 local NGOs have been registered with EAD for foreign funding whereas applications of 125 NGOs are in process.
- ii. Regulatory Framework and measures taken to regulate the activities and finances of the INGOs and NGOs:**
- MoFREA has notified policy for regulation of organization of receiving foreign contribution 28th November 2013. According to which all the national and international NGOs availing foreign funding are required to get registration license from MoFREA.

D. Security Exchange Commission of Pakistan (SECP) (Annexure-Q)

i. Baseline data / Statistics of companies and Associations registered under section 42 of Companies Act

- 911 companies are registered, out of which, 420 are active. Amongst the active companies, 64 are foreign funded while 356 are local funded.
- Out of 911 companies, 281 licenses have been revoked while 09 associations are under revocation process.
- References of 84 associations are sent to MoI for security clearance regarding foreigners or foreign funding.
- As regarding regulation for not for profit organization, the same has already been published and are available on commission's website at <https://www.secp.gov.pk/document/sro733-i-2018/?wpdmdl=31767>.
- As regarding placement of details regarding association on Commission's website, the Commission is maintaining a list of licenses revoked. The updated list is available on Commission's website at link <https://www.secp.gov.pk/documnet/revocation-of-license-granted-tonot-for-profit-companies-ngos-under-section-42-of-the-companies-ordinamce-1984/?wpdmdl=22560>.

ii. Regulatory Framework and measures taken to regulate the activities and finances of the companies and associations registered under section 42 of the Companies Ordinance:

- The Companies Ordinance 1984 do not require an audit of business activities of companies, therefore, SECP does not carry out an audit of the activities. However, Security audit of 84 companies has been conducted. To streamline the affairs of Not for profit Companies following measures are taken:
- The Commission has intimated State Bank of Pakistan about this list with the request to communicate the same to banks for treating banks accounts of such Associations, accordingly.
- The system of tracking financial resources, financial transactions are the domain of State Bank of Pakistan. However, in case of renewal of license, SECP may obtain a certificate of a chartered accountant from the applicant to the effect that all the funds are received through proper banking channel.
- SRO 929 (I)/2015 dated 10 September 2015 is the applicable accounting framework for public interest and large sized companies licensed/formed under sections 42 and 43 of the Ordinance, which is in accord with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) that have notified by the Commission.

iii. Monitoring and Evaluation Framework:

- A policy/check list has been devised to be complied with by the applicant at the time of grant of license or its renewal.
- The MoI deals all matters of INGOs in accordance with Notification No./34/2015-PE-III dated October 1, 2016 whereas the SECP is supervising associations licensed under section 42 of the Companies Act, 2017, previously section 42 of the repealed Companies Ordinance, 1984. Moreover, the SECP vide SRO 285(I)/2017 dated April 18, 2017, directed all licensed & registered associations under section 42 excluding, public sector companies, to provide information on prescribed format regarding cumulative funds of Rs. 5 million or above, received from any single source of funding during a financial year. However the

notification has been repealed through a new set of regulations namely "Associations with Charitable and Not for Profit Objects Regulations, 2018" issued vide SRO No. 733(I)/2018 dated June 7, 2018. In terms of the Regulation 14, all associations registered under the Act are required to submit to the Commission in the manner provided in NFP Form 5, a monthly statement of amount received from local and foreign sources equivalent to or in excess of five million rupees.

E. Islamabad Capital Territory (ICT) (Annexure-R)

i. Baseline data / Statistics of INGOs & NGOs registered under various laws

- Total number of NGOs including Deeni Madaris and Trusts registered under various laws is 1482.
- 1012 NGOs are active and 470 have been dissolved being inactive.

ii. Regulatory Framework and measures taken to regulate the activities and finances of the INGOs and NGOs:

Following a review of the relevant legislative framework/s it was found that since NGOs are registered under various laws with different provincial departments/organizations, weak coordination was hampering the information collection exercise. Pursuant to subject observations, the provincial governments notified Home Department as a focal department for coordination between the relevant departments/organizations and flow of information.

Keeping in view multiplicity of laws, involvement of numerous ministries, departments and organizations in registration and regulation of NGOs and deficient resources, the relevant governments were asked to examine the possibility of consolidation of laws and bringing all type of NGOs under the domain of single or reduced number of organizations for effective monitoring their activities and finances.

Progress shared in this regard is as under:

In order to provide legal cover for registration and to regulate affairs of Charities, the ICT Administration with the help of NACTA has prepared a draft law on "The Islamabad Capital Territory Charities Registration, Regulation and Facilitation Bill, 2018. The same is sent to the Ministry of Interior for onward submission to the National assembly for Legislation.

iii. Monitoring and Evaluation Framework:

- No monitoring and evaluation framework and system has been developed for tracking NGOs, their financial resources and financial transactions.
- No transparency, disclosure and reporting standards have been notified for NGOs by the ICT.

iv. Development of Website and uploading of necessary information:

- No website and database has been developed

F. Government of Sindh (Annexure-S)

i. Baseline data / Statistics of INGOs & NGOs registered under various laws

- Total registered societies are 181 and are all functional.

- 89 societies have violated section 4 of the Societies Registration Act, 1860 (No mention of actions taken for violation).
- Total registered NGOs under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961 are 8980. Only 2276 NGOs are active, and 6704 are inactive*.

ii. Regulatory Framework and measures taken to regulate the activities and finances of the INGOs and NGOs:

The Social Welfare Department, Government of Sindh regulate affairs of NGOs registered under the Registration & Control Ordinance 1961 (rules-1962) whereas Trust and Charitable Organizations are being registered under Trust Act 1882 and Charitable and Religious Trust Act 1920. (No consolidated law to regulate the finances and activities of the NGOs working in Sindh Province.)

iii. Monitoring and Evaluation Framework:

- Financial audit of 1009 NGOs conducted during last 12 months.
- The process of monitoring of NGOs is a continuous process which carried out soon after registration. Under the Rules 1962 the NGO registered with Social Welfare Department Government of Sindh, is bound to submit its (i) Annual progress Report (ii) Annual Accounts Audited Report (iii) Election report.
- As far as evaluation of NGOs is concerned, it is carried out before its registration of NGO and all its resources, human and financial position are assessed and evaluated in feasibility report and registration certificate issued in the light of recommendations in the same report.

iv. Development of Website and uploading of necessary information:

- Social Welfare Department has been developed the website. However due to lack of technical staff, it is not updated regularly. Efforts are being taken for technical staff to update it on regular basis.
- Furthermore, all the information regarding registration process and other relevant papers will be updated very soon.

G. Government of Balochistan (Annexure-T)

i. Baseline data / Statistics of INGOs & NGOs registered under various laws

Total 1880 NGOs are registered with the Social Welfare Special Education Literacy, Non-Formal Education and Human Rights Department. 650 NGOs has submitted their details while remaining 1230 NGOs have not submitted their details so far and their registration has been suspended temporarily till to furnishing of details.

ii. Regulatory Framework and measures taken to regulate the activities and finances of the INGOs and NGOs:

No information.

iii. Monitoring and Evaluation Framework:

- Field officers are visiting and monitoring the activities of the NGOs.

iv. Development of Website and uploading of necessary information:

No website.

H. Government of Khyber Pakhtunkhwa (Annexure-U)

i. Baseline data / Statistics of INGOs & NGOs registered under various laws

- Total 1878 Societies are registered. 613 are active and 1265 inactive.
- 125 societies are not registered.
- Six societies are banned.
- Three societies are receiving foreign funding and 69 are receiving local funding.
- 4378 NGOs are registered with the Social Welfare Department of KP.
- Social Welfare Department has developed a database of all the registered Voluntary Social Welfare Agencies.

ii. Regulatory Framework and measures taken to regulate the activities and finances of the INGOs and NGOs:

A Bill titled “KP Charities Registration, Regulation and Facilitation Bill, 2018” is drafted and submitted to Law and Parliamentary Affairs Department for further processing.

iii. Monitoring and Evaluation Framework:

- The Social Welfare Department has also established dashboard comprising of the information, i.e. ID, District name, name of organization /Agency, name of head of organization, contact details, registration number and date, validity of registration date and status, renewal, details of on-going and completed projects, source of funding, audit details etc.
- An advertisement in leading daily newspaper has been floated enabling the audit/accountancy firms to carry out the audit report of the Voluntary Social Welfare Agencies registered with the Social Welfare Department.

iv. Development of Website and uploading of necessary information:

- Social Welfare Department has developed a database of all the registered Voluntary Social Welfare Agencies.
- PKNIC has requested to register a domain for uploading of information on the website of the Directorate of Industries.

I. Government of Punjab (Annexure-V)

i. Baseline data / Statistics of INGOs & NGOs registered under various laws

- In 2014, Social welfare & Bait-ul-Maal Department initiated Census of registered NGOs to segregate functional and non-functional NGOs. Census was completed in February 2015.
- 7516 NGOs are registered with the Social Welfare and Bait-ul-Maal Department.
- 3776 have been dissolved being inactive.
- Presently, 4805 NGOs are registered with Social Welfare & Bait-ul-Maal Department out of which 4500 have been geo-tagged by the Punjab Information Technology Board. The process is ongoing.
- 23181 Societies/NGOs are registered under the Societies Registration Act, 1860 out of which 18011 are inactive and 5170 are active.
- 15752 functional religious institutions are identified and registered.

ii. Regulatory Framework and measures taken to regulate the activities and finances of the INGOs and NGOs:

The Government of Punjab has enacted the Punjab Charities Act, 2018 meant to provide statutory powers to the Government to register and regulate all sorts of charities and collection of charitable funds (Annexure-W).

iii. Monitoring and Evaluation Framework:

- Regular audit of accounts of NGOs was made. 2551 NGOs got audit of accounts conducted from Chartered Accounts Firms for the financial year 2015-16, whereas, 1580 NGOs complied with requirement of submission of audit reports for financial year 2016-17 so far. For the societies registered under the Societies Registration Act, 1860 the Industry Commerce and Investment Department during the last 12 months has also carried out process of verification and audit of NGOs and to date 1463 NGOs have been audited. Follow up is being done with the rest of NGOs.
- To conduct special audit of substantially resourced/foreign funded NGOs registered under the Punjab Voluntary Welfare (Registration and Control) Ordinance, 1961 the Government of Punjab has provided a supplementary grant of Rs. 30.00 million to hire the services of a Chartered Accountant Firm. In first phase, special audit of 125 NGOs including 58 foreign funded NGOs conducted by the Grant Thornton Consulting (Pvt.) Ltd. In the second phase 57 NGOs including 21 foreign funded NGOs audited by M/s Junaïdy Shoaib Asad Chartered Accountants.
- For making effective regulation of the NGOs/Societies, new SOPs regarding registration and renewal of registration have also issued by the Social Welfare & Bait-ul-Maal Department and Industry Department.
- The Government of Punjab is taking all necessary measures for effective regulation of NGOs inter alia to pre-empt and check any misuse of funds. The promulgation of the Punjab Charities Act, 2018 is concrete effort to bring all kinds of NGOs under a single legislation and to optimize effective monitoring and inspection of the NGOs.

iv. Development of Website and uploading of necessary information:

The Social Welfare & Bait-ul-Maal Department and Industry Department has uploaded the information of all active NGOs on their respective websites.

J. Recommendations

In view of above, it is submitted that significant progress has been noticed with regard to regulation of affairs of the INGOs/NGOs by the MoI, SECP, MoFREA, Government of Punjab and KP. The relevant governments have strengthened the regulatory oversight to monitor the activities and finances of the not-for-profit organizations. As regard others, directions are required to be issued for:

- 1) Enactment of law to regulate the utilization of foreign contribution drafted by MoI.
- 2) In 2015, the then Prime Minister constituted a high level Committee to review law and regulations regarding accreditation and activities of the INGOs. The said Committee in consultation with relevant stakeholders submitted its report containing recommendations for streamlining the affairs of INGOs (Annexure-X).

Instructions may be issued to the Mol for implementation of said report in letter and spirit.

- 3) Immediate enactment of consolidated law to regulate the affairs of NGOs by the governments of KP, Sindh, Balochistan and Federation to the extent of ICT.
- 4) Development of website and uploading of necessary data and information with regard to NGOs by the governments of Balochistan and ICT Administration.
- 5) The Government of Sindh to improve the quality of information on the official website of the social welfare department.
- 6) Establishment of M & E framework to monitor the activities of the INGO/NGOs in their respective jurisdiction by the governments of Balochistan, Sindh and ICT administration.

Date: 31st August, 2018

Secretary
Law and Justice Commission of Pakistan

IN THE SUPREME COURT OF PAKISTAN
(Appellate Jurisdiction)

Present:

Mr. Justice Jawwad S. Khawaja
Mr. Justice Sh. Azmat Saeed
Mr. Justice Maqbool Baqar

Criminal Petition No.210 of 2015

Muhammad Haroon ur Rashid	...	Petitioner(s)
	Versus	
The State and another	...	Respondent(s)
For the petitioner(s):		Syed Razaqat Hussain Shah, AOR
For the State:		Mian Arshad Jan, Addl. AG
On Court's notice:		Mr. Sajid Ilyas Bhatti, DAC
On Court's call:		Mr. Razaq A. Mirza, Addl. AG
Complainant:		In person.
Date of hearing:		17.06.2015

ORDER

Jawwad S. Khawaja, J.: This order follows from our previous order dated 9.6.2015. We had asked the learned Law Officer, KP and the learned DAC on the last date, to gather information specifically relating to the NGO named Baran and generally in respect of funding received by NGOs operating in Pakistan. Today, we have been informed by the learned Law Officer, KP that the NGO Baran apparently is not registered either under the Societies Registration Act, 1860 or the Voluntary Social Welfare Agencies (Registration & Control) Ordinance, 1961. The learned DAC states that there are other statutes which are in the domain of the federation such as the Companies Ordinance, Charitable Endowments Act, 1890, etc. which cover non-profit organizations. However, both the provincial and the federal Law Officers seek some time to probe into the matter of NGOs generally and the KP Government seeks time to probe into this particular matter relating to the NGO Baran. They will do so before the next date of hearing.

2. Notice is issued to the Provinces of Balochistan, Sindh and Punjab who shall also probe into the workings of NGOs within the respective Provinces, and the regulatory mechanism in place to oversee and monitor such NGOs.

3. Re-list on 23rd June, 2015.

Islamabad,
17th June, 2015

② 172
Annex - B

IN THE SUPREME COURT OF PAKISTAN
(Appellate Jurisdiction)

Present:

Mr. Justice Jawwad S. Khawaja
Mr. Justice Sh. Azmat Saeed
Mr. Justice Maqbool Baqar

Criminal Petition No.210 of 2015

Muhammad Haroon ur Rasheed Petitioner(s)
Versus
The State and another Respondent(s)

For the petitioner(s): Syed Razaqat Hussain Shah, AOR

For the State: Mian Arshad Jan, Addl. AG, KP
Mr. Ishaq Ahmed, ASI, P.S. SMA, Tank

Complainant: Muhammad Kamran, in person.

On Court's notice:

For the Federation: Mr. Sajid Ilyas Bhatti, DAG

For Province of Balochistan: Mr. Muhammad Ayaz Khan Swati, Addl. AG

For Province of Punjab: Mr. Razaq A. Mirza, Addl. AG

For Province of Sindh: Mr. Shehryar Qazi, Addl. AG

Date of hearing: 23.06.2015

ORDER

This order follows from our two previous orders. We regret to note that the federal and provincial governments have not so far been able to provide to us the *modus operandi* of local or foreign NGOs in matters of registration, oversight, funding, channel of funding, etc.

2. Let the five governments submit concise statements before the next date of hearing which should set out all relevant particulars relating to NGOs operating within Pakistan and within the Provinces respectively.

3. To come up on 1st July, 2015.

Witnessed by
23 June, 2015
[Signature]

THE 20 AGENDA ITEMS OF NATIONAL ACTION PLAN

The 20 agenda items of National Action Plan 2014 are:

1. Implementation of death sentence of those convicted in cases of terrorism.
2. Special trial courts under the supervision of Army. The duration of these courts would be two years.
3. Militant outfits and armed gangs will not be allowed to operate in the country.
4. NACTA, the anti-terrorism institution will be strengthened.
5. Strict action against the literature, newspapers and magazines promoting hatred, extremism, sectarianism and intolerance.
6. Choking financing for terrorist and terrorist organizations.
7. Ensuring against re-emergence of proscribed organizations.
8. Establishing and deploying a dedicated counter-terrorism force.
9. Taking effective steps against religious persecution.
10. Registration and regulation of religious seminaries.
11. Ban on glorification of terrorists and terrorist organizations through print and electronic media.
12. Administrative and development reforms in FATA with immediate focus on repatriation of IDPs.
13. Communication network of terrorists will be dismantled completely.
14. Measures against abuse of internet and social media for terrorism.
15. Zero tolerance for militancy in Punjab.
16. Ongoing operation in Karachi will be taken to its logical end.
17. Balochistan government to be fully empowered for political reconciliation with complete ownership by all stakeholders.
18. Dealing firmly with sectarian terrorists.
19. Formulation of a comprehensive policy to deal with the issue of Afghan refugees, beginning with registration of all refugees.
20. Revamping and reforming the criminal justice system.

IN THE SUPREME COURT OF PAKISTAN
(Original Jurisdiction)

Present:

Mr. Justice Jawwad S. Khawaja
Mr. Justice Sh. Azmat Saeed
Mr. Justice Maqbool Baqar

Criminal Petition No.210 of 2015

Muhammad Haroon ur Rashid ... Petitioner(s)
Versus

The State and another ... Respondent(s)

For the petitioner(s): Syed Razaqat Hussain Shah, AOR

For the State: Mian Arshad Jan, Addl. AG, KP

Complainant: Muhammad Kamran, in person.

On Court's notice:

For the Federation: Mr. Sajid Ilyas Bhatti, DAG

For Province of Balochistan: Mr. Muhammad Ayaz Khan Swati, Addl. AG

For Province of Punjab: Mr. Razaq A. Mirza, Addl. AG
Mr. Tariq Ismail, LO, SW Deptt.
Mr. Muhammad Aslam, DO (SW) Rwp.
Kh. Nadeem, ALO

For Province of Sindh: Mr. Shehryar Qazi, Addl. AG
Dr. Saeed Qureshi, Focal Person to Chief Secy.

Date of hearing: 01.07.2015

ORDER

The federal and four provincial governments have submitted reports which are grossly unsatisfactory and in-adequate. We find it quite amazing that although registration, funding etc. of Non-Government Organizations (NGOs) is supposedly covered/regulated by four basic statutes viz. the Societies Registration Act, 1860, the Trust Act, 1882, the Voluntary Social Welfare Agencies (Registration & Control) Rules, 1962 and the Companies Ordinance, 1984. The five governments appear not to have relevant figures and statistics in respect of the NGOs, their sources of funding, their principals and offices bearers and other relevant information. It is recognized by the governments that there is a potential for misuse of funding received by NGOs; there is however, no apparent effort on the part of the government to even gather the basic statistics which would be necessary for preventing such potential misuse of funds.

2. This is an quite alarming situation. The 20 point National Action Plan announced on 24th December, 2014 includes the stipulation that "all funding sources of terrorists and terrorist outfits will be frozen". In view of what has transpired at the hearing today, it is clear that the achievement of this objective at least to the extent of NGOs cannot be possible because even the relevant statistics, as noted above, are not available with the governments and no effort seems to have been made to gather such statistics despite the fact that a period of more than 6 months have elapsed since the announcement of the National Action Plan. Very serious efforts are required for the purpose of monitoring the NGOs and regulating them in accordance the statutes applicable to them.

3. This being such a serious matter is being dealt with in a most non-serious and casual manner by the governments. This much is apparent from the submissions made in Court today and also from the reports filed in this case by the five governments.

4. The learned Attorney General may appear tomorrow i.e. 2.7.2015 to inform us of the actions taken since 24th December, 2014 to-date.

Islamabad,
1st July, 2015
At Azhar Malik,

Government of _____
 Transparency Standards

General Information

Name*:

Date of Establishment
 (Pending Registration)

Registering Authority:

Registration No. & Date:

Type of Organisation: Profit Non-Profit Trust Others

Area of Interest/Sector: Humanitarian Governance Health Education
 Infrastructure Private sector Financial Agriculture
 Community Mobilization Communication & Advocacy

Geographical Scope/Operation/
 Activities:

Local Provincial National International

Previous Registration details:**

Name of Parent Organisation (s) (if any)

Name of Sister Organisation (s) (if any)

Security approval (if any):

Other NOCs/
 permission/clearance***:

Professional Association/ Membership:****

*Including, if registered or worked under any other name.

**Details including registering authority, date and duration of work.

***Office establishment, travel and operations

****Business, technical, professional, local, international

Government of _____
Transparency Standards

Address Information

Head Office

Registered Address:

Postal Address:

Contact Details (official)

Telephone: Mobile (Official)

Fax: Email ID

Official website: Other social media

Regional Offices

Postal Addresses:

Contact Details (official)

Telephone: Mobile (Official)

Fax: Email ID

Official website: Other social media

Local / Field Offices*

Postal Addresses:

Contact Details (official)

Telephone: Mobile (Official)

Fax: Email ID

Official website: Other social media

*(Operational Area to include Branch and Sub Offices -
Mention District, City, Town, Union Council)

Government of _____
Transparency Standards

Objectives

General Objectives: _____

Geographical Focus of Work _____

Thematic Focus

- | | | |
|---|---|--|
| <input type="checkbox"/> Agriculture | <input type="checkbox"/> Environment | <input type="checkbox"/> Relief / Disaster Management Road |
| <input type="checkbox"/> Climate Change | <input type="checkbox"/> Food Security | <input type="checkbox"/> Safety |
| <input type="checkbox"/> Culture and Heritage | <input type="checkbox"/> Health | <input type="checkbox"/> Shelter and Settlement |
| <input type="checkbox"/> Education | <input type="checkbox"/> Micro-Finance | <input type="checkbox"/> Social Welfare |
| <input type="checkbox"/> Employment | <input type="checkbox"/> Nutrition Population | <input type="checkbox"/> Sports |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Poverty Alleviation | <input type="checkbox"/> Water and Sanitation |
| <input type="checkbox"/> Governance | <input type="checkbox"/> Stabilisation | <input type="checkbox"/> Rule of Law |
| <input type="checkbox"/> Women Empowerment | <input type="checkbox"/> Security & justice | <input type="checkbox"/> Others |

Beneficiaries

- | | | |
|--|---|--|
| <input type="checkbox"/> Children | <input type="checkbox"/> Homeless people | <input type="checkbox"/> Refugees |
| <input type="checkbox"/> Drug addicts | <input type="checkbox"/> Orphans | <input type="checkbox"/> Street children |
| <input type="checkbox"/> Elderly people | <input type="checkbox"/> Women | <input type="checkbox"/> People living with HIV/Aids |
| <input type="checkbox"/> Government Institutions | <input type="checkbox"/> People with disability | <input type="checkbox"/> Others |

How does your organization operate?

- | | | |
|--|---|---|
| <input type="checkbox"/> Provide training to individuals. | <input type="checkbox"/> Provides equipment/materials | <input type="checkbox"/> Provides advocacy / information / advice |
| <input type="checkbox"/> Provides training to communities. | <input type="checkbox"/> Provides loans to individuals | <input type="checkbox"/> Provides buildings / facilities |
| <input type="checkbox"/> Through local NGOs/NPOs* | <input type="checkbox"/> Organisational strengthening | <input type="checkbox"/> Institutional Reforms |
| <input type="checkbox"/> Budgetary support | <input type="checkbox"/> Provides food aid and other basic necessities to communities / individuals | |
| <input type="checkbox"/> Undertakes research | | |

In case working with Local NGOs / NPOs*

Name of the organisation	_____
Nature of collaboration	_____
Amount of Annual funding	_____
Mode of disbursement	_____
Activities	_____

*Local NGO / NPO must be registered, and duly evaluated and certified by an independent certification agency approved by an authority designated by the provincial government for this purpose.

Government of _____
Transparency Standards

Management and Staff

Total Number of Employees:

Local Foreigner

Head of the Organisation / Chief Administrator

Name: Designation

CNIC NO.

Permanent Address

Nationality: Current Previous (If any)

Passport(s) Country of issuance
No.

Visa No. Place of Issuance Type Duration

Expiry Date

Contact Details (official)

Telephone: Mobile

Fax: Email ID

Countries visited during last ten years -----

Has been convicted? (In Pakistan or abroad)

Yes No

If yes please provide details -----

Treasurer / Accountant:

Name (s): Designation

CNIC NO.

Permanent Address

Nationality: Current Previous (If any)

Passport(s) Country of issuance
No.

Visa No. Place of Issuance Type Duration

Government of _____
Transparency Standards

Expiry Date

Contact Details (official)

Telephone: Mobile

Fax: Email ID

Countries visited during last ten years -----

Has been convicted? (In Pakistan or abroad)

Yes No

If yes please provide details -----

Secretary

Name: CNIC NO.

Permanent Address

Nationality: Current Previous (if any)

Passport(s) Country of issuance
No.

Visa No. Place of Issuance Type Duration

Expiry Date

Contact Details (official)

Telephone: Mobile

Fax: Email ID

Countries visited during last ten years -----

Has been convicted? (In Pakistan or abroad)

Yes No

If yes please provide details -----

Government of _____
Transparency Standards

Other Staff (Include Names, CNIC Nos. all office bearers, employees including daily wagers)

Countries visited during last ten years -----

Has the staff member been convicted? (In Pakistan or abroad)

Yes No

If yes in any of above please provide details -----

Add Staff

Government of _____
Transparency Standards
Projects/ Programmes/ Assignments completed*

Please provide information related to completed projects.

Number of Programmes/Projects / completed

Name	Target / Area (Specify District / City / Town / Union Council)	From (Month / Year)	To (Month / Year)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Project Director / Team Leader Name**-----

Total Project Cost:-----

Funding Source:

- Foreign Government
- Government
- Voluntary contributions
- INGOs
- Other organization
- Donations
- Individuals
- Membership Fee
- Fund raising
- Others

Thematic Focus:

- Agriculture
- Climate Change
- Culture and Heritage
- Education
- Employment
- Energy
- Governance
- Women Empowerment
- Environment
- Food Security
- Health
- Micro-Finance
- Nutrition Population
- Poverty Alleviation
- Stabilisation
- Security & justice
- Relief / Disaster Management Road
- Safety
- Shelter and Settlement
- Social Welfare
- Sports
- Water and Sanitation
- Rule of Law
- Others

Beneficiaries

No. of Beneficiaries

- Children
- Drug addicts
- Elderly people
- Government Institutions
- Homeless people
- Orphans
- Women
- People with disability
- Refugees
- Street children
- People living with HIV/Aids
- Others

Geographical focus:

- Local
- Provincial
- National

Scope of Activities

*For each project, programme or assignment implemented

**In case of foreigner, travel approval / security clearance

Government of _____
Transparency Standards

Counterpart Department (s) / Organisation (s):-----

Brief Project Description (including activities reference to any agreement /MOUs governing the project funding):-----

Deliverable

Achievements

Details of M & E

Uploads

- Audit Reports
- Evolution Reports
- Completion Reports
- Reports and Publications

Government of _____
Transparency Standards

Projects/Programmes/Assignments under implementation

Number of ongoing Programmes/Projects and Assignments

Name	Target / Area (Specify District / City / Town / Union Council)	Date of commencement (Month / Year)	Completion date (Month / Year)

Project Director / Team Leader Name*-----

Total Project Cost:-----

Funding Source:

- Foreign Government
- Government
- Voluntary contributions
- INGOs
- Other organization
- Donations
- Individuals
- Membership Fee
- Fund raising
- Others

Thematic Focus:

- Agriculture
- Climate Change
- Culture and Heritage
- Education
- Employment
- Energy
- Governance
- Women Empowerment
- Environment
- Food Security
- Health
- Micro-Finance
- Nutrition Population
- Poverty Alleviation
- Stabilisation
- Security & justice
- Relief / Disaster Management Road
- Safety
- Shelter and Settlement
- Social Welfare
- Sports
- Water and Sanitation
- Rule of Law
- Others

Beneficiaries

No. of Beneficiaries

- Children
- Drug addicts
- Elderly people
- Government Institutions
- Homeless people
- Orphans
- Women
- People with disability
- Refugees
- Street children
- People living with HIV/Aids
- Others

Scope of activities

Focal area/area of activities

Clearance /Permission:-----

Counterpart Department (s) / Organisation (s):-----

Brief Project Description (including activities reference to any agreement /MOUs governing the project funding):-----

*In case of foreigner, travel approval / security clearance

Government of _____
Transparency Standards

Deliverable

Achievements

Details of M & E

Uploads

Audit Reports Upload

Midterm Evaluation Reports

Other reports and publications

Government of _____
Transparency Standards
Projects/Programmes/Assignments planned

Number of Programmes/Projects and Assignments planned

Name	Target / Area (Specify District / City / Town / Union Council)	Proposed date of commencement (Month / Year)	Proposed completion date (Month / Year)

Project Director / Team Leader Name*-----

Estimated cost of the Project:-----

Funding Source:

- Foreign Government
- Government
- Voluntary contributions
- INGOs
- Other organization
- Donations
- Individuals
- Membership Fee
- Fund raising
- Others

Thematic Focus:

- Agriculture
- Climate Change
- Culture and Heritage
- Education
- Employment
- Energy
- Governance
- Women Empowerment
- Environment
- Food Security
- Health
- Micro-Finance
- Nutrition Population
- Poverty Alleviation
- Stabilisation
- Security & justice
- Relief / Disaster Management Road
- Safety
- Shelter and Settlement
- Social Welfare
- Sports
- Water and Sanitation
- Rule of Law
- Others

Beneficiaries

No. of Beneficiaries

- Children
- Drug addicts
- Elderly people
- Government Institutions
- Homeless people
- Orphans
- Women
- People with disability
- Refugees
- Street children
- People living with HIV/Aids
- Others

Geographical focus:

- Local
- Provincial
- National

Scope of Activities

*In case of foreigner, travel approval / security clearance

Government of _____
Transparency Standards

Clearance / Premises :-----
Counterpart Department (s) / Organisation (s):-----
Brief Project Description (including activities reference to any agreement /MOUs governing the project funding):

Proposed Deliverable

Results

Proposed M & E framework

Has the Annual Plan of Action* been submitted to _____?
(Attach document)
(Name of counterpart Department)

Uploads

- Tender document
- Proposal document

*Annual Plan of Action should provide details about future plans, the amount of allocated funds for the next year and the mode of utilization.

Government of _____
Transparency Standards

Financial Information

National Tax No. (NTN) [] Tax Exemption Reference []

Bank Accounts:

Principal Account*

Account Title [] Account IBAN []

Branch Address []

Other Accounts

Account Title [] Account IBAN []

Branch Address []

Funding Source:

- Bilateral
- Multilateral
- Federal / provincial Government
- INGOs
- Other organization
- Voluntary contributions
- Membership Fee
- Donations
- Fund raising foundation
- Individuals
- Others

Annual Audit of Accounts:

Date of Last Audit [] Name of recognized Auditor []

Audit Objections (if any) []

Due date of Audit []

Upload last three years Audit Reports []

*Organisation can receive contributions emanating from the above declared funding sources only in the principal account.

Government of _____
Transparency Standards

Assets:

Moveable Assets:*

immoveable Assets:*

details

Vehicle details

Registration No.

Chassis No.

Year

Model

Make

Type

Property details:**

[owned, leased or otherwise under use by NGO, of laptops]

Add Vehicles:

Add Property

Car rental Service:

Name of Company:-----

Address:-----

* Including endowment, if any

**Details should include title, lease agreement, bio data of landlord, purchase deed and information about any other property in its use, including the source.

Government of _____
Transparency Standards

Security Agreement and Arms Details

Security Organisations (currently hired) (more than one security company)

Name

Address

Contact Details

Telephone: Mobile (Official)

Fax: Email ID

Agreement duration

From To

Nature of Protection

Arms and Ammunition

License Number	<input type="text"/>
Weapon Number	<input type="text"/>
Weapon Type	<input type="text"/>
Model	<input type="text"/>
Make	<input type="text"/>
Add weapon	<input type="text"/>

In the Hon'ble Supreme Court of Pakistan
(Original Jurisdiction)

CMA No. _____/2017
IN
Suo Moto Case No.13/2015

Suo Moto Case No. 13/2015 (Suo Moto action regarding monitoring
and evaluation framework of NGOs/INGOs)

Compliance report of the Order dated 15 October 2015 passed by the
Hon'ble Supreme Court of Pakistan in the subject case

INDEX

Sr. No.	Description of documents	Dated	Pages
1.	Report by the Secretary, Law and Justice Commission of Pakistan (LJCP)	7-1-2017	1
2.	Copies of Letters issued to all the provincial governments and Islamabad Capital Territory (ICT) for submission of information on prescribed proforma. (Annexure A)	28-10-2015	10
3.	International Non-governmental Organisations (INGOs) Policy notified by the Ministry of Interior in Pakistan. (Annexure B)	1-10-2015	14-A
4.	Observations of the LJCP on INGOs Policy. (Annexure C)	2-12-2015	20
5.	Response of the Ministry of Interior on the LJCP's Observations. (Annexure D)	16-12-2015	23
6.	Queries/concerns of the LJCP on the INGOs Policy. (Annexure E)	18-8-2016	26
7.	Response of the Ministry of Interior on the LJCP's concerns. (Annexure F)	6-9-2016	28
8.	Information furnished by the Government of Punjab on the proforma circulated on 28-10-2015.(Annexure G)	1-1-2016	65
9.	Information furnished by the Chief Commissioner ICT on the proforma circulated on 28-10-2015. (Annexure H)	November 2015	67
10.	Order of the Hon'ble Supreme Court of Pakistan the Secretary, LJCP to make necessary correspondence with the concerned quarters and compile the report. (Annexure J)	15-10-2015	69
11.	Questionnaires shared with the provincial chief secretaries, Chairman SECP and Chief Commissioner ICT requesting information in a standard form. (Annexure K)	18-8-2016	71
12.	Information furnished by the Chief Commissioner ICT on the questionnaire. (Annexure L)	1-9-2016	81
13.	Information furnished by the Securities and Exchange Commission of Pakistan (SECP) on the questionnaire. (Annexure M)	23-8-2016	89
14.	Information furnished by the Government of Sindh on the questionnaire.(Annexure N)	27-9-2016	113
15.	Information furnished by the Government of Balochistan on the questionnaire. (Annexure P)	9-9-2016	119
16.	Information furnished by the Government of Khyber Pakhtunkhwa on the questionnaire. (Annexure Q)	24-8-2016	121
17.	Reminders issued to the Government of Punjab for furnishing information. (Annexure R)	8 & September, 10 October and 15 December 2016	132
18.	Affidavit	7-1-2017	136

Certified that the paper book as bound is complete and correct

Date: 7-1-2017

Secretary
Law and Justice Commission of Pakistan

**In the Hon'ble Supreme Court of Pakistan
(Original Jurisdiction)**

CMA No. _____/2017
IN
Suo Moto Case No.13/2015

Suo Moto Case No. 13/2015 (Suo Moto action regarding monitoring
and evaluation framework of NGOs/INGOs)

Compliance report of the Order dated 15 October 2015 passed by the
Hon'ble Supreme Court of Pakistan in the subject case

In the Hon'ble Supreme Court of Pakistan

Suo Moto Case No. 13/2015 regarding monitoring and evaluation framework for
NGOs/INGOs

Compliance report in respect of the Supreme Court of Pakistan's Order

dated 15 October 2015

A. Background

1. The Hon'ble Supreme Court of Pakistan vide its Order dated 9 June 2015 directed the Federal and provincial governments to examine the working of not-for-profit non-governmental organisations (NGOs) within their respective jurisdictions and regulatory mechanisms to oversee and monitor their finances and activities effectively.
2. By an Order dated 23 June 2015, the Court issued directions to the Federal and provincial *"governments to submit concise statements setting out all relevant particulars relating to NGOs operating within the Pakistan and the provinces, respectively."*
3. In response, the Federal and provincial governments submitted reports which were considered by the Hon'ble Court during its hearing dated 1 July 2015 and termed the same grossly unsatisfactory and inadequate. The Court observed as under:

"We find it quite amazing that although registration, funding etc. of Non-Government Organisations (NGOs) is supposedly covered / regulated by four basic statutes viz. the Societies Registration Act, 1860, the Trust Act, 1882, the Voluntary Social Welfare Agencies (Registration & Control) Rules 1962 and the Companies Ordinance 1984. The five governments appear not to have relevant figures and statistics in respect of the NGOs, their sources of funding, their principles and offices bearers and other relevant information. It is recognized by the governments that there is a potential for misuse of funding received by NGOs; there is however, no apparent effort on the part of the government to even gather the basic statistics which would be necessary for preventing such potential misuse of funds.

This is a quite alarming situation. The 20 points National Action Plan announced on 24th December, 2014 includes the stipulation that "all funding sources of terrorists and terrorist outfits will be frozen". In view of what has transpired at the hearing today, it is clear that the achievement of this objective at least to the extent of NGOs cannot be possible because even the relevant statistics, as noted above, are not available with the governments and no effort seems to have been made to gather such statistics despite the fact that a period of more than 6 months have elapsed since the announcement of the National Action Plan. Very serious efforts are required for the purpose of monitoring the NGOs and regulating them in accordance the statutes applicable to them."

4. Subsequently, by an Order dated 2 July 2015, the Hon'ble Court asked the Secretary Law and Justice Commission of Pakistan (LJCP) to submit a consolidated statement in this regard.

5. Pursuant to the SCP's directions a template was devised to elicit essential information relating to the activities and finances of NGOs and contractors. And by a letter date 25 July 2015, the template was circulated to the relevant registering/regulating authorities for submission of the required information in Court through the LJCP.

6. At the 6 August 2015 hearing, the Hon'ble Court was moved to express its displeasure that the concerned authorities had not submitted the relevant information as per the approved template. Taking serious note, the Court directed the Secretary LJCP to immediately hold a meeting with the representatives of the relevant authorities to assess precisely why the required information was not submitted in Court. Accordingly a meeting was convened wherein it was observed that there are coordination issues in collecting the required information and the circulated template was being interpreted differently. Therefore, to avoid the possibility of parallel and duplicating efforts, the template was translated into a proforma to have uniform and integrated baseline data. In a subsequent meeting dated 12 August 2015 the proforma was explained to the representatives of the relevant regulatory authorities.

7. Accordingly, the said templates were circulated(in hard and soft forms) to all the provincial governments and Islamabad Capital Territory (ICT) with copies to the offices of their respective chief secretaries and the Chief Commissioner ICT for provision of information latest by 20 November 2015 (**Annexure-A**).

B. Ministry of Interior: INGO Policy

8. On 1 October 2015, the MOI notified an international non-governmental organisation (INGO) Policy for regulating the working, funding and monitoring the affairs of INGOs in Pakistan and shared a copy of the same with LJCP on 8 October 2015 (**Annexure-B**). After a review, the LJCP observed that:

- i. **Scope of policy:** The scope of the Policy is limited to international non-governmental organisations receiving foreign contributions and utilising foreign economic assistance to engage in various development programmes in Pakistan (Reference para 2).
- ii. **Mode of financing:** For the purposes of transparency, the mechanism of foreign funding and modes of implementation of projects for local and/or INGOs in terms of *bilateral assistance* such as funding from DFID, USAID, AusAID, JICA, JBIC, GIZ and *multilateral assistance* such as funding from the ADB, the World Bank, the United Nations agencies and the European Union should be defined in the Policy (Reference para 5.4).
- iii. **Passports and visas:** Visa applicants may be required to declare whether the individual has more than one current passport (Reference paras. 5.5-5.8).

- iv. **Transparency and disclosure:** Visa applicants may be required to expressly declare whether s/he has/is in anyway whatsoever engaged or associated with any intelligence or military related agency or entity. (Reference para 6)
- v. **Monitoring & evaluation framework and system and reporting:** The effectiveness of the INGO Policy is dependent on the quality of the monitoring and evaluation (M&E) framework and system, reporting and transparency standards (Reference paras 5.9 and 6.2-6.5), which have not been mentioned in the Policy or in any other document submitted.

9. The observations were shared with the MOI for consideration and appropriate action (**Annexure-C**). In response, the MOI furnished a clarification that is attached as **Annexure-D**. After reviewing the reply, the LJCP Secretariat by a letter dated 18 August 2016 raised the following queries (**Annexure-E**):

- i. Given that international firms/institutes/think-tanks and bilateral and multilateral agencies are beyond the scope of the Ministry of Interior's INGO Policy, how will their finances and activities be monitored to ensure effective transparency? We feel that in the absence of covering the said organisations and agencies, there will remain a significant lacuna in the effective regulation of INGOs (and NGOs).
- ii. The draft bill providing for the regulation of INGOs may be shared.
- iii. Has an on-line common register for INGOs been developed?
- iv. Are visa applicants required to declare if s/he has more than one current passport?
- v. Can sponsoring organisations/agencies and applicants submit a specific declaration indicating whether s/he has/is in any way whatsoever engaged or associated with any intelligence or military related entity?
- vi. Describe and outline the monitoring and evaluation framework and system for enforcing the INGO Policy.
- vii. Have uniform national transparency, accountability and reporting standards and/or framework been notified for international and local NGOs?

10. The response received from the MOI is attached at **Annexure-F**.

C. Provincial Governments: Non-Government Organisations (NGOs) and their Legislative Framework

11. Following a review of the relevant legislative framework/s it was found that since NGOs are registered under various laws with different provincial departments/organisations, weak coordination was hampering the information collection exercise. Therefore, the respective chief secretaries were requested to support this exercise by ensuring suitable coordination between the relevant departments/organisations and with LJCP. It was also requested that a provincial department may be declared as a focal department for coordinating the flow of information and also coordinating with the LJCP (and MOI).

12. In response, the Government of Punjab and the Chief Commissioner ICT has furnished the requisite information (Annexure-G & H). Summary of the statistics is as under:

Government of Punjab: Statistics of different type of NGOs registered under various laws

Sr #	Statute/Type of Organisation	Regulatory Department / Body	Registered	Unregistered	Blacklisted by Donor	Active	Inactive	Banned by State	Foreign Funded	Local funded
1.	The Societies Registration Act, 1860	EDO (F&P) City District Government	23181	Nil	Nil	5170	18011	Nil	25	3800
2.	Companies Ordinance 1984 (Association Registered under Section 42)	EDO (F&P) City District Government	178	-	-	116	62			116
3.	DeeniMadaris (Registered under the Societies Registration Act, 1860)	EDO (F&P) City District Government	15752	Nil	Nil	12213	3539	Nil	Nil	12213
4.	The Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961	Social Welfare and Bait-ul-Maal Department, Punjab	7516	Nil	Nil	4207	3309	Nil	203	4207
Total			46627	-	-	21706	24921	-	228	20336

ICT: Statistics of different type of NGOs registered under various laws

Sr #	Statute/Type of Organisation	Regulatory Department / Body	Registered	Unregistered	Blacklisted by Donor	Active	Inactive	Banned by State	Foreign Funded	Local funded
1.	The Societies Registration Act, 1860	Registrar, ICT, Islamabad	635	-	-	-	-	-	-	-
2.	The Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961	Registrar, ICT, Islamabad	620	-	-	-	-	-	-	-
3.	DeeniMadaris	Registrar, ICT, Islamabad	172	-	-	-	-	-	-	-
Total			1427	-	-	-	-	-	-	-

13. While the other provincial governments responded that collection and compilation of requisite information in respect of thousands of NGOs is laborious and time-consuming exercise therefore keeping in view of the limited human resource, the time for submission of the report may be extended.

14. On 15 October 2015, the Hon'ble Court took up the case for hearing during which the Secretary LJCP sought time for submission of a compliance report. The request was acceded and the Court issued directions to the Secretary LJCP to correspond with the concerned quarters and compile a report for the Court enabling it to pass an appropriate order in the case (Annexure-J).

15. The information provided by the Government of Punjab and ICT does not provide a clear picture of the regulatory frameworks and mechanisms put in place to monitor NGOs' activities and finances. Consequently, on 18 August 2016, questionnaires were drafted and shared with

35

the provincial chief secretaries, Chairman SECP, Chief Commissioner ICT and Secretary Interior requesting information in a standard form, which sought the following information

(Annexure-K & E):

- i. Has a complete baseline been compiled for the number of active and dormant non-governmental organisations register-able under various laws
- ii. How many INGOs/NGOs have been verified through an audit covering their (i) finances, (ii) activities and (iii) security
- iii. Has an on-line database and web-site been developed providing relevant details of INGOs/NGOs registered under the various laws for the purposes of transparency, quick check/reference.
- iv. Has a monitoring and evaluation framework and system been developed for tracking INGOs/NGOs financial resources, financial transactions and activities supported/implemented by INGOs/NGOs registered under the relevant laws.
- v. Have transparency, disclosure and reporting standards been notified for INGOs/NGOs registered under the relevant laws.

14. In response, the MOI, ICT, SECP and all the provincial governments except Punjab provided information, which may be perused at **Annexure-F, L, M, N, P and Q**. The summary of information is as under:

D. Ministry of Interior (MOI)

- Policy for registration of INGOs was notified on 1 October 2015
- 130 applications have been received for registration. Thirty-seven (37) have been registered under the new INGO Policy while 9 have been approved for registration. The rest are under process.
- Signed first **MOU** with an INGO on 22 March 2016 and, pursuant to 4.16 clause of MOU, performance audits can be done by a panel of auditors approved by the INGO Committee.
- Reporting requirements have been included in the MOUs signed with the INGOs.
- Registered INGOs have submitted last 3 years audit reports and next financial audit report will be due after one year of registration.
- Conducted security audit of all INGOs that have been approved for registration while security audit of others is under process.
- Ministry has developed a web portal for registration of INGOs in coordination with NADRA (<http://ingo.interior.gov.pk>)

- It has been informed by the MOI that the Prime Minister of Pakistan has constituted a high level committee to review laws and regulations regarding accreditation and activities of INGOs. **The report of the Committee is awaited.**

E. Islamabad Capital Territory (ICT)

- Total number of NGOs including Deeni Madaris and Trusts registered under various laws is 2570.
- Only 60 NGOs have provided their annual accounts
- **No website/database has been developed by the ICT Social Welfare Department, only Cooperative Societies have its website www.coop.gov.pk.**
- **No monitoring and evaluation framework and system has been developed for tracking NGOs, their financial resources and financial transactions.**
- **No transparency, disclosure and reporting standards been notified for NGOs by ICT.**

F. Security Exchange Commission of Pakistan

- 711 NGOs are registered under Companies Ordinance 1984, out of which, 514 are active. Amongst the active NGOs, 91 NGOs are foreign funded while 423 are local funded.
- Out of 711 NGOs, 197 licenses have been revoked.
- The Companies Ordinance 1984 do not require an audit of business activities of companies, therefore, SECP does not carry out an audit of the activities.
- Security audit of 68 companies has been conducted.
- SECP has a well-established database for its internal use from where on-line detail can be accessed by the public.
- The system of tracking financial resources, financial transactions are the domain of State Bank of Pakistan. However, in case of renewal of license, SECP may obtain a certificate of a chartered accountant from the applicant to the effect that all the funds are received through proper banking channel.
- SRO 929 (I)/2015 dated 10 September 2015 is the applicable accounting framework for public interest and large sized companies licensed/formed under sections 42 and 43 of the Ordinance, which is in accord with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) that have notified by the Commission.
- Moreover, the applicable accounting framework for small and medium sized company licensed/formed under Section 42 and 43 of the Ordinance is International Financial

Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) issued by IASB as adopted in Pakistan by Council of ICAP.

- Apart from above, the companies are required to comply with the requirements of Fifth Schedule of the Companies Ordinance 1984.
- A policy/check list has been devised to be complied with by the applicant at the time of grant of license or its renewal.

G. Provincial Governments

Government of Sindh:

- The total registered NGOs under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961 are 8980. Only 2276 NGOs are active, and 6704 are inactive.
- The financial and activities audit of 1009 NGOs has been conducted.
- **No website and/or database has been developed.**
- **No transparency, disclosure and reporting standards have been notified for registered NGOs.**

Government of Balochistan:

- Total 1960 NGOs are registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961 out of which only 762 NGOs are active while 1198 are inactive.
- Registrations of all 1198 inactive NGOs have been suspended.
- 88 NGOs are receiving foreign funding under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961.
- The financial and activities audit of 403 NGOs have been conducted.
- **No website and database has been developed.**
- **There is no monitoring and evaluation framework and system for tracking NGOs.**
- **No transparency, disclosure and reporting standards have been notified for registered NGOs.**

Government of Khyber Pakhtunkhwa

- 4253 NGOs are registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961. Only 1321 NGOs are active and 2932 are inactive.
- Only 18 NGOs are receiving foreign funds while 346 are locally funded.
- 364 NGOs have been de-registered by the federal and provincial governments.

- 59 NGOs were denied registration.
- Financial and activities audit of 1321 NGOs has been conducted during the last 12 months but no security audit has been conducted of these NGOs.
- **No website or database has been developed.**
- **No transparency standards and M&E system have been developed.**

Government of Punjab

Despite issuance of four reminders, ~~to~~ the Government of Punjab has not forwarded the requisite information (Annexure-R).

H. Recommendations

Following the review of reports, this Secretariat recommends as under:

1. Federal Government

- i. The MOI is only mandated to register and regulate INGOs while international institutes, consultancy firms, think-tanks are beyond the ambit of INGO Policy. **The Government of Pakistan may therefore be directed to ensure that international institutes, consultancy firms and think-tanks are subject to similar transparency and reporting standards as applicable to INGOs.**
- ii. The Economic Affairs Division and Ministry of Foreign Affairs may also **develop and submit the necessary policies, frameworks and systems to regulate, monitor and evaluate, and ensure transparency of activities and finances received by international institutions, think tanks, bi-lateral and multi-lateral agencies falling under their respective domains.**
- iii. The MOI may be directed to **develop and submit a suitable M&E framework and system for actual monitoring and evaluation of the activities and finances of INGO to ensure compliance with the INGO Policy.**
- iv. The MOI should **notify uniform national transparency, accountability and reporting standards for INGOs.**

2. Provincial governments

- v. Provincial governments may be directed to share data/information in relation to all NGOs that are registered **under the various laws (rather than selectively).**
- vi. The provinces have not yet promulgated any policy for regulating the affairs of local NGOs. **Directions may kindly be issued to the provinces for the formulation and implementation of a uniform policy to regulate and monitor the finances and activities of the NGOs.** The said policy may be submitted in Court.

- vii. **Regulatory frameworks range from being weak to non-existent, hence, the various laws under which NGOs are being registered need revision.** They lack explicit provisions setting out the purpose for the creation of an NGO and provisions for audit of its finances and activities. Currently, an NGO can be registered for the same purpose under the Trust Act 1882, The Societies Registration Act 1860 and The Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961. **There is therefore a need to review all such laws in terms of sufficiency and putting in place a standard mechanism to regulate and monitor the activities and finances of the NGOs registered under different laws.**
- viii. **Multiplicity of regulatory frameworks:** In view of the multiplicity of laws, the numerous departments and organisations that are involved in registration and regulation, they are thinly resourced resulting in weak monitoring and evaluation. In addition to rationalizing the laws, it may be worth considering bringing the laws under the competence of a reduced number of organisations with enhanced capacities to ensure effectiveness. **A comprehensive model law for orderly operation of NGOs with centralized regulatory and monitoring mechanism may be enacted.**
- ix. The provincial governments should immediately **develop their websites and common registries**, and upload all necessary information about relevant statutes, registration mechanisms and details of registered NGOs (active and inactive), deregistered and the audit reports etc.
- x. The relevant Governments should **immediately notify transparency, disclosure and reporting standards for NGOs** registered under various laws.

Submitted for kind consideration of the Honorable Court.

Dated: 7 January 2017

Secretary
Law and Justice commission of Pakistan

Ph: 9220581
Fax: 9220406

REMINDER
MOST IMMEDIATE
S.M.C. No.13/2015-SCJ
SUPREME COURT OF PAKISTAN
Islamabad, 24th July, 2018.

Annex-G

From

The Registrar,
Supreme Court of Pakistan,
Islamabad.

To

1. Mr. Nayyar Abbas Rizvi,
Addl. Attorney General for Pakistan, **Islamabad.**
2. Mr. Tariq Mehmood Jehangiri, Advocate General, **Islamabad.**
3. Mr. Shehryar Qazi, Addl. A.G. Sindh **At Islamabad.**
4. Mr. Razzaq A. Mirza, Addl.A.G. Punjab **At Islamabad.**
5. The Secretary,
Law and Justice Commission of Pakistan,
Islamabad.

Office of the Registrar
Law & Justice Commission of Pakistan
No./Date of Receipt 26-7-18
Diary No. 763
Submitted to JSR
27/7/18

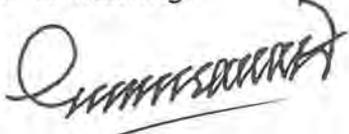
Subject:- **SUO MOTO CASE NO. 13 OF 2015.**
(Suo Moto Action Regarding Monitoring and Evaluation Frame
Work of NGOs/INGOs)

Take notice that the above cited matter came up for hearing
before the Court on **27.6.2018** and following order was passed:-

**"Pursuant to our previous orders, report has been filed by the
Ministry of Interior but first it is to be verified by the
Secretary, Law and Justice Commission of Pakistan whether
the said report is exactly in the letter and spirit of our order;
besides, we do not find that the reports have been filed by the
Provinces. Let the needful be done within a period of 15 days
without fail, otherwise the Chief Secretaries of the respective
Provinces have to provide explanations(s) for any
delinquency. Re-list."**

Take further notice that the above order of the Court was
communicated to you vide this Court letter dated 30.6.2018, however,
despite lapse of considerable time no compliance has been made so far.

You are, therefore, once again reminded to do the needful
and submit reply **without further delay**, failing which the matter will be
brought to the notice of Court at the time of hearing.


(AMIRULLAH KHAN KHATTAK)
ASSISTANT REGISTRAR (CIVIL-II)
FOR REGISTRAR

41

Ph: 9220581
Fax: 9220406

MOST IMMEDIATE
S.M.C. No.13/2015-SCJ
SUPREME COURT OF PAKISTAN
Islamabad, 11th August, 2018.

Annex-H

From

The Registrar,
Supreme Court of Pakistan,
Islamabad.

Office of the Secretary
Law & Justice Commission of Pakistan
Date of Receipt 13-8-18
File No. 108
Entrusted to JSC/R
Dated 13/8/18

To

1. Mr. Sajid Ilyas Bhatti,
Addl. Attorney General for Pakistan, **Islamabad.**
2. Mr. Tariq Mehmood Jehangiri, Advocate General, **Islamabad.**
3. Mr. Qasim Wadood, Addl. A.G.KPK, **At Islamabad.**
4. Mr. Shehryar Qazi, Addl. A.G. Sindh **At Islamabad.**
5. Mr. Qasim Chohan, Addl.A.G. Punjab **At Islamabad.**
6. Mr. Ayaz Sawati, Addl.A.G. Balochistan at **Islamabad.**
7. The Secretary,
Law and Justice Commission of Pakistan, **Islamabad.**

Dy. No. 485-JSCAD

15/8/18

Subject:- **SUO MOTO CASE NO. 13 OF 2015.**
(Suo Moto Action Regarding Monitoring and Evaluation Frame
Work of NGOs/INGOs)

Take notice that the above cited matter came up for hearing
before the Court on **9.8.2018** and following order has been passed:-

"In view of our previous order, we have been apprised by the Secretary Law & Justice Commission (LJCP) of Pakistan that the Government of Punjab has filed a report, the Government of Sindh has submitted an incomplete report, and the Government of Balochistan has de-registered all the NGOs and started registration afresh in view of the policy submitted by LJCP. Let a written report with regard to all the Provinces be submitted by LJCP providing us with complete information as to what was the requirements(s) of the various orders passed by this Court and whether such orders have been complied with in letter and spirit till date or not. Let the needful be done within 15 days. Re-list thereafter."

You are, therefore, required to do the needful **within stipulated time**, failing which the matter will be brought to the notice of the Court at the time of hearing of this case.



(AMIRULLAH KHAN KHATTAK)
ASSISTANT REGISTRAR (CIVIL-II)
FOR REGISTRAR

42



NASRULLAH KHAN

JOINT SECRETARY
LAW & JUSTICE COMMISSION of PAKISTAN
GOVERNMENT of PAKISTAN

Annex-J

Dated: 15 August 2018

Subject: **SUO MOTO CASE NO.13 OF 2015 (ACTION REGARDING MONITORING AND EVALUATION FRAMEWORK OF NGOS/INGOS)**

Dear Sir,

We are writing with reference to the subject mentioned case wherein the Law and Justice Commission of Pakistan has been directed by the Supreme Court of Pakistan to review and report on the development and implementation of a monitoring and evaluation framework for NGOs and INGOs in the light of its earlier directions dated 22 July 2015 and 26 August 2015.

In response to this Secretariat letter of even number dated 18 August 2016, your good-office had submitted information which was processed and submitted to the Hon'ble Court. The Hon'ble Supreme Court of Pakistan has recently sought status report from the LJCP within fifteen days from 9th August 2018.

Under section 42 of Companies Ordinance 1984, the Securities and Exchange Commission of Pakistan is mandated to register and to regulate the charitable and other companies.

You are therefore kindly requested to update us about the progress on effective monitoring and oversight of section 42 of Companies' financials and activities. For this purpose, we will be grateful if you could kindly provide following information by 17 August 2018 enabling us to timely submit the report to the Hon'ble Supreme Court of Pakistan:

A. Statistics of companies

No. of companies registered u/s 42 of Companies Ordinance 1984	No. of active NGOs	No. of foreign funded NGOs	No. of local funded NGOs	No. of NGOs whose licenses revoked	No. of NGOs under revocation process	No. of NGOs whose security audit conducted

- B. Status of draft regulation for licensing, working and monitoring of not-for-profit organizations.
- C. Has relevant details of NGOs registered under Companies Ordinance been uploaded on the official website for the purpose of transparency and quick check?

An early response will be highly appreciated.

With regards,

Yours sincerely,


Nasrullah Khan

The Additional Registrar of Companies,
Securities and Exchange Commission of Pakistan
Islamabad

43



NASRULLAH KHAN

JOINT SECRETARY

LAW & JUSTICE COMMISSION of PAKISTAN
GOVERNMENT of PAKISTAN

Dated: 15 August 2018

Subject: SUO MOTO CASE NO.13 OF 2015 (ACTION REGARDING MONITORING AND
EVALUATION FRAMEWORK OF NGOS/INGOS)

Dear Sir,

We are writing with reference to the subject mentioned case wherein the Law and Justice Commission of Pakistan (LJCP) has been tasked by the Hon'ble Supreme Court of Pakistan to review and report on the development and implementation of a monitoring and evaluation framework for NGOs and INGOs in the light of its earlier directions dated 22 July 2015 and 26 August 2015.

On last date of hearing i.e. 9th August 2018 the Hon'ble Court was informed that the Home Department, Government of Sindh being focal department was requested to furnish requisite information for onward submission to LJCP as well as to the Court. In response, the Home Department shared incomplete information pertaining to Industries Department and informed that the Social Welfare Department and IG Police has not shared information despite issuance of reminders.

The Hon'ble Supreme Court of Pakistan has now again sought complete report from the LJCP as to what was the requirements of various orders passed by this Court and whether such orders have been complied with in letter and spirit or not and report this effect is required to be submitted within fifteen days from 9th August 2018.

You are requested to kindly intervene and asked the relevant departments to furnish compliance report on the enclosed questionnaire by 18th August 2018, positively enabling us to submit compliance report before the Hon'ble Supreme Court of Pakistan.

Matter being urgent and important needs your personal attention.

With regards,

Yours sincerely,


Nasrullah Khan

The Chief Secretary,
Government of Sindh
Karachi.

44



Dated: 5th July 2018

NASRULLAH KHAN

JOINT SECRETARY
LAW & JUSTICE COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

Subject: **SUO MOTO CASE NO.13 OF 2015 (ACTION REGARDING MONITORING AND EVALUATION FRAMEWORK OF NGOS/INGOS)**

Dear Sir,

Reference your letter of even number dated 2 July 2018 on the subject advising verification of progress report filed by the Ministry of Interior(MOI) in the aforementioned case as per Court Order dated 2-7-2015.

I am directed to inform that the MOI has never shared any kind of information or progress since January 7,2017 i.e. when this Secretariat compiled and submitted a report to the Hon'ble Court which came under review at the hearing on May 10,2018. Copy of the report is attached herewith for your kind perusal.

It is noteworthy that pursuant to the Court's direction, the Law and Justice Commission of Pakistan (LJCP) Secretariat devised and circulated a template/ proforma to the MOI, Security Exchange Commission of Pakistan, Chief Commissioner Islamabad and provincial governments vide letter dated 25 July 2015 for provision of requisite information. In response, the MOI informed about notification of International Non-Governmental Organization (INGO) Policy for regulating and monitoring the working, funding and affairs of the INGOs in Pakistan. The LJCP reviewed the Policy and shared observations with the Ministry (copy attached). After volley of correspondence, LJCP Secretariat submitted report to the Hon'ble Court on 7-1-2017 containing following recommendations with regard to INGOs: -

- i. *The Ministry of Interior is only mandated to register and regulate INGOs while international institutes, consultancy firms and think-tanks are beyond the ambit of INGO Policy. The Government of Pakistan may therefore be directed to ensure that international institutes, consultancy firms and think-tanks may be subjected to similar transparency and reporting standards as applicable to INGOs.*
- ii. *The Economic Affairs Division and Ministry of Foreign Affairs may also develop and submit the necessary policies, frameworks and systems to regulate, monitor and evaluate, and ensure transparency of activities and finances received by international institutions, think tanks, bi-lateral and multi-lateral agencies falling under their respective domains.*
- iii. *The Ministry of Interior may be directed to develop and submit a suitable M&E framework and system for actual monitoring and evaluation of the activities and finances of INGO to ensure compliance with the INGO Policy.*
- iv. *The Ministry of Interior should notify uniform national transparency, accountability and reporting standards for INGOs.*

It is to further inform that the response/feedback on the subject recommendations is still awaited.

As desired, the subject information is submitted for your kind information.

With regards,

Yours sincerely

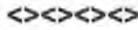

Nasrullah Kha


The Additional Attorney General for Pakistan,
Supreme Court of Pakistan Building,
Islamabad.

45

Annex-K

F. No. 6/120/2015-PE-III
GOVERNMENT OF PAKISTAN
MINISTRY OF INTERIOR



Islamabad, the 16th August, 2018

From: **Muhammad Asghar Gondal**
Section Officer (PE-III)
Tel.051-9207494

To: **Mr. Nasrullah Khan**
Joint Secretary
Law & Justice Commission,
Supreme Court of Pakistan Building,
Constitution Avenue,
ISLAMABAD.

Subject: - **Re: Suo Moto Case No. 13 of 2015 (Suo Moto Action regarding Monitoring and Evaluation Framework of NGOs / INGOs)**

I am directed to refer to Law & Justice Commission of Pakistan's letter No. F.10/2015/JS(NIPMC)/Court dated 18th August, 2016 the subject and to state that this Ministry has already submitted reply in the matter vide letter no. 6/120/2015-PE-III dated 06th September, 2016 (Copy enclosed).

2. It is further stated that a policy for Regulation of International Non-Governmental Organizations (INGOs) in Pakistan was notified vide notification dated 01st October, 2015 (**Annex-A**).

3. In order to decide the registration of INGOs, 03 Committees were established with the approval of the then Minister for Interior:-

- i. INGO Scrutiny Committee (Headed by AS-I, Mol) (**Annex-B**).
- ii. INGO Committee (Headed by Secretary, Mol) (**Annex-C**).
- iii. INGO Special Committee (Headed by Minister for Interior) (**Annex-D**).

4. During the registration process, 141 INGOs have so far applied online for registration with Mol. 75 INGOs have been registered / approved till date. Applications for registration of 47 INGOs were regretted by INGO Committee. 18 INGOs out of these 47 have so far filed representations before INGO Special Committee in terms of clause 7.2 of INGO Policy. Registration applications of 19 INGOs are under process.

5. In order to bring INGOs under the framework of INGO Policy, address concerns of security agencies and to limit operations of INGOs to service delivery in socio-economic development, a Memorandum of Understanding has been revised in consultation with relevant Stakeholders i.e. MoFA, EAD, SECP, FBR, ISI & IB (**Annex-E**).

46

6. To ensure monitoring and supervision of activities / operations of INGOs (Registered / under process), the INGOs are required to furnish following information / reports to Mol.

- i. Lists of foreign and locally hired staff on a six monthly basis.
- ii. Details of activities and progress on the projects on six monthly basis.
- iii. Independent or third party evaluation reports on yearly basis.
- iv. Annual financial statements and annual audit reports.
- v. Annual plan of Action and annual progress reports in the first month of every calendar year.


(Muhammad Asghar Gondal)
Section Officer (PE-III)

47

279

No. 6/120/2015-P.E-III
GOVERNMENT OF PAKISTAN
MINISTRY OF INTERIOR

<><><><>

From: **Muhammad Hafeez**
Section Officer (PE-III)
Tel.051-9207494

To: **Mr. Nasrullah Khan,**
Joint Secretary,
Law & Justice Commission,
Supreme Court of Pakistan Building, Constitution Avenue,
Islamabad.

Subject: **Re: SUO MOTO CASE NO. 13 OF 2015 (SUO MOTO ACTION REGARDING MONITORING AND EVALUATION FRAMEWORK OF INGOs / NGOs)**

I am directed to refer to Law & Justice Commission of Pakistan's letter No. F.10/2015/JS (NIPMC)/Court dated 18th August, 2016 on the subject.

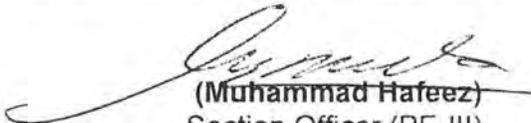
2. Observations of LJCP have been examined and item-wise reply of this Ministry is as under:-

S.#	Item#	Details	Reply
1.	1.	Given that international firms / institutes / think-tanks and bilateral and multiple agencies are beyond the scope of the Ministry of Interior's INGO policy, how will their finances and activities be monitored to ensure effective transparency? In the absence of covering the said organizations and agencies, there will remain a significant lacuna in effective regulations of INGOs / NGOs.	MOI is only mandated to register and regulate INGOs. International firms / institutes / think-tanks and bilateral and multiple agencies are in the domain of the EAD & MOFA which may be contacted for the reply.
2.	4.	Submit the draft bill providing for the regulations of INGOs.	Proposed Draft Bill is at Annex-A. ✓
3.	5.	Has an on-line common register for INGOs been developed?	INGO applications are being received on-line through portal. The Portal has list of INGOs registered so far (https://ingo.interior.gov.pk/).
4.	8.	Are visa applicants required to declare if s/he has more than one current Passport?	This query is not included in visa form.
5.	9.	Can sponsoring organizations/agencies and applicants submit a specific declaration indicating whether s/he has/is in any way whatsoever engaged or associated with any intelligence or military related entity?	The query details are included in MOI visa application form under the heading of "Details of Profession". (Annex-B)
6.	10.	Please state what is the actual monitoring and evaluation framework and system for enforcing the INGO policy.	According to Clause 5.9 of the INGO policy "There will be regular and effective monitoring of INGOs' activities and work throughout Pakistan. MOI will periodically update relevant authorities about the status and areas of operation / of INGOs enabling them to ensure effective vigilance on INGOs" (Annex-C). According to Clause 2.1 of MOU "Allow (Organization) to receive foreign contributions including funds, materials and services, emanating from declared sources, through legal channels, subject to reporting requirements" (Annex-D). To devise monitoring mechanism for INGOs is next stage after completion of INGO registration process.

48

7.	11.	Have uniform national transparency, accountability and reporting standards, framework/system been developed for INGOs and NGOs?	According to Clause 6.4 of the INGO policy, "The INGOs shall fulfill reporting requirements mandated by the Government on the prescribed formats. The INGO Committee will devise these reporting formats as per requirements from time to time". <u>(Annex-C) Reporting formats are under process for INGO. NGOs not MOI's mandate.</u>
----	-----	---	---

2. In addition, the questionnaire forwarded by LJCP is mainly related to provinces, SECP and EAD. The portion of questionnaire related to INGOs have been filled (Annex-E) which is forwarded for information and further necessary action, please.


(Muhammad Hafeez)
 Section Officer (PE-III)
 06.09.2016
o/c

GOVERNMENT OF PAKISTAN
MINISTRY OF INTERIOR
<><>

Islamabad, 15th October, 2015

NOTIFICATION

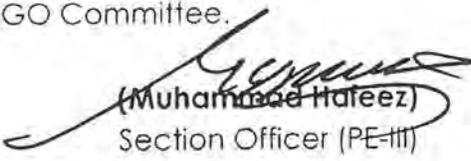
No.6/34/2015(PE-III): The competent authority has been pleased to constitute the following INGO Scrutiny Committee, to assist the INGO Committee in carrying out its functions with respect to registration of INGOs:

1	Additional Secretary-I Ministry of Interior	Chairman
2	Joint Secretary Ministry of Economic Affairs Division	Member
3	Director General Ministry of Foreign Affairs	Member
4	Director ISI	Member
5	Director IB	Member
6	Director SECP	Member
7	Secretary FBR	Member
8	Joint Secretary (Pol/FIA) Ministry of Interior	Secretary

Terms of Reference:

The INGO Scrutiny Committee shall:

- Scrutinize applications and documents received online from intending INGOs, in the light of Policy for regulation of INGOs in Pakistan, 2015 and Memorandum of Understanding between the Government and INGO.
- Share the information submitted by the applicant INGOs with all concerned stakeholders, online or manually, as per requirement, for their views and comments and complete the process of scrutiny within 60 days.
- Require missing or additional information from the applicants, if necessary;
- Finalize the Working Paper for submission to the INGO Committee for decision thereon.
- Perform any other task assigned by the INGO Committee.


(Muhammad Hafeez)
Section Officer (PE-III)

Distribution: All concerned

Amna

GOVERNMENT OF PAKISTAN
MINISTRY OF INTERIOR
◁◁◁◁

Islamabad, 15th October, 2015

NOTIFICATION

No.6/34/2015(PE-III): The competent authority has been pleased to constitute the following INGO Committee, to decide registration of INGOs and monitor their activities:

1	Secretary Ministry of Interior	Chairman
2	Additional Secretary Ministry of Economic Affairs Division	Member
3	Additional Secretary Ministry of Foreign Affairs	Member
4	Officer not below the rank of BS-20 ISI	Member
5	Officer not below the rank of BS-20 IB	Member
6	Officer not below the rank of BS-20 SECP	Member
7	Member FBR	Member
8	Additional Secretary-I Ministry of Interior	Secretary

Terms of Reference:

The INGO Committee:

- Will scrutinize and decide applications and documents received online from intending INGOs, in the light of Policy for regulation of International Non-governmental Organizations (INGOs) in Pakistan, 2015, and Memorandum of Understanding between the Government and INGO, within 30 days.
- The Committee may meet as and when required, with the permission of the Chairman of the Committee.
- May require missing or additional information from the applicants, if necessary;
- The recommendations of the Committee shall be submitted to the Minister for Interior for approval.


(Muhammad Hafeez)
Section Officer (PE-III)

Distribution:

All concerned

GOVERNMENT OF PAKISTAN
MINISTRY OF INTERIOR
<><><>

Islamabad, 15th October, 2015

NOTIFICATION

No.6/34/2015(PE-III): The competent authority has been pleased to constitute the following Special Committee, to decide representations by INGOs:

1	Minister for Interior	Chairman
2	Special Assistant to the Prime Minister on Foreign Affairs	Member
3	Secretary Economic Affairs Division	Member
4	Secretary Ministry of Interior	Member
5	Additional Secretary Prime Minister's Office	Member
6	Additional Secretary-I Ministry of Interior	Secretary

Terms of Reference:

The Special Committee shall:

- Scrutinize and decide representations received from aggrieved INGOs, in case of grievance against orders of INGO Committee, within 90 days.
- The decision of the Committee shall be final.


(Muhammad Hafeez)
Section Officer (PE-III)

Distribution: All concerned

Copy to:

- i. Director to the Minister for Interior
- ii. PS to Secretary Interior.
- iii. PS to AS-I

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE GOVERNMENT OF ISLAMIC REPUBLIC OF PAKISTAN
AND
[NAME OF ORGANIZATION]**

This Memorandum of Understanding (MoU) is made and entered into by and between the Government of Pakistan through the Interior Division, (hereinafter referred to as "the Government") and(hereinafter referred to as "the Organization"), a not-for-profit organization registered in (country name) at (address) _____ and Local Office at (address) _____

Whereas the Organization desires to undertake work for the socio-economic development in Pakistan in the field of vocational education and training, health, poverty alleviation, culture, environmental protection, and other areas approved by the Government
1) _____
2) _____, and located in (districts) _____, and for this purpose has submitted an Online application for registration accompanied by requisite documentary information;

Now, the Government is pleased to allow the organization to carry out its work on the following conditions:-

1. This MOU shall be governed by the Constitution, laws, rules, regulations and policies of the Government of Pakistan.
2. The Government may:
 - 2.1 Allow (Organization) to receive foreign contributions including funds, materials and services, emanating from declared sources, through legal channels, subject to reporting requirements.
 - 2.2 Allow (Organization) to open, maintain and operate local bank accounts for the execution of its work.

Provided that for opening and operating foreign currency accounts, the (Organization) shall seek permission of the State Bank of Pakistan, under the applicable law and rules;

- 2.3 Allow (Organization) to maintain its head office at..... and to open other offices, if required, with prior written approval of the Government, subject to the concurrence of the Provincial Government / local government and compliance with applicable law / rules.

3 Import / Tax Regulations

- 3.1 The Organization may avail 100% tax credit subject to the provisions of the Section 100C and approval of the Commissioner Inland Revenue concerned, under Section 2(36) of the Income Tax Ordinance 2001.
- 3.2 The organization may import goods free from payment of advance income tax, for exclusive consumption by it or for use in the approved programs, project and activities, subject to the provisions of clause (56) of Part IV of Second Schedule to the Income Tax Ordinance 2001, with prior written approval of the Federal Board of Revenue (concerned Commissioner Inland Revenue). For exemption from payment of custom duty and sales tax, the Organization may import goods for its projects under heading 9903 of Pakistan Customs Tariff and Serial No. 46 of 6th Schedule to the Sales Tax Act, 1990.

4 Obligations of the Organization

The Organization shall:-

- 4.1. Use funds, materials and services received by it as foreign contribution or foreign economic assistance from declared sources, through legal channels, for its specified work, and provide to the Government every six months complete information regarding flow of such funds, materials and services and when required by the Government **in the prescribed format.**
- 4.2. Obtain prior concurrence of the Government for any additional funding or different source of funding other than that specified by the Organization.
- 4.3. Appoint and employ a representative and other senior management personnel as appropriate, who will manage the work and supervise the staff on behalf of the Organization and liaise with the Government, and the Provincial / local Governments.
- 4.4. Employ foreign nationals against not more than 10% of the total staff positions, and give preference to Pakistan nationals for key positions. **The organization shall employ foreign national(s) to work in Pakistan subject to prior clearance by Ministry of Interior.**
- 4.5. Ensure that every expatriate has obtained an INGO visa prior to his / her entry into Pakistan as required under existing rules / regulations of Pakistan. The Organization shall not employ expatriates who are in the country on any other visa.
- 4.6. Obtain prior written permission from the Government for visits to prohibited areas by expatriate personnel. **Restricted and prohibited areas are out of bound for the operations of the organization.**
- 4.7. Ensure that all expatriate staff are informed that while they are in Pakistan, they shall be subject to (a) the laws and regulations of Pakistan, and (b) respect religious injunctions and cultural norms in Pakistan.
- 4.8. Provide lists of its foreign and locally hired staff to the Government at the time of registration and on a six monthly basis thereafter **in the prescribed format.**
- 4.9. Make payment above Rs.20, 000/- (Twenty Thousand) in Pakistan through banking channels. **Retain also complete details of payments below Rs. 20,000/- for audit purposes.**
- 4.10. Ensure that all staff (foreign and local) working in Pakistan shall pay applicable taxes.
- 4.11. Ensure withholding of tax, wherever applicable, and deposit of the same in Government treasury.
- 4.12. Ensure that the administrative expenses do not exceed 30% of the project cost.
- 4.13. Ensure filing of Income Tax Return and withholding statements.
- 4.14. Submit to the Government every six months and when required, written reports covering its activities and progress on the projects, funds received from abroad and their expenditure in Pakistan.
- 4.15. Submit, on yearly basis, independent or third party evaluation including quantitative and qualitative assessment and impact of its work to the Government, Provincial Government and local government. **Monitoring includes verification of developmental activities by district level committees.**

- 4.16. *Prepare its annual financial statements and annual* audit done from a panel of Auditors approved by the INGO Committee.
- 4.17. Ensure that its entire work in Pakistan is undertaken in accordance with the *Constitution*, laws, **rules**, *regulations* and policies of Government of Pakistan.
- 4.18. *Provide to the INGO Committee its Annual Action Plan as well as Annual Progress Reports in the first month of every calendar year.*
- 4.19. Inform respective Provincial Governments and concerned local governments / district authorities regarding its programs / projects in their area and obtain their approval / permission / NOC for carrying out permissible activities.
- 4.20. *Provide access to premises, documentation, equipment and data relating to the organization and its local partners activities in Pakistan.*

The Organization shall not:-

- 4.21 **Undertake programs, projects and activities in contravention of the Constitution**, laws, rules, **regulations** and policies of the Government of Pakistan.
- 4.22. Establish headquarter and field offices, open bank accounts, and hire staff prior to approval of registration in Pakistan.
- 4.23. Raise funds and/or receive donations locally, unless specifically authorized.
- 4.24. Seek change in visa category.
- 4.25 Engage in money laundering, terrorist financing, weapon smuggling, anti-state activities and maintaining links with proscribed organizations.
- 4.26 Take part or assist in any kind of political activity; conduct research or survey unrelated to their approved areas of work, unless sanctioned by the Government; carry out missionary work in Pakistan or any other unauthorized or prohibited activities.
- 4.27 Provide, directly or indirectly, without approval of the Government, any assistance (monetary and / or material) to any local / international non-governmental organization.
- 4.28 Transfer or rent / lease out its **moveable and immovable assets** or allow their use for purposes other than those specified and agreed upon between the Parties.
- 4.29 Indulge in distribution of any material or **publication, via print, online, electronic or any other means** causing or **likely to cause or negatively affect social, cultural and religious ethos and sentiments.**
- 4.30 **Share any data generated through its programmes, projects and activities in Pakistan with any third party, inside Pakistan or abroad without prior written consent of Government.**

5. Amendments to and Termination of MOU

- 5.1. The Government reserves the right to amend or terminate this MoU at any time and cancel registration of the organization in case of non-compliance with any

of the provision of this MoU.

5.2 The Government further reserves the right to terminate this MOU or cancel the registration of the Organization if it;

- a. Is found to be working in a geographical area other than the areas authorized;
- b. Is found engaged in or breach of security or participate in any act inconsistent with Pakistan's national interests, sovereignty, territorial integrity, culture, norms and religious sentiments of the people or contrary to Pakistan's policies;
- c. Provides false, incomplete or misleading information furnished to the Government.
- d. Does not undertake any reasonable activity for a period of six months.
- e. Has ceased to exist.

5.3 Violations of any provision of this MoU will be dealt with in accordance with the laws, rules, regulations and policies of the Government.

5.4 In case of termination of this MOU, the registration of the Organization will stand cancelled and it shall cease all its activities forthwith.

5.5 Termination of this MoU or cancellation of registration shall not be admissible in any court of law. Moreover, the organization if it wishes to, may file a review / appeal in case of termination / rejection / cancellation of its registration. The decision of the Special Ministerial Committee shall be final.

6. The Organization may file a written request for cancellation of its registration and closing of its activities with 3 months prior notice to the Government for its approval and clearance in accordance with the laid down procedure.

7. Entry into Force and Duration of MOU

7.1 This MOU shall supersede all previous agreements and MOUs, if any, executed by the Organization with the Government of Pakistan.

7.2 Any additional framework of operations entered into at the Provincial or district levels shall not derogate from the provisions of this MoU. In case of any conflict the provisions of this MoU shall prevail.

7.3 Renewal of this MoU shall be subject to verification of projects, annual plans of action, annual reports and audited accounts including third party evaluation and other requisite information relevant to this MoU, submitted by the organizations to the INGO Committee.

7.4 This MOU shall enter into force on the date of signatures and shall remain valid for year (s).

In witness whereof, the undersigned representatives duly authorized by the Government and the Organization, have signed this Memorandum of Understanding.

Done at Islamabad, on this.....day of..... 20 , in English language in two originals, the signatories to retain a copy each.

1. Joint Secretary
For the Government of the
Islamic Republic of Pakistan
Ministry of Interior

()
Organization Representative

2. Joint Secretary
For the Government of the
Islamic Republic of Pakistan
Economic Affairs Division

57

F. No. 6/120/2015-PE-III
GOVERNMENT OF PAKISTAN
MINISTRY OF INTERIOR

Annex-K-1

<><><><>

Islamabad, the 17th August, 2018

From: **Muhammad Asghar Gondal**
Section Officer (PE-III)
Tel.051-9207494

To: **Mr. Nasrullah Khan**
Joint Secretary
Law & Justice Commission,
Supreme Court of Pakistan Building,
Constitution Avenue,
ISLAMABAD.

Subject: - **Re: Suo Moto Case No. 13 of 2015 (Suo Moto Action regarding Monitoring and Evaluation Framework of NGOs / INGOs)**

Reference meeting of undersigned with Joint Secretary, Law & Justice Commission on 17/08/2018.

2. Copies of documents as detailed below are enclosed for further necessary action:-

- i. ✓ Reporting formats devised for INGOs to fulfill reporting requirements.
- ii. Recommendations of the High Level Committee setup by the Prime Minister to review Laws & Regulations regarding accreditation and activities of INGOs.

3. With regard to the present status of Draft Foreign Contribution Bill, 2016, it is informed that the said bill was submitted to Law & Justice Division for vetting by this Ministry on 12-05-2016. However, Law & Justice Division conveyed MoI on 19-06-2017 that draft Foreign Contribution Bill, 2016 was sent to Finance Division with the request to place the draft bill before Minister for Finance (Copy enclosed).

4. It is requested to obtain further update on Draft Foreign Contribution Bill, 2016 from Law & Justice Division and Finance Division, please.


(Muhammad Asghar Gondal)
Section Officer (PE-III)

58

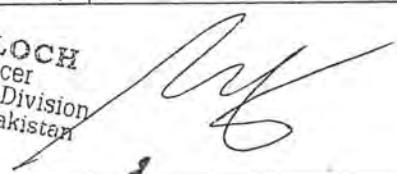
Government of Pakistan
Economic Affairs Division

ANNUAL PLAN OF ACTION

Name of the Organization: _____
Registered with: _____
Year of Establishment: _____

NAME OF THE PROJECT		ASSOCIATED PARTNERS/GOVERNMENT DEPARTMENTS IN THE JOINT ACTIONS					
TOTAL PROJECT COST							
PROJECT LOCATION(s)							
PROJECT STATUS(ONGOING/PLANNED) AND PROJECT TIMELINE							
FUNDING SOURCES AND REFERENCE TO DEVELOPMENT ASSISTANCE COMING UNDER ANY BILATERAL AGREEMENT							
BRIEF PROJECT DESCRIPTION AND THE GENERAL STRATEGIC OBJECTIVES TO BE ACHIEVED							
<u>PROJECT COSTS' DETAILS</u>							
I- DEVELOPMENT COSTS							
EXPECTED OUTPUTS	ANNUAL TARGET/ DELIVERABLES	PLANNED ACTIVITIES	TIMEFRAME			PLANNED INPUTS/BUDGET	
			Q1	Q2	Q3	Q4	
TOTAL (along with %age to the total project cost):							
II- ADMINISTRATIVE COSTS							
PLANNED ACTIVITIES			TIMEFRAME			PLANNED INPUTS/BUDGET	
			Q1	Q2	Q3	Q4	
TOTAL (along with %age to the total project cost):							

IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad



SECRET

60

Annex-A

REPORTING FORMATE FOR INFORMATION ON FOREIGNERS

Ser	Name	Nationality	Appt	Profession	Arrival Date	Visa Type	Visa Validity	Place of Visa Issue	Visa No	Issue Date	Exp Date	Mobile No	All Passport No	Family Detail	Veh in Use	Address	Photo	City	Remarks	
1.																				
2.																				
3.																				
4.																				
5.																				

SECRET

REPORTING FORMATE FOR INFORMATION ON LOCAL STAFF

1. Name -
2. Father's/ Husband's Name -
3. Date of birth -
4. CNIC/ Passport No -
5. Domicile/ Foreign Nationality -
(Self/ Spouse, Family Members)
6. All Passport Details -
7. Religion -
8. Sect -
9. Cast -
10. Profession -
11. Gender -
12. Marital Status -
13. Hobbies -
14. **Qualification**

Institution	Passing Year	Board/ University
15. **Detail of Jobs during Past**

Org Name	Period	Designation
16. **Address**
 - a. Present -
 - b. Permanent -
 - c. Contact No -
 - d. E-mail Address -
17. **Family Detail**
 - a. Wife/ Profession -
 - b. Children -
 - c. Brothers -
 - d. Sisters -
18. Political Affiliation (for local staff) -
19. Visit Abroad (for local staff) -
20. Bank Accounts Details -
21. Assets (for local staff) -
22. Club/ Society Membership -
23. Relatives in Abroad -
24. Relations in Armed Forces, Civil Bureaucracy, Political

62

Statement of Sources and Utilization of Foreign Funds

For the six months ending _____

		Restricted/ Project Specific (a)	Unrestricted/ General (b)	Total Amount in Foreign Currency (a)+(b) = c	Total Amount in Pakistan Rupees
Opening Balance (As at)					
Funds received during the period					
1. Funds*	a. Donations				
	b. Grants				
	c. Loans				
	d. Others				
2. Materials*					
3. Services*					
4. Others*					
Total Funds Received					
Utilization of Funds					
1. Capital Expenditure	a. Land and Building b. Furniture and fittings c. Vehicles d. Office and other equipment e. Others				
2. Operational expenditure	a. Direct Operational expenses b. Staff Expenses c. Administrative Expenses d. Travelling Expenses e. Marketing and Promotional Expenses f. Others				

63

Total Utilized	Funds					
Closing balance (As at)						

Signed by Authorized Representative of INGO

Date:

* Please add separate sheets giving details of Sources as follows:

Sr. No.	Date	Name of Donor	Amount

64

Auditors Certificate/Report on the Statement of Sources and Utilization of Foreign Funds

We have reviewed the enclosed Statement of Sources and Utilization of Foreign Funds prepared by the (Name of INGO) for the six months ended _____.

The responsibility for the preparation of the Statement of Sources and Utilization of Foreign Funds is that of the (Name of INGO). Our responsibility is to review and verify whether the foreign funds have been received through legal banking channels and its utilization for the purposes of the INGO's specified projects, and report if it does not and to highlight any non-compliances.

In case of clean report

Based on our review, we hereby certify that the funds received by the INGO in the form of foreign contribution and/or foreign economic assistance were received through legal banking channels. We further certify that the said funds were utilized for the purposes of the projects of the INGO.

In case of non-compliance(s):

Based on our review, we hereby certify that the funds received by the INGO in the form of foreign contribution and/or foreign economic assistance were received through legal banking channels and that the said funds were utilized for the purposes of the projects of the INGO, except the following instances of non-compliance(s):

Sr. No.	Description
---------	-------------

Auditors Name, Signature and Date

07/08 2015 15:54 FAX



Secret
Most Immediat

Ministry of Foreign Affairs
Islamabad, Pakistan

Special Assistant to Prime Minister
Minister of State
No. SAPM-1/2015

27 May, 2015

Subject: Accreditation and Activities of INGOs and Foreign Correspondents in Pakistan

In the high powered meeting chaired by the Prime Minister this morning (27 May, 2015), the subject of INGOs registration, grant of visas to their employees, their movement within the country, the area and scope of their activities and other related aspects, came under discussion.

2. Similarly, the issue of foreign correspondents and their accreditation in Pakistan, as well as movement within the country, was discussed.
3. Thereafter, the Prime Minister directed that a Committee be set up under the Chairmanship of the SAPM and consisting of the Heads of Departments from the Ministry of Foreign Affairs, Ministry of Interior, Ministry of Information, Economic Affairs Division, Inter-Services Intelligence, Intelligence Bureau, Securities and Exchange Commission and Federal Board of Revenue, to examine the current laws and regulations governing the above subjects. These regulations would be reviewed by the Committee and amendments, modifications/changes to the current regulations be submitted to the Prime Minister, for his approval.
4. Since this exercise has to be completed within the next 10 days, a meeting on the subject will take place in the Ministry of Foreign Affairs (SYK, Block) on Monday, 1st June, 2015 at 0900 hrs.
5. Please ensure attendance for a comprehensive and meaningful discussion on this subject.

Warm regards,

Fatemi
(Syed Tariq Fatemi)

1. Mr. Aizaz Ahmad Chaudhry,
Secretary
Ministry of Foreign Affairs,
Islamabad

65

2. Mr. Shahid Khan,
Secretary,
Ministry of Interior,
Islamabad
3. Mr. Muhammad Azam,
Secretary,
Ministry of Information and Broadcasting,
Islamabad
4. Mr. Muhammad Saleem Sethi,
Secretary,
Economic Affairs Division,
Islamabad
5. Lt. General Rizwan Akhtar,
Director General,
Directorate General, ISI,
Islamabad
6. Mr. Zafar Hijazi,
Chairman,
Securities Exchange Commission,
Islamabad
7. Mr. Tariq Bajwa
Chairman,
Federal Board of Revenue,
Islamabad

66

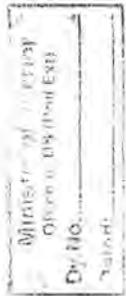
Most Immediate
By Special Messenger
Secret

Government of Pakistan
Ministry of Foreign Affairs
Islamabad

No. F. HA-5/2/2015

22 June 2015

Subject: Recommendations of the High-Level Committee set up by the Prime Minister to review laws and regulations regarding accreditation and activities of INGOs



The undersigned is directed to inform that the Prime Minister has been pleased to approve the amended recommendations (copy enclosed). The enclosed recommendations may kindly be implemented by all stakeholders in letter and spirit.

2. It is further conveyed that the next meeting of the Committee, to seek views of stakeholders on effective implementation of the Prime Minister's directive, will be held under the Chairmanship of Syed Tariq Fatemi, Special Assistant to the Prime Minister, on Friday 26 June 2015 at 1100 hours in the Ministry of Foreign Affairs (Sahebzada Yaqoob Khan Block).

JS (POL/IFA)

3. Kindly make it convenient to attend the meeting.

So (Pol) 24 JUN 2015

Encl: As above.

(Asim Iftikhar Ahmad)
Director General (UN)

1. Mr. Shahid Khan,
Secretary,
Ministry of Interior, Islamabad.

Most Immediate Pl. put up before the necessary.

ADDL SECRETARY
23 JUN 2015.

2. Mr. Muhammad Azam,
Secretary,
Ministry of Information & Broadcasting, Islamabad.

SECRETARY
23 JUN 2015

3. Mr. Muhammad Saleem Sethi,
Secretary,
Economic Affairs Division, Islamabad.

- 1. Addl Secy. I
- 2. PS. P. M. M. M.
- 3. DN to A. S. M. M.

SO (PE-III) 14.6.15

4. Lt. General Rizwan Akhtar,
Director General,
Directorate General of ISI, Islamabad.
5. Mr. Aftab Sultan,
Director General,
Intelligence Bureau, Islamabad.
6. Mr. Tariq Bajwa,
Chairman,
Federal Board of Revenue, Islamabad.
7. Mr. Zafar Hijazi,
Chairman,
Securities & Exchange Commission of Pakistan, Islamabad.

SECRET

PRIME MINISTER'S OFFICE
ISLAMABAD

Subject: RECOMMENDATIONS OF THE HIGH-LEVEL COMMITTEE SET UP BY THE PRIME MINISTER TO REVIEW LAWS AND REGULATIONS REGARDING ACCREDITATION AND ACTIVITIES OF INGOs

Reference Ministry of Foreign Affairs' u.o. No. HA-5/2/2015 dated 16th June, 2015 on the above subject.

2. The Prime Minister has been pleased to approve the amended recommendations (enclosed) for further necessary action.

CPM
(Javair Aslam)
Secretary to the Prime Minister
19-06-2015

✓ Syed Tariq Fatemi, Special Assistant to the Prime Minister on Foreign Affairs No. 1965(CM)/SPM/2015

69

Recommendations

1. Henceforth, the Ministry of Interior instead of the Economic Affairs Division, will be in charge of the registration process of the INGOs in Pakistan.
2. Electronic screening shall be introduced as the first step in the registration process. An on line form will automatically reject cases filed with incomplete information.
3. The Economic Affairs Division will provide the existing proforma to MOI to evaluate it to prepare the electronic version of the proforma (preferably within 10 days) and give the members of the INGO Committee access to it for their input.
4. MOI will develop a new comprehensive online form, in consultation with all key stakeholders, and then have it approved by the INGO Committee.
5. In the next step, scrutiny of screened applications will be done by key stakeholders within a period of 45 days. This will involve verification of INGO's non-profit status in the country of origin, the sources of their funding and information about their past operations in other countries.
6. One an INGO's application for registration is found to be satisfactory, it will be registered for allocation of a particular field of work and a specified location, in consultation with the relevant federal and provincial authorities.
7. This allocation will be done strictly on the basis of needs and national priorities and keeping in view the expertise of the INGO involved.
8. Any deviation from the authorized field and the geographic location will be considered a violation that will lead to termination of registration, without any reason being envisaged.
9. Final decision to register an INGO or otherwise will be the sole prerogative of the INGO Committee, functioning under the 2013 Policy. The existing INGO Committee will shift from EAD to MOI.
10. Following amendments be made in the existing rules/regulations:
 - a. Maximum period of work for any INGO will be upto 3 years, instead of the existing 5 years;
 - b. Maximum duration of visas for those non-Pakistani nationals desirous of working for the INGO, will be upto one year;
 - c. INGOs will not have access to courts;

- d. Pending final decision on application for registration, there will be no interim permission to work;
- e. Prior to registration with the MOI/GOP, an INGO will not be allowed to establish headquarters and field offices, open bank accounts, and hire local employees.
11. All INGOs operating in Pakistan will be required to seek fresh registration on the newly introduced electronic version of the registration form, within a span of three months.
12. No unregistered INGO shall be allowed to work. Those failing to register shall be made to leave the country.
13. There will be regular and effective monitoring of INGOs activities and work throughout Pakistan, by all relevant stakeholders.
14. For monitoring purposes, the INGO Committee meetings will be chaired by the Secretary Interior. MOFA, EAD, ISI, IB, SECP, and FBR will be represented at senior levels. As soon as information on violation of terms of reference of an INGO is received, the concerned Ministry/Department/ Agency will immediately share that information with all concerned stakeholders.
15. MOI will periodically intimate all stakeholders about the updated status of INGOs and their areas of operation/activities in various provinces and districts of Pakistan for effective monitoring of the activities of these INGOs by all stakeholders.
16. It will be mandatory for every INGO to submit a detailed annual Plan of Action to EAD, envisaging projects which are in line with their mandate. The Plan of Action shall also include details of the corresponding actual budget. EAD will share these details with all stakeholders.
17. The foreign employees of the INGOs shall seek prior permission of the Ministry of Interior (MoI) for visiting areas outside their permissible area of activities, as given in MOU. In case of violation, visas of foreigners may be cancelled.
18. Business/visit visas shall not be issued to INGOs staff. No request for change of status of visa shall be entertained in Pakistan or by any mission in other countries.
19. Gaps/deficiencies in the existing visa regime will be removed, so that they are not exploited.
20. Security clearance shall be obtained before issuing initial visa to the foreigners wishing to work for INGOs by the Pakistan missions abroad.

21. INGOs will not be allowed to be registered separately with Securities and Exchange Commission of Pakistan (SECP), as Companies. However, INGO Committee may draw rules for monitoring of their transactions, including by SECP.
22. The INGO Committee will be the sole authority for registrations of INGOs. No other Federal, Provincial or local department would be allowed to register any INGO.
23. There would be proper regulation and monitoring of INGOs sources of funding, their accounts and tax returns. Those failing to do so shall be proceeded against, under prescribed rules as framed by relevant authorities.
24. Right of appeal will be applicable only in cases of cancellation of registration on the issue of tax returns, provided it is agreed by the relevant stakeholders.
25. INGOs would be required to have their performance audit done from a panel of auditors provided/approved by the INGO Committee on behalf of the Government.
26. INGOs would be required to make payment to their staff through the banking system in Pakistan and to provide their complete particulars to the Government, on a regular basis.
27. INGOs shall provide updated lists of their "foreign staff" and "locally hired staff" to the Committee through the MOI on a 6-monthly basis. EAD will share these lists with other stakeholders in the INGO Committee.
28. No individual holding Indian nationality will be allowed to work with any INGO.
29. INGOs shall fulfill reporting requirements without fail. Prescribed formats will be devised and conveyed to them at the time of registration.
30. The Committee through MOI will devise these reporting formats as per requirements of the MOU and views of the other stakeholders.
31. INGOs must operate only with the executive authority of the Government. Their non-cooperation or any breach of security or participation in any activity inconsistent with Pakistan's national interests, culture and norms or contrary to Government policy, will involve cancellation of their license, without assigning any reason.
32. In case the INGOs, their subordinates, or their associates are found to be in violation of this laid down framework, their registration will be immediately cancelled and they will have no right to appeal.

- 
- 
33. Once all stakeholders have taken a decision regarding cancellation/non-renewal of registration of an INGO, its implementation will be ensured.
 34. In case of grievance of any INGO against orders of INGO Committee the concerned INGO may file a representation before a special committee. This special committee would be headed by Minister for Finance. Minister for Interior and SAPM on Foreign Affairs would be members of the committee. Secretary Interior would be Secretary of the special committee. The committee would decide all representations made before it within 30 days. The decision of this committee would be final.
 35. Instances of unauthorized import of armored vehicles will be investigated for further appropriate action.
 36. Decisions on termination of INGO registration shall be implemented in true letter and spirit within a period of 60 days, allowing an INGO for making payments and fulfilling all contractual obligations, including to those relating to office and home spaces. However, operational activity shall cease immediately.
 37. Ministry of Interior will ensure implementation of the decisions of the INGOs Committee, once case of INGO is cancelled or rejected.
 38. The Policy for regulation of organizations receiving foreign contributions (No. 1(5)INGO/05 dated 28 November 2013) and the Bill "Foreign Contributions Act-2015" drafted by the Committee under the former Minister for Science and Technology, will be synchronized, in the light of these recommendations, and shall provide a regulatory framework for all matters relating to INGOs in Pakistan, under the guidance of the INGO Committee coordinated by MOI.
 39. These recommendations, including the relevant existing rules, regulations and policies will become part of legislation to be prepared by the Ministry of Law, Justice and Human Rights and placed before Parliament for its approval.

Government of Pakistan
Ministry of Law and Justice

SUBJECT:- **DRAFT FOREIGN CONTRIBUTIONS BILL, 2016.**

Reference Ministry of Interior's U.O No. 6/124/2015-PE.III, dated 07-06-2017 on the subject noted above.

2. The Draft Foreign Contributions Bill, 2016 was sent to Finance Division with the request to place the draft bill before Minister for Finance vide this Division's O.M No. 1(61)/2016-D&L, dated the 26th August, 2016 (copy enclosed).




(Saadat Iqtidar Alam)
Section Officer (D&L)
Ph.9203465

Ministry of Interior, Mr. Muhammad Hafeez, Section Officer (PE-III), Islamabad.
Ministry of Law and Justice U.O No. 1(61)/2016-D&L, dated the 19th June, 2017

F. No. 1(61)/2016-D&L
Government of Pakistan
Law and Justice Division

Islamabad, the 26th August, 2016

OFFICE MEMORANDUM

Subject: DRAFT FOREIGN CONTRIBUTION BILL, 2016

The undersigned is directed to enclose herewith a draft Bill namely "The Foreign Contribution Bill, 2016" and to state that the draft Bill was first initiated by Economic Affairs Division and thereafter the Prime Minister constituted a Committee headed by Special Assistant to Prime Minister, Mr. Tariq Fatemi to examine the provision of the Bill. The Committee gave thirty-nine (39) recommendations on the Bill. All the recommendations were examined by this Division and half were included in the Bill whereas the remaining half were made part of the draft Rules. One of those recommendations was to make Ministry of Interior the In-Charge Division of the Bill. As such, the Ministry of Interior forwarded for vetting the Bill finalized in the light of Mr. Tariq Fatemi Committee recommendations. The Bill was vetted and returned to the Ministry of Interior for processing it further in accordance with the Rules of Business 1973.

2. Meanwhile Economic Affairs Division requested Ministry of Interior not further process the Bill as the former had some reservations. Hence Finance Minister desired that the Bill be further examined.

3. Consequently a detailed meeting was held on 19th August, 2016 under the Chairmanship of Law Minister attended by representatives from Ministry of Interior, Finance Division, Capital Administration and Development Division, Foreign Affairs and Securities and Exchange Commission of Pakistan (SECP). The Bill was examined clause-by-clause and consensus was built. The Bill so finalized has been finally vetted and on the directions of Law Minister, the Finance Division is requested to place the draft Bill before the Minister for Finance.


c/c (Saadat Iqtidar Ala
Section Officer (D
9203

The Secretary,
Finance Division,
Islamabad.

LIST OF 141x ONLINE APPLICATIONS		
S.No.	Name of INGO	Origin
1	ACTED	France
2	Kokyo naki Kodomotachi (KnK) Japan	Japan
3	Medecins Sans Frontieres (MSF) Belgium	Belgium
4	Royal Commonwealth Society for the Blind (Sightsavers)	United Kingdom
5	Caritas Switzerland	Switzerland
6	Medecins Sans Frontieres-France	France
7	Oxfam Great Britain	United Kingdom
8	Oxfam Novib	Netherlands
9	Catholic Relief Services	United States of America
10	MSF Holland	Netherlands
11	Secours Islamique France	France
12	Norwegian Refugee Council (NRC)	Norway
13	CNFA	United States of America
14	World Vision International -Pakistan	United States of America
15	Relief International	United States of America
16	Solidar Switzerland	Switzerland
17	American Refugee Committee International	United States of America
18	Qatar Charity	Qatar
19	HelpAge International	United Kingdom
20	Internews Network	United States of America
21	Action Against Hunger	United States of America
22	Marie Stopes Society	Pakistan
23	Norwegian Church Aid	Norway
24	CBM e.V	Germany
25	Muslim Aid	United Kingdom
26	International Alert	United Kingdom
27	Malteser Hilfsdienst	Germany
28	Central Asia Educational Trust	Pakistan
29	Concern Worldwide	Ireland
30	Diakonie Katastrophenhilfe	Germany
31	Right To Play International	Canada
32	Save the Children International	United Kingdom
33	Task Force For Global Health	United States of America

34	The Johanniter International Assistance	Germany
35	Population Council	United States of America
36	CARE USA	United States of America
37	International Republican Institute	United States of America
38	Plan International Pakistan	United States of America
39	Saferworld	United Kingdom
40	Trocaire	Ireland
41	International Catholic Migration Commission	Switzerland
42	Voluntary Service Overseas (VSO)	United Kingdom
43	arche noVa e.V.	Germany
44	International Rescue Committee	United States of America
45	National Democratic Institute (NDI)	United States of America
46	Johns Hopkins Global, Inc	United States of America
47	Acumen Fund Inc	United States of America
48	Rutgers	Netherlands
49	The Asia Foundation	United States of America
50	Ev-K2-CNR	Italy
51	Federation Handicap International	France
52	Terre des hommes Foundation	Switzerland
53	World Relief Deutschland e.V. (Partner Aid International)	Germany
54	American Center for International Labor Solidarity (Solidarity Center)	United States of America
55	Health Care 4 All International	United Kingdom
56	Human Concern International	Canada
57	International Foundation for Electoral Systems	United States of America
58	International Medical Corps	United States of America
59	Association for Aid and Relief, Japan	Japan
60	Friedrich Ebert Stiftung	Germany
61	Heinrich Boell Stiftung/ Heinrich Boell Foundation	Germany
62	Konrad-Adenauer-Stiftung	Germany
63	PakTurk International Cag Educational Foundation	Turkey
64	Medecins du Monde	France
65	Stichting BRAC International	Netherlands
66	Jhpiego Corporation	United States of America
67	Mercy Corps	United States of America
68	ActionAid	United Kingdom
69	Westminster Foundation for Democracy	United Kingdom

70	Willows International	United States of America
71	Winrock International Institute for Agricultural Development	United States of America
72	World Learning Inc	United States of America
73	World Memon Organization	United Kingdom
74	Cesvi	Italy
75	The Micronutrient Initiative	Canada
76	World Assembly of Muslim Youth (WAMY)	Saudi Arabia
77	Welthungerhilfe / German Agro Action	Germany
78	Danish Refugee Council	Denmark
79	Democracy Reporting International	Germany
80	Tearfund	United Kingdom
81	Helping Hand for Relief and Development	United States of America
82	Helvetas Swiss Intercooperation	Switzerland
83	HOPE'87 - Hundreds of Original Projects for Employment	Austria
84	International Relief and Development, Inc.	United States of America
85	Iqra Fund	United States of America
86	Lifeline Christian Development Services	Germany
87	Pathfinder International	United States of America
88	RedR UK	United Kingdom
89	Saudi Relief Committee For Afghanistan (SRCA)	Saudi Arabia
90	Kindernothilfe e.V. Germany	Germany
91	Al-Khair Foundation	United Kingdom
92	Asian Disaster Preparedness Center	Thailand
93	Brien Holden vision institute foundation	Australia
94	Central Asia Institute	United States of America
95	Cure2Children foundation	Italy
96	Custodian of the Two Holy Mosques' Relief Campaign - CTHMRC	KSA
97	Friedrich Naumann Foundation for Freedom	Germany
98	Hanns Seidel Foundation	Germany
99	Human Appeal International	United Kingdom
100	International Development & Relief Foundation	Canada
101	International Food Policy research Institute (IFPRI)	United States of America
102	ISCOS, Trade Unions' Institute for Development Cooperation	Italy
103	Islamic Relief Worldwide	United Kingdom
104	Japan Council on Independent Living Centers - JIL	Japan
105	JEN (Japan Emergency NGO)	Japan
106	John Snow Incorporated	United States of America

107	JSI Research and Training Institute, Inc.	United States of America
108	Midland Doctors Association UK	United Kingdom
109	Muslim Hands	United Kingdom
110	Population Services International	United States of America
111	sakura wheelchair project	Japan
112	THE FRED HOLLOWS FOUNDATION	Australia
113	The Global Alliance for Improved Nutrition - GAIN	Switzerland
114	WaterAid	United Kingdom
115	Zia UL Ummat Foundation	United Kingdom
116	International Crisis Group	United States of America
117	Gender Concerns International	Netherlands
118	United States Institute of Peace	United States of America
119	Solidarties International	France
120	Center for International Private Enterprise	United States of America
121	The International Maize and Wheat Improvement Center (Cimmyt, Int)	Mexico
122	Wildlife Conservation Society	United States of America
123	International Water Management Institute	Sri Lanka
124	International Livestock Research Institute (ILRI)	Kenya
125	Muslim World League International Islamic Relief Organization	Saudi Arabia
126	International Islamic Charitable Organization	Kuwait
127	Foundation Open Society Institute - Pakistan	Switzerland
128	Healthnet TPO	Netherlands
129	United States of Pharmacopoeial Conception	United States of America
130	AVRDC,	China
131	Union Aid for Afghan Refugees,	Afghanistan
132	Turkiye Maarif Foundation	Turkey
133	Ipas	USA
134	BBC Media Action	United Kingdom
135	Humanity First Pakistan (Subsidiary of Humanity First)	United Kingdom
136	Save an Orphan	United Kingdom
137	Orphans in Need	United Kingdom
138	Health Security Partners (HSP)	USA
139	IHH The Foundation for Human Rights and Freedoms and Humanitarian Relief	Turkey
140	Penny Appeal	United Kingdom
141	Lions Club International	USA

GOVERNMENT OF PAKISTAN
MINISTRY OF INTERIOR

Notification

No.6/34/2015-PE-III

Islamabad, 1st October, 2015

Policy for regulation of International Non-governmental Organizations (INGOs) in Pakistan

1. PREAMBLE

- 1.1 This policy will regulate, in future, the registration, working, funding, monitoring and other related aspects pertaining to all types of International Non-Governmental Organizations (INGOs) functioning in Pakistan.
- 1.2 The Government of Pakistan acknowledges the diverse contributions of International Non-governmental Organizations (INGOs) in the socio-economic development of Pakistan, through means such as awareness-raising, social-mobilization, infrastructure-development, service delivery, training, research and advocacy.
- 1.3 This policy recognizes and affirms the need for collaboration with the INGOs by the Government as well as by the private sector. Accountability of all stakeholders and transparency in functioning are the key issues in good governance. INGOs are expected to conform to international best practices in these areas. The Government will recognize the excellence in governance among INGOs by promoting best practices.

2. SCOPE OF THE POLICY

- 2.1 This Policy will have sole jurisdiction over all types of International Non-governmental Organizations (INGOs) (including not-for-profits that may not be registered in their home countries as INGOs but are still, part of the not-profit sector and undertake activities similar to typical INGOs) receiving foreign

contributions or utilizing foreign economic assistance to engage in various development programs in Pakistan.

2.2 To be covered under this Policy, an INGO should be:

- A private entity i.e. separate from the Government.
- Not receiving return profits generated to their owners or directors or staff.
- Self-governing i.e. not controlled by the Government.
- A registered organization with defined aims and objectives.

3. OBJECTIVES OF THE POLICY

3.1 To facilitate and streamline the registration and functioning of INGOs contributing to socio-economic development of Pakistan while ensuring that they abide by the relevant laws and norms of Pakistan.

3.2 To encourage the INGOs to build a synergistic relationship with the Government and private sector, at the local, provincial and national levels, through ensuring efficient execution of their programs and activities in the best public interest.

3.3 To identify systems by which the Government may work together with INGOs on the basis of the principles of mutual trust, respect and with shared responsibility.

3.4 To enable the INGOs to receive legitimate foreign contributions or foreign economic assistance through legal channels and appropriately utilize these financial resources on the agreed areas of public welfare, simultaneously ensuring due monitoring, accountability and transparency of their governance, management and funding streams.

4. REGISTRATION AND FUNDING

4.1 INGOs receiving foreign contributions (funds, materials and services) emanating from outside Pakistan or utilizing foreign economic assistance will require prior registration exclusively with the Ministry of Interior (MOI).

4.2 INGOs shall not raise funds and/or receive donations, locally, unless specifically authorized.

- 4.3 The INGOs shall declare to the Government of Pakistan all foreign funds, along with the terms and conditions of those funds, as well as details of all bank accounts maintained by them. The INGOs will maintain their financial accounts as per internationally accepted accounting standards.
- 4.4 There shall be an INGO Committee, chaired by Secretary Interior, in Ministry of Interior, to facilitate, streamline and monitor the working of INGOs. The INGO Committee will be the sole authority for approving registration of INGOs.
- 4.5 All INGOs presently operating in Pakistan will be required to apply for fresh registration on the newly introduced electronic version of the registration form, within 60 days from the date of proclamation of this policy.
- 4.6 Scrutiny of applications will be done by the INGO Committee within a period of 60 days.
- 4.7 Approved INGOs will be registered for specific field(s) of work and specified location(s) or areas of operation, after consultation with the relevant Federal and Provincial authorities, and in line with their needs and national priorities of Pakistan.
- 4.8 The INGO may apply for renewal of registration four (04) months prior to expiry of registration.
- 4.9 Pending final decision on application for registration, there will be no interim permission to work. However, previously registered INGOs will be allowed to continue their operations for six months or until final decision on their applications for fresh registration.

5. FUNCTIONING AND MONITORING

- 5.1 Subject to approval, the INGO will sign a Memorandum of Understanding (MOU) with the Government for a period upto 3 years from the date of signatures. A draft MOU is attached to this policy and can also be downloaded.

- 5.2 The INGOs will only be allowed to establish headquarters and field offices, open bank accounts, and hire local employees after registration with the Government. No unregistered INGO shall be allowed to function or issued visas for its personnel.
- 5.3 All INGOs shall submit an Annual Plan of Action detailing all envisaged projects and the respective budgetary allocations to Economic Affairs Division (EAD) and Ministry of Interior (MOI) at the time of registration, and subsequently on an annual basis. EAD will share these details with all concerned. The Planning and Development Departments of the Provincial Governments can also review the activities of the INGOs in terms of their TORs, and provide counsel where deemed appropriate.
- 5.4 INGOs shall only provide assistance (monetary and/or material) to a local or international NGO after approval of the Government.
- 5.5 Security clearance shall be obtained by Pakistan Missions abroad before issuing initial visa to the foreign nationals intending to work for INGOs. Hiring of foreign nationals by the INGOs in their management and/or staff shall be subject to prior clearance of Ministry of Interior.
- 5.6 Maximum duration of visas for non-Pakistani nationals working for the INGOs, will be one year.
- 5.7 The foreign employees of the INGOs shall seek prior permission of the Ministry of Interior (MOI) for visiting areas outside their designated areas of activities. Violation may lead to cancellation of visas.
- 5.8 Business / visit visas shall not be issued to INGOs staff. No request for change of status of visa shall be entertained in Pakistan or by Pakistan Missions abroad.
- 5.9 There will be regular and effective monitoring of INGOs' activities and work throughout Pakistan. MOI will periodically update relevant authorities about the status and areas of operation / of INGOs enabling them to ensure effective vigilance on INGOs.

- 5.10 The INGOs shall not engage in money laundering, terrorist financing, weapon smuggling, anti-state activities or maintain links with the proscribed organizations.
- 5.11 Breach of security or involvement in any activity inconsistent with Pakistan's national interests, or contrary to Government policy, will lead to cancellation of registration. Likewise, INGOs shall not take part or assist in any kind of political activities, conduct research or surveys unrelated to their TORs. Violation may lead to cancellation of registration.
- 5.12 Any information on violation of terms of reference by an INGO received by any Ministry / Department / Agency will be expeditiously shared with all concerned.

6. TRANSPARENCY AND DISCLOSURE

- 6.1 The INGOs shall be obliged to provide any information that the government may require from time to time.
- 6.2 There shall be proper regulation and monitoring of INGOs' sources of funding, their accounts and tax returns. INGOs not fulfilling disclosure requirements will be proceeded against, under prescribed rules and regulations.
- 6.3 INGOs will be required to have their financial audit conducted by the auditors approved by the INGO Committee.
- 6.4 The INGOs shall fulfill reporting requirements mandated by the Government on the prescribed formats. The INGO Committee will devise these reporting formats as per requirements from time to time.
- 6.5 The INGOs shall be required to make all payments above Rs.20,000/- (Twenty Thousand) in Pakistan through banking channels.

7. REVIEW OF REGISTRATION

- 7.1 Right of appeal will be applicable only to the cases of cancellation of registration.

- 7.2 In case of grievance of any INGO against the orders of INGO Committee, the concerned INGO may file a representation (within 90 days from the date of orders of INGO Committee) before a Special Ministerial Committee to be constituted and notified by the Government. The said Committee would decide all representations within 90 days. The decision of this Committee would be final.
- 7.3 Any decision on termination of INGO registration shall be implemented within a period of 60 days, allowing such an INGO to fulfill all contractual obligations. Winding up of operations will be in accordance with the laid down procedure to be notified by the INGO Committee. Cancellation of registration cannot be challenged in any court of law.
- 7.4 If the Government may deem it in public interest (such as in situations of national disasters and other calamities), it may, subject to such conditions that it may specify, exempt an INGO from all or any of the provisions of this policy for a period not exceeding 6 months.


(KHALIL AHMED)
Deputy Secretary (FIA) 01/4/2015

A
BILL

*to regulate utilization of foreign contributions and for matters
connected therewith or incidental thereto*

WHEREAS it is expedient to regulate utilization of foreign contributions and for matters
connected therewith or incidental thereto;

It is hereby enacted as follows:—

CHAPTER I
PRELIMINARY

1. **Short title, extent, application and commencement.**-(1) This Act may be called
the Foreign Contributions Act, 2016.

(2) It extends to the whole of Pakistan.

(3) It shall apply to—

- (a) all citizens of Pakistan outside Pakistan;
- (b) all persons within Pakistan; and
- (c) international non-governmental organizations working or operating in
Pakistan.

(3) It shall come into force at once.

2. **Definitions.** — In this Act, unless there is anything repugnant in
the subject or context, —

- (a) “**certificate**” means certificate of registration granted under section 7;
- (b) “**Commission**” means the Securities and Exchange Commission of Pakistan,

established under section 3 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997);

- (c) "**foreign contribution**" includes donation or aid, in cash or in kind, received through any mode whether directly or indirectly from any foreign source in any currency for such purposes to be prescribed:

Provided that remittances by a citizen of Pakistan in a foreign country to his family members or such other persons as may be notified by the Government shall not be treated as foreign contribution within the meaning of this clause.

Explanation I. - For the purposes of this clause the term "family members" includes a spouse, lineal ascendants and descendants, brothers, sisters or any other family members as may be notified by the Government.

Explanation II. - The interest accrued on the foreign contribution deposited in any bank or any other income derived from the foreign contribution or interest thereon shall also be deemed to be foreign contribution within the meaning of this clause;

- (d) "**foreign source**" includes —

- (i) the Government of any foreign country or territory and any agency of such Government;
- (ii) any international agency as the Government may, by notification, specify in this behalf;
- (iii) an international non-governmental organization (INGO);
- (iv) a foreign company;
- (v) a corporation, not being a foreign company, incorporated in a foreign country or territory;
- (vi) a multi-national corporation;
- (vii) a company whereby more than one-half of the nominal value of its share capital is held, either singly or in the aggregate, by one or more

of the following, namely:—

- (a) the Government of a foreign country or territory;
 - (b) the citizens, nationals or residents of a foreign country or foreign territory, as the case may be;
 - (c) corporations incorporated in a foreign country or territory;
 - (d) trusts, societies or other associations of individuals (whether incorporated or not), formed or registered in a foreign country or foreign territory; and
 - (e) foreign companies incorporated or formed outside Pakistan;
- (viii) a trade union in any foreign country or foreign territory whether or not registered in such foreign country or territory;
 - (ix) a foreign trust or a foreign foundation, by whatever name called, or such trust or foundation mainly financed by a foreign country or foreign territory;
 - (x) a society, club or other association of individuals formed or registered outside Pakistan;
 - (xi) a citizen of a foreign country;
 - (xii) an overseas Pakistani;
 - (xiii) any person or entity which receives foreign contribution for onward disbursement to a person as defined in clause (j); and
 - (xiv) any other person or entity which may be notified by the Government as a foreign source for the purposes of this clause.
- (e) “**Government**” means the Federal Government;
 - (f) “**international non-governmental organization**” or “**INGO**” means any international non-profit, voluntary organization established, registered or incorporated outside or inside Pakistan but working or operating within Pakistan but does not include person as defined in clause (j);

BB

- (g) **“non-governmental organization”** or **“NGO”** includes any non-profit, voluntary organization formed or registered or established or organized under any law for the time being in force on a local or national level to work or operate for the benefit of society;
- (h) **“notification”** means notification published in the official Gazette and the expression **“notify”** shall be construed accordingly;
- (i) **“offence”** means any act or omission which is punishable under this Act;
- (j) **“person”** means-
- (i) an individual;
 - (ii) a company licensed under section 42 of the Companies Ordinance, 1984 (XLVII of 1984);
 - (iii) an association of individuals or a partnership or firm governed by the Partnership Act, 1932 (IX of 1932);
 - (iv) a society within the meaning of the Societies Registration Act, 1860 (XXI of 1860);
 - (v) a religious society, within the meaning of the Religious Societies Act, 1880 (I of 1880);
 - (vi) a charity within the meaning of the Charitable Endowments Act, 1890 (VI of 1890);
 - (vii) a trust within the meaning of the Trusts Act, 1882 (II of 1882) and a charitable and religious trust within the meaning of Charitable and Religious Trusts Act, 1920 (XIV of 1920);
 - (viii) an NGO whether registered or not in Pakistan but does not include an INGO referred to in clause (f);
 - (ix) a wakf within the meaning of the Mussalman Wakf Act, 1923 (XLII of 1923);
 - (x) a voluntary social welfare agency, within the meaning of the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 (XLVI of 1961);
 - (xi) a co-operative society within the meaning of the Cooperative Societies

Act, 1912 (II of 1912); and

(xii) any other organization or entity by whatever name called, as may be notified by the Government for the purposes of this Act.

- (k) "prescribed" means prescribed by rules made under this Act;
- (l) "regulations" means the regulations made under this Act;
- (m) "rules" means the rules made by the Government under this Act;
- (n) "scheduled bank" shall have the same meaning as assigned to it under clause (m) of section 2 of the State Bank of Pakistan Act, 1956 (XXXIII of 1956); and
- (o) "specified" means as specified through regulations made under this Act.

CHAPTER II

REGISTRATION, ACCOUNTS AND AUDIT OF INGOs

3. **Registration of INGO.--** (1) Notwithstanding any contained in any other law for the time being in force, any INGO desirous of utilizing foreign contribution within Pakistan shall require prior registration with the Government and prior to registration shall not be allowed to establish headquarters and field offices, open bank accounts and hire local employees.

(2) Any INGO registered under any law for the time being in force which, prior to commencement of this Act, is utilizing foreign contribution without being registered under this Act shall require registration within a period of three months from the date on which this Act comes into force, failing which the Government may direct such INGO to cease its operations with immediate effect and the INGO shall be bound to dispose of its assets in the manner prescribed by the Government:

Provided that a memorandum of understanding already signed by an INGO with the Government prior to the commencement of this Act shall be deemed to be valid until its expiry or termination.

(3) An application for registration by the INGO shall be made to the Government along with such documents or information and in such form and manner and on such terms and conditions

as may be prescribed. The application shall be processed by an INGO Committee, to be notified by the Government, expeditiously and in any case within four months of receipt of the application.

(4) Subject approval of INGO Committee, the INGO shall sign a memorandum of understanding with the Government, in such form and containing such terms and conditions as may be prescribed.

(5) The validity of the memorandum of understanding shall be up to three years from the date of signatures or as agreed between the Government and the INGO but may be terminated earlier by either party after giving three months notice. The INGO may apply for renewal of registration four months prior to expiry of registration.

(6) The memorandum of understanding may be terminated and the registration cancelled in case of violation of any provision thereof or other grounds stated therein, after giving an opportunity of being heard, to the concerned INGO.

(7) In case of an emergency notified by the Government, an INGO may utilize any foreign contribution in the locations and for the purposes and period specified in such notification.

Explanation - For the purposes of sub-section (7), the word "emergency" includes any natural disaster, calamity, etc. which is beyond human control or such other circumstances as the Government may consider as emergency.

(8) The Government shall maintain a register of all such INGOs which have been registered under this Act.

(9) Registration of any INGO as a foreign company under the Companies Ordinance, 1984 (XLVII of 1984) shall be subject to its prior registration with the Government under this Act.

4. Appeal against rejection. - (1) In case of rejection of the application for registration or for renewal or in case of termination or cancellation of the memorandum of understanding, the INGO may file an appeal within ninety days from the date of orders of INGO Committee before a Special Committee to be constituted and notified by the Government. The said Committee would decide all appeals within ninety days. The decision of this Committee shall be final.

(2) Notwithstanding anything contained in this section, the application for registration or renewal thereof shall be rejected or, as the case may be, registration shall be cancelled without

notified by the
on,
ndum of
is may

assigning any reason and without opportunity of being heard if an INGO is involved in anti-national activities or is dangerous for national security.

5. Accounts and audit.- (1) An INGO registered under this Act shall declare to the Government the details of all foreign contributions, along with the terms and conditions of those contributions, as well as details of all bank accounts maintained by it.

(2) An INGO registered under this Act shall maintain accounts under internationally recognized accounting standards clearly showing inter alia that the foreign contributions have been utilized for the purposes and in the locations specified in the memorandum of understanding. These accounts shall be audited on an annual basis by a chartered accountant registered in Pakistan or abroad and a copy of the audited accounts shall also be provided to the Government.

6. Monitoring and evaluation.- (1) An INGO registered under this Act shall provide to the Government and the concerned Provincial Government or local government, on an annual basis, a report regarding its activities with reference to the purposes, locations and foreign contributions specified in the memorandum of understanding.

(2) The Planning and Development Departments of the Provincial Governments may review the activities of the INGO, in consultation with the Economic Affairs Divisions of the Federal Government in the context of their development framework and priorities and may convey recommendations to the Government from time to time.

(3) The INGO shall provide any information that the Government may require from time to time and such information may be verified by the Government.

(4) The Government shall regulate and monitor the source of funding, accounts and tax returns of INGOs and for this purpose may engage State Bank of Pakistan, Commission and Federal Board of Revenue and in case of wilful negligence on the part of INGO may proceed in the manner as may be prescribed.

CHAPTER III

REGISTRATION, ACCOUNTS AND AUDIT OF PERSON

7. Registration of persons. —(1) Any person desirous of utilizing foreign contribution of not less than ten million Rupees in a financial year or such other amount as may be notified, shall apply to the Commission for grant of a certificate.

(2) Any person who, prior to commencement of this Act, is utilizing foreign contribution without being registered under this Act shall require registration within a period of three months from the date on which this Act comes into force.

(3) An application by a person for grant of a certificate shall be made to the Commission along with such documents or information and in such form and manner and on such conditions along with such fee, as may be prescribed.

(4) If on receipt of an application for grant of a certificate and after making such inquiry as the Commission may deem fit, it is of the opinion that the conditions provided in sub-section (5) are satisfied, it may register such person and grant him a certificate subject to such terms and conditions as may be specified:

Provided that in case the Commission does not grant a certificate, it shall communicate its reasons for rejection in writing to the applicant.

(5) The following shall be the conditions for grant of a certificate for the purposes of sub-section (3), namely:—

(a) a person to whom the certificate is granted shall —

- (i) submit an undertaking in such form and containing such terms and conditions as may be specified;
- (ii) declare that he has not been convicted of any offence that disqualifies him from being registered and that he has not been found guilty of diversion or mis-utilisation of any foreign contribution in the past;
- (iii) not engage in propagation of sedition or advocate violent methods to achieve his ends;
- (iv) not use the foreign contribution for personal gains or divert it for such purposes which is against the public interest or for a purpose other than specified in the application and certificate;
- (v) not contravene any of the provisions of this Act, and laws relating to money laundering and terrorist financing or rules or regulations made thereunder.

(6) The certificate granted under sub-section (3) shall be valid for a period not exceeding three years, as may be agreed between the applicant and the Commission.

(7) In case of an emergency notified by the Government, a person may utilize any foreign contribution in the locations and for the purposes and period specified in such notification.

Explanation: - For the purposes of sub-section (7), the word "emergency" includes any natural disaster, calamity, etc. which is beyond human control or such other circumstances which the Government may consider as emergency.

8. Suspension of certificate. — (1) Where the Commission, for reasons to be recorded in writing, is satisfied that it is necessary so to do, by order in writing, suspend the certificate for such period, not exceeding forty-five days, as may be specified in the order:

Provided that before passing such order, the Commission shall give the certificate-holder an opportunity of being heard.

(2) Any person whose certificate has been suspended shall not receive any foreign contribution during the period of suspension of the certificate, except as may be allowed by the Government if it considers appropriate, on such terms and conditions as may be prescribed.

9. Cancellation of certificate. — (1) The Commission may, if it is satisfied after making such inquiry as it may deem fit, by an order, cancel the certificate if—

(a) the holder of the certificate has made a statement in, or in relation to, the application for the grant of registration or renewal thereof, which is incorrect or false; or

(b) the holder of the certificate has violated any provision of the undertaking as may be prescribed or provisions of this Act or rules or regulations made thereunder; or

(c) the holder of the certificate has not been engaged in any activity in its chosen field for the benefit of the society for two consecutive years or has become defunct; or

(d) in the opinion of the Commission it is necessary in the public interest, for reasons to be recorded in writing, to cancel the certificate.

(2) Where a person is operating within a province the comments of the concerned Provincial Government shall also be obtained and taken into consideration while taking final decision on cancellation of the certificate.

(3) No order of cancellation of certificate under this section shall be made unless the person concerned has been given a reasonable opportunity of being heard.

(4) Notwithstanding anything contained in this section, the application for registration or renewal thereof shall be rejected or, as the case may be, registration shall be cancelled without assigning any reason and without opportunity of being heard if a person is involved in anti-national activities or is dangerous for national security.

10. Renewal of certificate. — (1) Any person who has been granted a certificate may apply for renewal of certificate within thirty days before the expiry of the period of the certificate.

(2) The application for renewal of the certificate shall be made to the Commission in such form and manner and shall be subject to fulfillment of such requirements and accompanied by such fee as may be prescribed.

(3) Where the application for renewal of registration is made within such time as provided in sub-sub-section (1) but has not been decided by the Commission, the registration shall continue to be valid until the application for renewal is decided by the Commission.

11. Bank accounts.- Any person who has been granted a certificate shall receive foreign contribution through banking channels in cash or any other financial instrument in a bank account specified in the application for seeking registration under section 7 and no funds other than foreign contribution shall be received, deposited or kept in such account:

Provided that such person may open one or more accounts in one or more banks for utilizing the foreign contribution.

12. Intimation of receipts. - (1) Any person who has been granted a certificate under this Act shall give, within such time and in such manner as may be prescribed, an intimation to the Commission, as to the amount of each foreign contribution received by him,

whether in cash or in kind, the sources from which and the manner in which such foreign contribution was received, and the purposes for which, and the manner in which, such foreign contribution was utilized by him.

(2) Any person receiving foreign contribution in cash shall submit to the Commission, a bank statement indicating therein the particulars of foreign contributions received, duly certified by an officer of the Bank, within fifteen days of receipt of such foreign contribution.

13. Maintenance and audit of accounts.- (1) Any person who has been granted a certificate under this Act shall maintain accounts specifically indicating the details of foreign contributions received and utilization thereof, in such form and manner as may be prescribed.

(2) Any person registered under this Act shall get accounts related to the foreign contribution audited by a firm of chartered accountants registered in Pakistan.

14. Disposal of assets created out of foreign contribution.- Where any person who receives foreign contributions is no longer in a position to continue his activities or becomes defunct, all the assets of such person shall be disposed of in accordance with the provisions of the applicable law or in such manner as may be prescribed.

CHAPTER IV PROHIBITION AND SPECIAL AUDIT

15. Restriction to utilize foreign contribution.-(1) Any INGO or any person who receives any foreign contribution shall utilize such contribution only for the purposes and locations permitted by the Government or the Commission, as the case may be.

(2) Any surplus fund accumulated from foreign contribution by an INGO or person shall be invested in accordance with the provisions contained in the relevant laws under which the INGO or person is registered or incorporated or in such a manner as may be prescribed.

16. Special audit.-The Government in case of an INGO and the Commission in case of a person may, –

- (a) for reasons to be recorded, order a special audit of the accounts of an INGO or person, as the case may be, through a firm of chartered accountants within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961);

- (b) during the course of the special audit, pass such interim orders and directions as it deem appropriate; and
- (c) issue such directions for immediate compliance to the INGO or person, as the case may be, as it may deem fit.

CHAPTER V

INSPECTION, SEARCH AND CALL FOR INFORMATION

17. **Inspection of books of accounts or records.** — (1) Where the Commission has, for reasons to be recorded, any ground to suspect that any provision of this Act has been, or is being, contravened by any person who has been granted a certificate it may, by general or special order, authorize an officer as it may deem fit to inspect the books of accounts or record of such person.

(2) It shall be the duty of every such person or every director, officer or a member of governing body or trustee or mutawalli or other employee of the person, as the case may be, to produce to the officer authorized under sub-section (1), all the relevant books of accounts and other books and papers of the person in his custody or under his control and to furnish him with any such statement, information or explanation relating to the affairs of the person, as the said officer may require of him, within such time and at such place as he may specify.

(3) It shall also be the duty of every such person or every director, officer or a member of governing body or trustee or mutawalli or other employee of the person, as the case may be, to furnish to the officer making inspection under this section all assistance in connection with the inspection which the person may be reasonably expected to give.

(4) If after inspection of accounts or record referred to in sub-section (1), the inspecting officer has any reasonable cause to believe that any provision of this Act has been, or is being, contravened, he may seize such account or record and produce the same before the court or authority in which any proceeding is brought for such contravention.

18. **Power to call for information or document.** — The Commission or an officer authorized in this behalf may, during the course of any inspection of any account or record maintained by a person, —

- (a) call for information from any person for the purpose of satisfying himself whether there has been any contravention of the provisions of this Act or rules or order made thereunder;
- (b) require any person to produce or deliver any document or thing useful or relevant to such inspection; and
- (c) examine any person acquainted with the facts and circumstances of the case related to the inspection.

CHAPTER VI
OFFENCES AND PENALTIES

19. Making of false statement, declaration or delivering false accounts. — Whoever, subject to this Act, knowingly, —

- (a) gives false information; or
- (b) seeks registration by means of fraud, false representation or concealment of material facts.

shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.

20. Punishment for contravention of any provision of the Act.—Whoever, subject to this Act, knowingly conceals or assists any person in concealing utilization of any foreign contribution without registration under this Act shall be punishable with imprisonment for a term which may extend to one year or with fine or with both.

21. Penalty for violation of rules, regulations, directives etc.— Whoever fails or refuses to comply with any provisions of this Act, rules or regulations or the orders and directives of the Government or the Commission under sections 16, 17, 18, 28 and 29 shall, after giving an opportunity of being heard by the Government or the Commission as the case may be, be liable to pay to the Government by way of penalty such sum not exceeding one million Rupees and in case of a continuing default, a further sum calculated at a rate not exceeding ten thousand Rupees for every day during which such refusal, failure or contravention continues.

22. **Liability for offence.** — Where an offence under this Act has been committed by an INGO or a person, every director, manager, secretary, promoter, member of governing body, mutawalli, member of wakf committee, trustee or any other person, as the case may be, who at the time of commission of offence was in charge of or was responsible for managing the affairs of the person shall be guilty of the offence.

23. **Recovery of amount in penalties.**- Any penalty imposed by the Commission or the Government, as the case may be, in the exercise of its powers under section 21 shall be payable to the Government and may be recovered as arrears of land revenue.

CHAPTER VII

JURISDICTION

24. **Cognizance of offences.**- (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (Act V of 1898), no court inferior to that of the Court of Sessions shall have jurisdiction to try any offence under this Act.

(2) All offences punishable under this Act shall be non-cognizable and bailable.

(3) All offences under this Act shall be compoundable by the Government or the Commission, as the case may be, in accordance with the rules.

25. **Bar on prosecution of offences under the Act.** — No court shall take cognizance of any offence under this Act, except on a complaint of an officer authorized by the Government or the Commission, as the case may be, in this behalf.

CHAPTER VIII

APPEAL

26. **Appeal.** — Any person aggrieved by any final order made under Chapter III or VI may prefer an appeal, within thirty days,-

(a) where the order has been made by the Court of Sessions, to the High Court to which such Court is subordinate;

- (b) where the order has been made by a Commissioner or an officer authorized on this behalf by the Commission, to the Appellate Bench provided under section 33 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997); and
- (c) where the order has been made by the Appellate Bench referred to in clause (b), to the High Court:

Provided that the Appellate Court or the Appellate Bench, as the case may be, if satisfied that the appellant was prevented by sufficient cause from preferring the appeal within the said period of thirty days, allow such appeal to be preferred within a further period of not more than thirty days.

CHAPTER IX

MISCELLANEOUS

27. Protection of action taken in good faith.—No suit or other legal proceedings shall lie against the Commission or the Government or any of its officers or officials in respect of any loss or damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of the provisions of this Act or any rule or regulation or direction made thereunder.

28. Power of Government to give policy directions. — The Government may, from time to time, give such policy directions as it may deem necessary to the Commission or any other authority or any INGO or any person or class of persons regarding the carrying into execution of the provisions of this Act and such policy directions shall be binding.

29. Power of the Commission to give directions, etc. - The Commission may issue such directives, circulars or notifications, not inconsistent with this Act, as are necessary to carry out the purposes of this Act and the rules made thereunder.

30. Power to exempt in certain cases. - If the Government is of the opinion that it is necessary or expedient in the public interest so to do, it may, by order in writing and subject to such conditions as may be specified in the order, exempt any person or any INGO from the operation of all or any of the provisions of this Act and may revoke or modify such order, as may

be necessary.

31. Delegation of powers.— The Government may, by notification, direct that all or any of its powers or functions under this Act except the power to make rules shall in relation to such matters and subject to such conditions, if any, as may be specified in the notification be exercised or discharged also by the Commission.

32. Power to make rules. — The Government, may subject to previous publication by notification in the official Gazette, make rules for carrying out the purposes of this Act.

33. Power to make regulations. - The Commission may, by notification in the official Gazette, make regulations in respect of matters which are to be dealt by it under this Act.

34. Act not to apply to certain Government transactions.- Nothing contained in this Act shall apply to any transaction or agreement between the Government of Pakistan and the Government of any foreign country or territory or United Nations or any of its specialized agencies, the World Bank, International Monetary Fund, Asian Development Bank, or any other International Agency or organization as may be notified by the Government for the purposes of this section in the official Gazette.

35. Removal of difficulty. - If any difficulty arises in giving effect to any of the provisions of this Act, the Government may, by order published in the official Gazette, make such provisions, not inconsistent with the provisions of this Act, as may appear to be necessary for removing the difficulty.

36. Act to override other laws. - The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force.

STATEMENT OF OBJECTS AND REASONS

It is considered desirable to require proper disclosure and utilization of foreign contributions in cash and in kind received from any foreign source so as to ensure that such contributions are employed gainfully for the benefit of the community and for the purposes and locations for which they have been authorized.

The Bill is designed to achieve the aforesaid object.

Government of Pakistan
Ministry of Finance, Revenue, Economic Affairs, Statistics & Privatization
(Economic Affairs Division)

Islamabad, 28th November, 2013

NOTIFICATION

No.1(5)INGO/05: In pursuance of Economic Coordination Committee (ECC) of the Cabinet's decision contained in Cabinet Division's Memorandum No.F.1/19/2013-Com dated 25th November 2013 the following policy is hereby notified:-

Policy for regulation of organizations receiving foreign contributions

Until legislation for a regulatory framework for foreign economic assistance flowing outside government channels is enacted, for improved accounting of such flow of funds and greater aid effectiveness, the following policy will operate.

1. These provisions will regulate foreign organizations and those national organizations which receive or intend to receive foreign contributions, until the coming into force of appropriate legislation.
2. Any organization registered outside Pakistan and any organization registered within Pakistan and desirous of utilizing foreign economic assistance will need prior registration with the Government. Foreign economic assistance includes moneys, services and goods which emanate from outside Pakistan. The Government for the purpose will be the Economic Affairs Division.
3. The application for registration will be accompanied by such documentary information as may be specified by the Government and will be shared with and vetted by the Ministry of Interior, the Provincial Governments and / or local governments and other relevant stakeholders. The applications shall be processed expeditiously and in any case within four months of receipt.
4. Subject to concurrence, the organization will sign a Memorandum of Understanding with the Government, containing the information specified by the Government.

IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad



including, amongst other things, the work and the geographical area in which it is proposed to be carried out (a template of the MoU is attached with this notification). The Government will maintain a register of such organizations.

5- The duration of the Memorandum of Understanding will be up to five years from the date of signatures as decided between the Government and the organization. The organization can apply for renewal of registration four months prior to expiry of registration and this application will be similarly vetted by the parties mentioned above.

6- Violation of any provision of the Memorandum of Understanding will result in termination and cancellation of the registration, subject to the organization being provided an opportunity of being heard.

7- In case of rejection of the application for registration, the organization may, within 60 days, apply for a review of the decision. Such application will be considered by a Review Committee chaired by the Secretary, Economic Affairs Division and comprising senior level representatives of Ministry of Interior, Ministry of Foreign Affairs, other concerned ministries of the Government, and the Provincial Governments and or local governments, which will submit its recommendations to the Government, after giving the organization an opportunity of being heard. The decision arrived at after review will be final. The same process will apply in case of rejection of an application for renewal or in case of termination of the Memorandum of Understanding/cancellation of registration.

8- The organization will declare to the Government all foreign contributions, along with the terms and conditions of those contributions, as well as details of all bank accounts maintained by it. The organization will maintain accounts under internationally recognized accounting standards, get these accounts audited on an annual basis by a registered Chartered Accountant firm and will provide to the Government a copy of the audited annual statements, along with a certificate from the Auditors to the effect that the foreign contributions have been utilized for the objectives of the organization as specified in the Memorandum of Understanding.

9- The organization will provide to the Government and the concerned Provincial Government / local government on an annual basis a report regarding its activities with reference to the Memorandum of Understanding and the foreign contributions. The Planning and Development Departments of the Provincial Governments may review the activities of the

IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad



organization in the context of their development framework and priorities, and may convey recommendations to the Government from time to time.

10. The organization will be bound to provide any information that the Government may require from time to time. The Government may verify any information provided by the organization.

11. If the Government is of the opinion that it is in the public interest (such as in situations of disasters and emergencies), it may, subject to such conditions that it may specify, exempt an organization or class of organizations from all or any of the provisions of this policy for a period not exceeding six months.

(Sherbaz Khan Magsi)
Section Officer (INGOs)

Distribution:-

1. Minister for Science & Technology, M/o Science & Technology, Islamabad
2. Minister of State for Information Technology, M/o Information Technology, Islamabad
3. Chairman, Securities & Exchange Commission of Pakistan, Islamabad
4. Deputy Governor, State Bank of Pakistan, Islamabad
5. Secretary, Economic Affairs Division, Islamabad
6. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
7. Secretary, Ministry of Foreign Affairs, Government of Pakistan, Islamabad
8. Secretary, Ministry of Interior, Government of Pakistan, Islamabad
9. Secretary, Ministry of Finance, Government of Pakistan, Islamabad
10. Chairman, Federal Board of Revenue, Government of Pakistan, Islamabad
11. Chairman, P&D, Government of the Punjab, Lahore
12. Additional Chief Secretary (Dev.), Government of Sindh, Karachi
13. Additional Chief Secretary (Dev.), Government of KPK, Peshawar
14. Additional Chief Secretary (Dev.) Government of Balochistan, Quetta
15. Additional Chief Secretary (Dev.), Government of Gilgit-Baltistan, Gilgit
16. Additional Chief Secretary, FATA Secretariat, Peshawar

IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad

LOCAL NGOs RECEIVING FOREIGN CONTRIBUTIONS
SIGNING UP OF MOU WITH GoP - CHECKLIST OF DOCUMENTS

Application for signing of an agreement with GoP/EAD should be addressed to Secretary, EAD, giving introduction of the Organization, experience in the relevant field, specific fields of prospective interventions/geographical focus and foreign donors providing financing or committed to provide financing. The application should invariably be supported by copies of the following documents duly verified and attested:-

S #	REQUISITE DOCUMENTS
1.	Basic Information Proforma for NGOs available at (www.ead.gov.pk)
2.	Annual Plan of Action (APA) available at (www.ead.gov.pk)
3.	Proof of registration in Pakistan
4.	Approval of Commissioner Inland Revenue concerned under section 2 (36) of the Income Tax Ordinance, 2001
5.	Tax returns (copies) for the past 3 years
6.	Annual Reports for the last three years
7.	Funding Guarantee Letter containing donor commitment
8.	Proof of local residence (Lease agreement, etc) with complete address/telephone numbers and list of local contracts in Pakistan
9.	Staff details
10.	Declaration of assets
11.	Bank Account details, with a commitment that all payments above 20,000/- in Pakistan will be made through banking channels
12.	Draft MOU in the prescribed template available at (www.ead.gov.pk) signed at the prescribed place and initialed on each page
13.	Local NGOs are requested to submit soft copies of all above mentioned documents on the following e-mail address. (ead.localngos@gmail.com)

ORGANIZATION ARE REQUIRED TO BE SUBMITTED

- i) *One (1) set of all documents properly flagged along with the application.*
- ii) *Fourteen (14) complete sets of documents properly flagged (within Seven (7) days) after issuance of acknowledgement letter.*



IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad

BASIC INFORMATION PROFORMA

S.No.	Details	Information submitted by the NGO
1.	Name of NGO	
2.	Address	
3.	Contact number	
4.	Thematic Area	
5.	Source of funding	
6.	Total Foreign Assistance Portfolio (Rs & US\$)	
7.	Working areas in Pakistan	
8.	Registered with	
9.	Name of Head of Organization and CNIC number, (Old & New computerized CNIC-enclose copy)	
10.	Names of Board of Directors and CNIC numbers (Old & New computerized CNIC-enclose copy)	



IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad

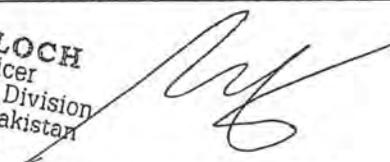
107

ANNUAL PLAN OF ACTION

Name of the Organization: _____
Registered with: _____
Year of Establishment: _____

NAME OF THE PROJECT		ASSOCIATED PARTNERS/GOVERNMENT DEPARTMENTS IN THE JOINT ACTIONS					
TOTAL PROJECT COST							
PROJECT LOCATION(s)							
PROJECT STATUS(ONGOING/PLANNED) AND PROJECT TIMELINE							
FUNDING SOURCES AND REFERENCE TO DEVELOPMENT ASSISTANCE COMING UNDER ANY BILATERAL AGREEMENT							
BRIEF PROJECT DESCRIPTION AND THE GENERAL STRATEGIC OBJECTIVES TO BE ACHIEVED							
PROJECT COSTS' DETAILS							
I- DEVELOPMENT COSTS							
EXPECTED OUTPUTS	ANNUAL TARGET/ DELIVERABLES	PLANNED ACTIVITIES	TIMEFRAME			PLANNED INPUTS/BUDGET	
			Q1	Q2	Q3	Q4	
TOTAL (along with %age to the total project cost):							
II- ADMINISTRATIVE COSTS							
PLANNED ACTIVITIES			TIMEFRAME			PLANNED INPUTS/BUDGET	
			Q1	Q2	Q3	Q4	
TOTAL (along with %age to the total project cost):							

IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad





Home About Us Foreign Trainings News Events Policies NGOs Publications Media Contact Us Feedback OGP

0. Press Release 25th June, 2018

PRESS RELEASE

The registration of all local Non Governmental Organizations (NGOs) receiving foreign contribution is the mandate of Economic Affairs Division, Government of Pakistan under NGOs Policy, 2013.

It is clarified that Economic Affairs Division has not authorized any entity to certify/register an NGO on behalf of EAD. Also, EAD does not require any prior certification of an NGO for applying for registration with Economic Affairs Division. If any entity claims and indulges in such practices, EAD reserves the right to initiate legal proceedings before the court of law.

For registration with EAD, all local NGOs are advised to visit www.ead.gov.pk for necessary guidelines.

Economic Affairs Division
Islamabad
25.06.2018

HUDA SADIQ
Secretary
Economic Affairs Division
Government of Pakistan
Islamabad

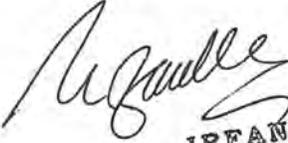
Copyright © 2017 - 2018 EAD. For any queries, complaint and suggestions please contact Incharge Content Updation System Analyst Economic Affairs Division (Tel: 0519202485) Government of Pakistan. NITB

109

LIST OF NGOs REGISTERED WITH EAD

S.No.	Name of NGO/Organization	Date of Registration
1.	Hyderabad Relief and Rehabilitation Trust	27 th February, 2017
2.	Friends Welfare Association	27 th February, 2017
3.	Social Services Programme	27 th February, 2017
4.	Health Education Development Society (HEADS)	27 th February, 2017
5.	Sahil	16 March, 2017
6.	Karandaaz	29 May, 2017
7.	Rahnuma Family Planning Association of Pakistan	14 th Sept., 2017
8.	Health & Rural Development Services	14 th Sept.2017
9.	Lasoon Society for Human & Natural Resources Development	14 th Sept.2017
10.	Lawari Humanitarian Organization	14 th Sept. 2017
11.	Asia Humanitarian Organization	14 th Sept. 2017
12.	Community World Service Asia	14 th Sept. 2017
13.	Sahara Community Development Programme	14 th Sept.2017
14.	Environment Protection Society	14 th Sept. 2017
15.	Flowers	14 th Sept., 2017
16.	Participatory Rural Development Society (PRDS)	08 th Nov. 2017
17.	Pakistan Mission Society	08 th Nov. 2017
18.	SUDHAAR	08 th Nov. 2017
19.	Omar Asghar Khan Foundation	08 th Nov. 2017
20.	Health and Nutrition Development Society	08 th Nov. 2017
21.	Community Support Concern	08 th Nov. 2017
22.	Associates in Community Development	08 th Nov. 2017
23.	Innovation for Development Empowerment and Accessible Services	08 th Nov. 2017
24.	Society for appraisal and women empowerment in Rural Areas (SAWERA)	08 th Nov. 2017
25.	Foundation for Rural Development	08 th Nov. 2017
26.	Society for Human & Environmental Development (SHED)	08 th Nov. 2017
27.	Alif Laila Book Bus Society	28 th Nov. 2017

Contd.....P/2


IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad

1-10

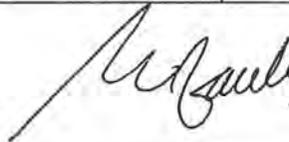
S.No.	Name of NGO/Organization	Date of Registration
28.	Center of Excellence for Rural Development (CERD)	28 th Nov. 2017
29.	Community Research and Development Organization (CRDO)	28 th Nov. 2017
30.	Idara-E-Taleem-O-Aaghai (ITA)	28 th Nov. 2017
31.	Khwendo Kor	28 th Nov. 2017
32.	Society for Empowering Human Resource [SEHER]	28 th Nov. 2017
33.	Depilex Smileagain Foundation	28 th Nov. 2017
34.	Mountain and Glacier protection Organization	22 nd March 2018
35.	Water, Environmental and Sanitation Society (WESS)	30 th March 2018
36.	Shahid Khan Afridi	16 th April 2018
37.	Women Empowerment Organization	16 th April 2018
38.	Initiative for development and Empowerment Axis (IDEAS)	24 th April 2018
39.	Human Organization for Poverty Elimination (HOPE)	24 th April 2018
40.	Indus Heritage Trust	24 th April 2018
41.	Nai Zindgi	24 th April 2018
42.	Frontier Primary Health Care	24 th April 2018
43.	Forward Looking Solution	24 th April 2018
44.	Pakistani Hoslamand Khwateen Network	24 th April 2018
45.	Saibaan Development Organization	24 th April 2018
46.	Pakistan Rural Initiatives for Emergency Preparedness Response and Development (PREPARED)	24 th April 2018
47.	Pakistan Youth Change Advocates (PYCA)	24 th April 2018
48.	Working Women Welfare Trust	24 th April 2018
49.	Read Foundation	24 th April 2018
50.	Balochistan Rural Support Programme	24 th April 2018
51.	Association of Fatima Jinnah Old Graduates	23 rd July 2018



IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad

**LIST OF ORGANIZATIONS WHOSE DOCUMENTS HAVE BEEN CIRCULATED TO
STAKEHOLDERS**

S.No.	Name of NGO/Organization	Remarks
1.	Bedari	Complete papers. Circulated.
2.	Peace and Development Organization (PADO)	Complete papers. Circulated.
3.	Awaz Foundation Pakistan	Complete papers. Circulated.
4.	Help in Need	Complete papers. Circulated.
5.	Baghbaan	Complete papers. Circulated.
6.	Human Development Foundation	Complete papers. Circulated.
7.	Centre of Excellence for Rural Development (CERD)	Complete papers. Circulated.
8.	Balochistan Rural Development & Research Society	Complete papers. Circulated.
9.	Khubaib Foundation	Complete papers. Circulated.
10.	Agency for Human Development	Complete papers. Circulated.
11.	Pakistan Village Development Programme	Complete papers. Circulated.
12.	Civil Society Human Institutional Development Programme	Complete papers. Circulated.
13.	Farmers Development Organization	Complete papers. Circulated.
14.	Pakistan Centre for Philanthropy	Complete papers. Circulated.
15.	Fazila Trust Pakistan	Complete papers. Circulated.
16.	Balochistan Rural Support Programme (BRSP)	Complete papers. Circulated.
17.	Sarhad Rural Support Programme	Complete papers. Circulated.
18.	CHEF International (Comprehensive Health & Educational Forum)	Complete papers. Circulated.
19.	Al-Furqan Humanitarian Relief Foundation	Complete papers. Circulated.
20.	Associate for Community Development	Complete papers. Circulated.
21.	Philanthrope	Complete papers. Circulated.
22.	Kamore	Complete papers. Circulated
23.	Prime Foundation-Pakistan	Complete papers. Circulated
24.	Peace Foundation	Complete papers. Circulated
25.	Society for Special Person	Complete papers. Circulated
26.	State Development organization	Complete papers. Circulated
27.	Bunyad Literacy Community Council	Complete papers. Circulated
28.	Institute of Rural Management (IRM)	Complete papers. Circulated
29.	Kurram Welfare Home	Complete Papers circulated
30.	AWARD	Complete Papers Circulated
31.	College of Youth Activism and Development Pakistan	Complete Papers Circulated
32.	Medical Emergency Resilience Foundation	Complete Papers Circulated
33.	Society for Protection of the Rights of the Child	Complete papers. Circulated.


IRFAN BALOCH
 Section Officer
 Economic Affairs Division
 Government of Pakistan
 Islamabad

	(SPARC)	
34.	Moawin Foundation	Complete Papers Circulated
35.	Chitral Innovative Development Organization (CIDO)	Complete Papers Circulated
36.	NIDA-Pakistan	Complete Papers Circulated
37.	Human Development Organization-Doaba	Complete Papers Circulated
38.	Al-Khidmat Foundation	Complete Papers Circulated
39.	Poverty Alliance Welfare Trust	Complete Papers Circulated
40.	Mojaz Foundation	Complete Papers Circulated
41.	Basic Education and Employable Skill Training Pakistan (BEST)	Complete Papers Circulated
42.	Aiming Change for Tomorrow (ACT)	Complete Papers. Circulated
43.	Sami Foundation	Complete Papers. Circulated
44.	Centre for Communication Programme - John Hopkins	Complete Papers
45.	Research and Development Foundation	Complete Papers
46.	Taleem Foundation	Complete Papers. Circulated
47.	Paiman Alumni Trust	Complete Papers
48.	Rural Education & Economic Development Society (REEDS)-Pakistan	Complete Papers. Circulated
49.	Association for Gender Awareness & Human Empowerment (AGAHE)	Complete Papers. Circulated
50.	Basic Education for Afghan Refugees/Basic Education For Awareness Reforms and Empowerment (BEFARe)	Complete Papers. Circulated
51.	Al-Falah Scholar Scheme	Complete Papers. Circulated
52.	Ghazali Education Trust	Complete Papers. Circulated
53.	EHSAR	Complete Papers. Circulated
54.	Sabawon	Complete Papers. Circulated
55.	Regional Development Organization	Complete Papers. Circulated
56.	Association of Fatima Jinnah Old Graduates	Complete Papers. Circulated
57.	SHIELD	Complete Papers.
58.	The Citizen Foundation	Complete Papers. Circulated
59.	Frontier Organization for Reforms & Transformation (FORT)	Complete Papers.
60.	Pak-CDP	Complete Papers. Circulated
61.	Sukaar Foundation Trust	Complete Papers.
62.	Lodhran Pilot Project-LPP	Complete Papers. Circulated
63.	Marie Stopes Society Pakistan	Complete Papers. Circulated
64.	Abaseen Foundation	Complete Papers. Circulated
65.	Mercy Pak	Complete Papers. Circulated
66.	United Global Organization of Development (UGOOD)	Complete Papers. Circulated

[Signature]
IRFAN BASHIR
 Section Officer
 Economic Affairs Division
 Government of Pakistan
 Islamabad

67.	National Rural Support Programme (NRSP)	Complete Papers. Circulated
68.	Transparency International Pakistan (TIP)	Complete Papers. Circulated
69.	Women's Economic Social Empowerment Foundation (WESEF)	Complete Papers. Circulated
70.	Sargodhian Spirit Trust	Complete Papers. Circulated
71.	Direct Focus Community Aid	Complete Papers. Circulated
72.	Doaba Foundation	Complete Papers.
73.	Pak Rural Development Programme (PRDP)	Complete Papers. Circulated
74.	Strengthening Participatory Organization (SPO)	Complete Papers. Circulated
75.	Search for Justice	Complete Papers. Circulated
76.	Initiator Human Development Foundation	Complete Papers. Circulated
77.	SARHAD	Complete Papers. Circulated
78.	Shaukat Khanam Memorial Trust	Complete Papers. Circulated
79.	Group Development Pakistan	Complete Papers. Circulated
80.	Grass-root Organization for Human Development (Godh)	Complete Papers. Circulated
81.	Baanhn Beli	Complete Papers. Circulated
82.	Indus Resource Centre (IRC)	Complete Papers. Circulated
83.	Civil Society Support Programme (CSSP)	Complete Papers. Circulated
84.	Women Rights Association	Complete Papers. Circulated
85.	Rural Community Development Society (RCDS)	Complete Papers. Circulated
86.	Ameer Begum Welfare Trust	Complete Papers. Circulated
87.	Environmental Conservation & Development Organization (ECDO)	Complete Papers. Circulated
88.	Karachi Tools, Dies, Moulds Centre	Complete Papers. Circulated
89.	Marie Stopes Society	Complete Papers. Circulated
90.	BRAC Pakistan	Complete Papers. Circulated
91.	Poverty Eradication Initiative	Complete Papers. Circulated
92.	North American Muslim Foundation	Complete Papers. Circulated
93.	Rural Community Development Society (RCDS)	Complete Papers. Circulated
94.	Bright Star Development Society Balochistan	Complete Papers.
95.	Lead Pakistan	Complete Papers.
96.	Snow Leopard Foundation	Complete Papers. Circulated
97.	Aurat Publication and Information Service Foundation	Complete Papers. Circulated
98.	Worldwide Fund for Nature Pakistan (WWF)	Complete Papers. Circulated
99.	Kaarvan Crafts Foundation	Complete Papers. Circulated
100.	Comprehensive Disaster Response Services (CDRS)	Complete Papers. Circulated
101.	Shirkat gah	Complete Papers. Circulated

IRFAN BALUCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad

102.	Sangtani Women Rural Development Organization	Complete Papers- Circulated
103.	Prevention of Blindness	Complete Papers.
104.	Thardeep Rural Development Programme	Complete Papers. Circulated
105.	The Indus Entrepreneurs	Complete Papers. Circulated
106.	South Asia Partnership-Pakistan (SAP-PK)	Complete Papers. Circulated
107.	Rural Empowerment and Institutional Development (REPID)	Complete Papers. Circulated
108.	Democratic Commission for Human Development (DCHD)	Complete Papers
109.	Rabt Development Organization (RDO)	Complete Papers. Circulated
110.	Integrated Regional Support Programme	Complete Papers.
111.		
112.	Zobia Nazli Memorial Trust	Complete Papers. Circulated
113.	Society for Educational Welfare	Complete Papers. Circulated
114.	Insaan Foundation	Complete Papers.
115.	Motivation and Awareness Program for Community (MAPC)	Complete Papers. Circulated
116.	Dev Con Association for Rural Development	Complete Papers. Circulated
117.	Trust for Democratic Education & Accountability (TDEA)	Complete Papers. Circulated
118.	Real Medicine Foundation Pakistan	Complete Papers. Circulated
119.	Aziz Jehan Begum Trust	Complete Papers.
120.	Green Star Social Marketing	Complete Papers. Circulated
121.	Kashf Foundation Pakistan	Complete Papers. Circulated
122.	Proactive Humanitarian Program (PHP)	Complete Papers. Circulated
123.	Youth Development Foundation	Complete Papers.
124.	Indus Consortium for Humanitarian, Environmental & Development Initiatives	Complete Papers.
125.	Tamer-e-Khalaq Foundation	Complete Papers



IRFAN BALOCH
Section Officer
Economic Affairs Division
Government of Pakistan
Islamabad

1-25

A, statistics of associations:

Number of companies licensed u/s 42 of the Act/Ordinance as on 16.08.2018	Number of active companies	Number of foreign funded companies	Number of companies whose license revoked	Number of associations under revocation process	Number of association in which reference have been sent to MOI for security clearance regarding foreigners or foreign funding
911	420	*64	**281	09	84

* This figure is based on the information received from various companies through submission of their statements in pursuance of SRO 285(I)/2017 dated April 18, 2017 and regulation 14 of the regulations, as stated at para 2 above.

** The Commission has revoked licences of 281 companies including 14 Public Sector Companies (PSCs). The names of these PSCs have not been included in the list as available on Commission's website.

- B. As regarding regulation for not for profit organization, the same has already been published and are available on Commission's website at <https://www.secp.gov.pk/document/sro733-i-2018-notification-to-association-with-charitable-and-not-for-profit-objects-regulations-2018/?wpdmdl=31767>.
- C. As regarding placement of details regarding association on Commission's website, the Commission is maintaining a list of licenses revoked. The updated list is available on Commission's website at link <https://www.secp.gov.pk/document/revocation-of-license-granted-to-not-for-profit-companies-ngos-under-section-42-of-the-companies-ordinance-1984/?wpdmdl=22560>

The Commission has intimated State Bank of Pakistan about this list with the request to communicate the same to banks for treating banks accounts of such Associations, accordingly

5. Hope the above information shall suffice for the purpose.

Regards,

Yours truly,



(Saeeullah Khan)
Additional Director

87c

Annex R

Government of Pakistan
Office of the Chief Commissioner
Directorate of Industries & Labour Welfare/
Registration Authority
ICT, Islamabad.

No. VSWA/ICT/236/Vol-IV-308

Islamabad,

the 02 Aug 2018

To,

The Section Officer,
Law & Justice commission,
Supreme court of Pakistan.
Islamabad.

Subject: SUOMOTO CASE NO.13 OF 2015(SUO MOTO ACTION REGARDING
MONITORING AND EVALUATION FRAME WORK OF NGOs/INGOs

REPORT ON BEHALF OF CHIEF COMMISSIONER,ICT

A new comprehensive law, "The Islamabad Capital Territory Charities
Registration, Regulation and Facilitation Bill,2018" for registration of NGOs prepared
with the help of NACTA & the same was forwarded to the Ministry of Interior for onward
submission to the National Assembly for legislation .

Detail is placed below:-

DETAILS OF NGOs REGISTERED UNDER SOCIETIES ACT 1860 & REGISTERED UNDER SOCIAL
WELFARE AGENCIES ACT 1961

S. No	Law	Total NGOs	No. of active NGOs	Dissolved NGOs
1.	Registered Deeni Madaris in ICT under Societies Act 1860.	176	171	05
	Registered NGOs under societies registration Act, 1860	650	426	224
2.	Registered NGOs under voluntarily social welfare agencies (Registration & Control) ordinance 1961	656	415	241
3.	Total No. of NGOs	1482	1012	470

(ASIM AYUB) PAS

Director (I&L) /Registration Authority
ICT, Islamabad.

118



Annex 5
NO.SO(Coord) 3(43) / 2012 / 1029
GOVERNMENT OF SINDH
SOCIAL WELFARE DEPARTMENT

Karachi, dated the 17th August, 2018

To,

1. Mr. Nasrullah Khan,
Joint Secretary,
Law & Justice Commission,
Government of Pakistan,
ISLAMABAD.
2. The Additional Advocate General Sindh,
Supreme Court of Pakistan
ISLAMABAD.

/SUBJECT: SMC NO. 13/2015 SUO MOTO ACTION REGARDING MONITORING & EVALUATION FRAME WORK OF NGOs/ INGOs.

I am directed to refer to your letters, on the subject noted above and to state that the Social Welfare Department, Government of Sindh has already submitted the requisite information / report to Home Department, Government of Sindh, Karachi and Advocate General Sindh, Karachi. The Section Officer (LE-II), Home Department Government of Sindh, has forwarded the same to the Chairman Law and Justice Commission Pakistan, Supreme Court of Pakistan, Islamabad vide his letter dated: 07-08-2018 (*copy enclosed*). However, a copy of the same is enclosed for taking further necessary action.


SECTION OFFICER (COORD)
For Secretary to Government of Sindh

Copy forwarded for information to:

- The Advocate General Sindh, Karachi.
- The Director General (HQ), Social Welfare Department, Karachi.
- The Focal Person to Chief Secretary, Government of Sindh, Karachi.
- The PS to Secretary Home Department, Govt. of Sindh, Karachi.
- The P.S to Secretary, Social Welfare Department, Govt. of Sindh, Karachi.

Dr. No 502 (JS-UR)
25-08-2018

119



57-151
SO(Coord) Misc (2) 2016 / 1420
GOVERNMENT OF SINDH
SOCIAL WELFARE DEPARTMENT
Karachi Dated 27th September, 2016

To,

The Section Officer (LE-II),
Home Department,
Government of Sindh,
Karachi.

Subject:

SUO MOTO CASE NO. 13 OF 2015 (SUO MOTO ACTION REGARDING
MONITORING AND EVALUATION FRAME WORK OF NGOs/INGOs.

I am directed to refer to your letter No.APSACS/AS-LE/HD/02/2016 dated 9th September, 2016 on the subject noted above and to enclose herewith requisite information on prescibe proforma (Questionnaire) alongwith its enclosure/Annexure-I, as desired.

M. Azam
27/9/16
(MUHAMMAD AZAM)

SECTION OFFICER (COORD)

For Secretary to Government of Sindh

Copy forwarded for information to :

1. The Deputy Director (VA), Directorate of Social Welfare Department, Govt. of Sindh Karachi.
2. The P.S. to secretary, Social Welfare Department Govt. of Sindh, Karachi.

SECTION OFFICER (COORD)
For Secretary to Government of Sindh

Government of Sindh
Home Department
Social Welfare Section
No. 5905
Date: 28-9-16

Annexure-I

REPORT ABOUT THE REGISTRATION PROCESS OF THE NGOs IN SINDH:

1. **First Steps:** The Applicant submitted the application to the Director / Deputy Director, (VA) for name of approval, therein proposed three name of NGO and after searching his name from previous records and then approved name of NGO for registration.
2. **Second Steps:** After approved his name, he has submitted registration Constitution /documents for registration and this office officers and Officials examine the said papers and forward to the concerned Town Officer through Deputy Director for preparation of the Feasibility Report.
3. **Third steps:** the Filed Officer recommended in Feasibility Report (eligible and not eligible) moreover the applicant submitted bank challan of Rs. 10000/- and case continue process for the issuance of registration Certificate with the Signing Authority.
4. **Fourth Steps:** as per Government policy bounded to them in Articles fifteen (1 to 15) under Voluntary Social Welfare Agencies (Registration & Control) Ordinance, 1961 (Copy enclose)

It is to further inform that the above all process under Voluntary Social Welfare Agencies (Registration & Control) Ordinance, 1961 and Rule, 1952 (copy enclosed)


**DEPUTY DIRECTOR
 VOLUNTARY AGENCIES
 SOCIAL WELFARE
 GOVERNMENT OF SINDH**

245

**SMC NO. 13/15 SUO MOTO ACTION REGARDING MONITORING
& EVALUATION FRAME WORK OF NGOs/INGOs.**

It is respectfully submitted:-

1. That Social Welfare Department registers NGO's under the Registration & Control Ordinance 1961 (Rules -1962) (Copy attached) NGOs are registered at city, district and Provincial level.
2. NGOs working at Pakistan level and INGOs do not fall under the purview of the Social Welfare Department, Government of Sindh.

Further, it is submitted that there are some other registration Acts which are also under practice for registration of NGOs such as, Companies Act, 1956 the Charitable and Religious Trust Act 1920 Societies Act 1860 and Trust Act 1882 in various departments in province of Sindh.

It is humbly clarified that the Registration & Control Ordinance 1961 Rules 1962 is under practice of Social Welfare Department for registration of NGOs.

1788

3.(a) **Monitoring & Evaluation Frame Work.** The Process of monitoring of NGOs is a continuous process which carried out soon after registration. Under the Rules 1962 the NGO registered with Social Welfare Department Government of Sindh, is bound to submit its (i) Annual progress Report (ii) Annual Accounts Audited Report (iii) Election report.

(b) As far as evaluation of NGOs is concerned, it is carried out before its registration ^{of an NGO} and all its resources, human and financial position are assessed and evaluated in feasibility report and registration certificate is issued in the light of recommendations in the same report.

(c) Recently an amendment in the said Rules have been incorporated in the year 2014 to strengthen the process of monitoring and regulation of NGOs and Sub Rule (2) and its clause (i) has been substituted and Rs.10,000/0 for registration fees and Rs.2,000/- for renewal fees on annual basis has been fixed (copy of the said Notification is enclosed).

4.The website of Social Welfare Department has been developed alongwith the website of Government of Sindh and list of active and inactive NGO registered with Social Welfare Department, Government of Sindh is also available on the said website. However due to lack of technical staff, it is not updated regularly. Efforts are being taken for technical staff to update it on regular basis.

5.Furthermore, all the information regarding registration process and other relevant papers are being updated on the website very soon.

6.Whereas INGOs are concerned they are not registered with the Social Welfare Department, Sindh and INGOs approach M/O Foreign Affairs, Economic Affairs and M/O Interior for issuance of NOC for working in the concerned district / province/Country.

s
lf
1

ts

1.
2.
3.1
ai
ne
Th
The
Foc
'SC



NO.SU(Coord.)2-19/SW/2018/V-XII **Annex-**
GOVERNMENT OF BALOCHISTAN
SOCIAL WELFARE, SPECIAL EDUCATION,
LITERACY, NON-FORMAL EDUCATION
& HUMAN RIGHTS DEPARTMENT

SAY NO TO CORRUPTION
Dated Quetta, the 12th July, 2018.

To
The Additional Advocate General,
Balochistan at Islamabad.

Subject:- **SO MOTO CASE NO.13 OF 2015 REGARDING MONITORING AND EVALUATION FRAME WORK OF N.G.Os/I.N.G.Os**

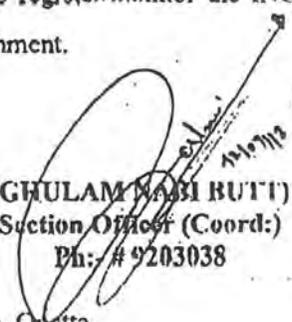
The undersigned is directed to refer to the subject cited above and to say that this department is mandated to register the Voluntary Social Welfare Agencies (VSWA) better known as Non-Government Organizations (NGOs) of local and provincial level. The total of such VSWA/NGOs registered with this office has been 1880, in the wake of compliance of the NAP all the registered NGOs were asked for submission of their details with regard the nature and functions activities, the area of their function, the sources of their funding etc.

2. Whereas a total of 650 NGOs have been submitted their details while remaining 1230 NGOs have not submitted details so far Hence their registration has been suspended temporarily till to furnishing the said details, even the case fo the defaulters who have not yet submitted the said details is being finalized for permanent cancellation with the suggestion of punitive action thereon.

3. That the total number of the newly registered NGOs is 650. While the compilation of the process.

4. The Social Welfare, Special Education, Literacy Non-Formal Education & Human Rights Department has the mandate to monitor the NGOs registered with this department. Whereas in capital city the field officer visit and monitor the activities and in sub offices i.e district and tehsil level Deputy Director, Social Welfare Officer and Assistant Social Welfare Officers monitor the activities of local NGOs.

5. This Department does not have mandate to register/monitor the INGOs and they work directly under the purview of Federal Government.


(GHULAM NABI BUTT)
Section Officer (Coord):
Ph: # 9203038

Copy forwarded to:-

- 1. The PS to Secretary, Social Welfare Balochistan, Quetta.
- 2. M/File.



Annex - U

IN THE SUPREME COURT OF PAKISTAN
(ORIGINAL JURISDICTION)

C.M.A. No. _____/2018

IN

SUO MOTU No. 13 of 2015

(SUO MOTU ACTION REGARDING MONITORING AND
EVALUATION FRAME WORK OF NGOs/INGOs).

APPLICATION FOR FILING COMPLIANCE REPORT ON BEHALF OF
GOVERNMENT OF KHYBER PAKHTUNKHWA THROUGH LABOUR
DEPARTMENT, INDUSTRIES, COMMERCE AND TECHNICAL
EDUCATION DEPARTMENT AND SOCIAL WELFARE, SPECIAL
EDUCATION & WOMAN EMPOWERMENT DEPARTMENT,
PESHAWAR.

RESPECTFULLY SHEWETH:

- 1- That, the above titled case is pending before this august Court.
- 2- That the august court was pleased to order on 27-06-2018 to the Govt of Khyber Pakhtunkhwa through Labour Department, Industries, Commerce and Technical Education Department and Social Welfare, Special Education & Woman Empowerment Department, Peshawar to file the report in the above noted case.
- 3- That in compliance of the order of this august Court the Govt of Khyber Pakhtunkhwa through Labour Department, Industries, Commerce and Technical Education Department and Social Welfare, Special Education & Woman Empowerment Department, Peshawar files the attach report for the perusal of the court.

It is therefore, requested that the Govt of Khyber Pakhtunkhwa through Labour Department, Industries, Commerce and Technical Education Department and Social Welfare, Special Education & Woman Empowerment Department, Peshawar may kindly be allowed to place on file the required report in the above noted case for perusal of the court.

(Mian Saadullah Jandoli)
Advocate-on-Record,
Supreme Court of Pakistan
Govt. of Khyber Pakhtunkhwa.

127



GOVERNMENT OF KHYBER PAKHTUNKHWA

①

LABOUR DEPARTMENT

SO (Lit)/LD/6-32/2018/4540-41
Dated Peshawar, the 04th July, 2018

To

The Additional Advocate General-II,
Khyber Pakhtunkhwa, Peshawar.

97/07/18



Subject: - **SUO MOTO CASE NO.13 OF 2015-SUO MOTO ACTION REGARDING
MONITORING AND EVALUATION FRAMEWORK OF NGOS/INGOS.**

Dear Sir,

I am directed to refer to your letter No.13918-25/AG dated 03/07/2018 on the subject noted above and to state that this Department has already furnished a report in the matter vide letter of even number dated 25/06/2018. However, a copy of the same is again enclosed for ready reference/further necessary action please.

Yours faithfully

Section Officer (Litigation)

Endst of even number & date

Copy forwarded to the PS to Secretary, Labour Department.

Section Officer (Litigation)

130



DIRECTORATE OF LABOUR
GOVERNMENT OF KHYBER PAKHTUNKHWA

2

MOST IMMEDIATE
COURT MATTER

Dated 08/06/2018

No. DL/AD(Lit)Hqtr/32-18/ 2956-57

To,

The Section Officer (Litigation),
Labour Department,
Government of Khyber Pakhtunkhwa.

SUBJECT: SUO MOTO-CASE NO. 13 OF 2015- SUO MOTO ACTION REGARDING
MONITORING AND EVALUATION FRAMEWORK OF NGOS/INGOS.

I am directed to refer to your letter No. SO (Lit)/LD/6-32/2018/4044-45 dated 07.06.2018 on the subject cited above and to state that the Directorate of Labour, Labour Department does not deal with monitoring and evaluation framework of Non-Governmental Organizations (NGOs) and International Non-Governmental Organizations .

Para-2 of the order dated 10.05.2018 of the august Supreme Court of Pakistan in the subject case is crystal clear regarding the subject. Para-2 is hereby reproduced as a ready reference.

2. On a Court query, the learned DAG has submitted that a database is being maintained by the Ministry of Interior, which shows that at present 66 INGOs are operating in various parts of the country. He submits that all registered INGOs are duly monitored by concerned Federal and Provincial Departments and agencies. He further submits that Provincial authorities including Social Welfare Departments and respective Home Departments are also monitoring foreign as well as local Non-Governmental organizations.

Keeping in view of the above, the report in respect of subject case may be treated as 'nil'

upon file pp.
276

(WAQAR ALI FAIZ BANGASH)
ASSISTANT DIRECTOR (LIT)

Letter signed
Pl- W. B.

Copy to Director Labour Khyber Pakhtunkhwa for information and record.

(Sectt (Lit))

25/6/18
SO (Lit)

131

1000-95
GOVERNMENT OF KHYBER PAKHTUNKHWA
INDUSTRIES, COMMERCE AND TECHNICAL
EDUCATION DEPARTMENT

3

06th July, 2018

Dated Peshawar, the _____

To

The Joint Secretary
Government of Pakistan,
Law & Justice Commission of Pakistan,
Islamabad.

5831
11/07/2018
92/11/07

Subject: **SUO MOTO CASE NO.13 OF 2015-SUO MOTO ACTION REGARDING MONITORING AND EVALUATION FRAMEWROK OF NGOS/INGOS.**

Dear Sir,

In continuation of this Department letter No.SO(Lit)(IND)/1-8/2018/6660-61 dated 25th June, 2018, I am directed to enclose herewith the requisite revised information as desired please.

Yours Faithfully,

/

Encl: As above.

SECTION OFFICER (Lit)

Endst: of even No & Date.

Copy alongwith a copy of the above information is forwarded to:-

1. The Administrative Officer, Office of the Advocate General, Khybyber Pakhtunkhwa, and Peshawar w/r to his letter Mp/13918-25/AG dated 03-July-2018 referred to above.
2. The Assistant Director (Lit), Directorate of Industries & Commerce, Khyber Pakhtunkhwa, Peshawar w/r to his letter No.9421/1/46-CRP-DIC dated 06-07-2018.



SECTION OFFICER (Lit)

132

REPORT FOR THE YEAR 2018
QUESTIONNAIRE

133

1. Has a provincial NGO policy been developed to ensure effective NGOs' registration processes and procedures; monitoring and evaluation; security clearances; transparency of personnel, finances, activities and auditing in view of National Action Plan objectives? We have attached for your reference a recent article on the weak regulatory framework for INGOs and NGO, which sets out some of the issues that we have been highlighting with the concerned departments/organisations.

Answer: The Societies are registered under Societies Registration Act, 1860. The Home Department, District Administration and Police Department undertakes security clearance and monitors, transparency, finances, activities of the NGO's.

2. Has a complete baseline been compiled for the number of active and dormant non-governmental organizations registerable under the following laws:

Sr. No.	Registration Laws	Total no. of registered INGOs/NGOs	Total no. of active INGOs/NGOs	Total No. of Inactive INGOs/NGOs	No. of INGOs/NGO not registered (estimated)	Total No. of INGOs/NGOs banned by Pakistan and/or provincial government or authorities	Total No. of INGOs/NGOs receiving foreign funding	Total no. of INGOs/NGOs receiving local funding
1.	The Societies Act, 1860	1878	613	1265	125	06	03 as per record available	69 as per record available

3. How many INGOs/NGOs have been verified through an audit covering their (i) finances, (ii) activities and (iii) security:

Answer: Under Societies Registration Act, 1860 Provincial Registrar has no legal authority to conduct audit of finances, activities and security of NGOs.

Sr. No.	Registration Laws	Total No. of INGOs/NGOs <u>financial audit</u> conducted in last 12 months	Total No. of INGOs/NGOs <u>activities audit</u> conducted in last 12 months	Total No. of INGOs/NGOs <u>security audit</u> conducted in last 12 months
1.	The Societies Act 1860	Not covered under Societies Registration Act, 1860	Not covered under Societies Registration Act, 1860 ²	Not covered under Societies Registration Act, 1860

134

4. Has an on-line database and web-site been developed providing relevant details of INGOs/NGOs registered under the following laws for the purposes of transparency, quick check/reference.

Answer: Directorate of Industries & Commerce has developed a database, the data entries of NGOs are under process and upon completion, it will be available online.

Sr. No.	Registration Laws	Website and/or Database Developed	Total no. of INGOs/NGOs whose details have been uploaded
1.	The Societies Act, 1860	Under Process	Under Process

5. Has a monitoring and evaluation framework and system been developed for tracking INGOs/NGOs financial resources, financial transactions and activities supported/implemented by INGOs/NGOs registered under the following laws.

Answer: Monitoring and evaluation framework and system is not covered under the Societies Registration Act, 1860.

Sr. No.	Registration Laws	Total No. of INGOs/NGOs being monitored through M & E System			M & E System implemented
		Financial resources	Financial transparencies	Activities	
1.	The Societies Act, 1860	Not covered under Societies Registration Act, 1860	Not covered under Societies Registration Act, 1860	Not covered under Societies Registration Act, 1860	Not covered under Societies Registration Act, 1860

6. Have transparency, disclosure and reporting standards been notified for INGOs/NGOs registered under the following laws.

Answer: Transparency, disclosure and reporting standard notified for NGOs are not covered under the Societies Registration Act, 1860.

Sr. No.	Registration Laws	Transparency standards notified (If so, copy attach)	Disclosure standards notified (If so, copy attach)	Reporting Standards notified (If so, copy attach)
1.	The Societies Act, 1860	Not covered under Societies Registration Act 1860	Not covered under Societies Registration Act, 1860	Not covered under Societies Registration Act, 1860

7

reports of the Voluntary Social Welfare Agencies (VSWAs / NGOs) registered with Social Welfare Department Government of Khyber Pakhtunkhwa as per provisions of Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961 and the Rules made there under in 1962.

4. A bill titled "Khyber Pakhtunkhwa Charities Registration, Regulation and Facilitation Bill 2018), submitted to the Department of Law and Parliamentary Affairs Government of Khyber Pakhtunkhwa for further processing (Copy of Draft Bill Annex-E).
5. *Interim mechanism for standardized transparency and monitoring and evaluation system has been made in placed as stop gap arrangements (copy at Annex-F).
6. The requisite information has been provided on the prescribed format (Questionnaire) Copy at Annex-G



*. Detailed deliberation and input of field formation on the interim arrangement will be sought shortly and will be substituted with the interim arrangements accordingly please.

DIRECTOR
DIRECTORATE OF
SOCIAL WELFARE K.P.K

IN THE SUPREME COURT OF PAKISTAN

(Original Jurisdiction)

C.M.A No. _____ / 2018

IN

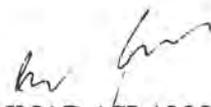
SUO MOTO CASE NO. 13 OF 2015.

**(Suo Moto Action regarding the monitoring and evaluation frame work
of NGOs/INGOs)**

Subject: **SUBMISSION OF REPORT ON BEHALF OF SOCIAL WELFARE AND
BAIT-UL-MAAL DEPARTMENT, LAHORE.**

The above cited Const. Petition is pending in this Honorable Court.

2 Report on behalf of the Government of the Punjab consolidated by the Social Welfare and Bait-ul-Maal Department, Lahore, is submitted by the undersigned for kind perusal of this Honorable Court.


(MUHAMMAD ASLAM MAITLA)
Divisional Director,
Social Welfare and Bait-ul-Maal,
Punjab, Rawalpindi

|| || || ||

138

IN THE SUPREME COURT OF PAKISTAN

(Original Jurisdiction)

C.M.A No. _____ / 2018

IN

SUO MOTO CASE NO. 13 OF 2015.

**(Suo Moto Action regarding the monitoring and evaluation frame
work of NGOs/INGOs)**

REPORT ON BEHALF OF GOVERNMENT OF THE PUNJAB

Respectfully Submitted:-

1. That this Hon'ble Court, vide order dated 27-06-2018 in the subject case, *inter alia*, directed as under:

"Pursuant to our previous orders, report has been filed by the ministry of interior but first it is to be verified by the Secretary, Law and Justice Commission of Pakistan whether the said report is exactly in the letter and spirit of our order; besides, we do not find that the reports have been filed by the provinces. Let the needful be done within a period of 15 days without fail, otherwise the Chief Secretaries have to provide explanations for any delinquency."
2. That in compliance of orders of this Hon'ble Court, earlier reports were submitted explaining the legal frame work and process of registration of the Non-Governmental Organizations (NGOs), registered under the relevant laws with the various organizations of the Government of the Punjab along with statistics of registered, active and inactive NGOs. Requisite information had also been provided to Law & Justice Commission of Pakistan on prescribed *pro forma*.
3. That in order to apprise this Hon'ble Court regarding the progress and steps taken by the Government of the Punjab for monitoring and evaluation of the NGOs/societies and charitable institutions working in

|| |

|| |

439

the Punjab, it is submitted that under the "Punjab Voluntary Social Welfare (Registration and Control) Ordinance, 1961", Deputy Directors of Social Welfare & Bait-ul-Maal Department Punjab in their respective Districts are registration authorities for the NGOs **(Annex-A)**. For the NGOs/Societies registered in Punjab under the auspices of "The Societies Registration Act, 1860" the Deputy Commissioners have been notified as 'Registrar Joint Stock Companies' **(Annex-B)**. According to the respective laws, both departments of the Government of the Punjab are mandated for the registration and monitoring of NGOs within their regulatory provisions including checks and balances on the activities and financial affairs of these organizations.

4. That for provision of better co-ordination for monitoring and evaluation of NGOs registered under different laws, the Home Department, Government of the Punjab, initiated a law which now has been enacted as "**The Punjab Charities Act 2018**" **(Annex-C)** which is meant to provide statutory powers to the Government to register and regulate all sorts of charities and collection of charitable funds. Thus by dint of this enactment, all NGOs/Societies/religious institutions/trusts or any other entity working for charitable purpose have been placed under the said single law irrespective of their previous registration under any law. The salient features/summary analysis of the Act is as under:

- a) The Act has been promulgated to register charities and regulate collection of funds. (preamble of the Act)
- b) It shall cover organizations registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 (XLVI of 1961, The Societies Registration Act, 1860 (XXI of 1860), The Companies Act, 2017 (XIX of 2017) or registered for charitable purposes under any law for the time being in force, a public or private trust **(Section 2-e)**.
- c) The Act provides for a Commission that will register charities and the beneficiaries, ensuring that they comply with their

|| || || ||

140 75

legal obligations in exercising control and management of funds, issue necessary advisories, ensure effective use of funds and institute a mechanism for monitoring and accountability **(Section 3, 6 & 12)**.

- d) It shall hold, if necessary, inquiries into the affairs of a charity, alter or set aside sanction of collection accorded by a deputy commissioner, examine annual audit report, conduct a special audit, issue guidelines for accounting, management and utilization of a charity or charitable fund **(Section 6)**
- e) The Commission, on its own motion or on receipt of a request from the government or a complainant, may hold an inquiry into the affairs of a charity. In case of any irregularity, it may move a reference to the government to proceed further in accordance with the law **(Section 9)**.
- f) Every charity shall be registered with the Commission not later than such date as the government may determine. A charity shall not collect charitable funds without registration. The government may exempt an organization or charity from this condition. But an organization which is not registered as a not-for-profit company shall not be exempted **(Section 12)**.
- g) The Commission may cancel the registration of a charity if it realizes that it is not furthering any charitable purpose or the charity has committed a serious violation. The Commission shall be the registering authority if the operation of a charity extends to the whole of the Punjab or two or more districts. The Deputy Commissioner shall be the registering authority in district and Assistant Commissioner for a tehsil level non-profit **(Section 17)**.
- h) A trustee shall be responsible for controlling assets of the charity, protection, proper investment and utilization of the fund. A charity, promoter, collector or recipient of a charitable fund shall not use the fund for any purpose or objective other than the purpose for which funds were collected except with permission of the commission **(Section 26 & 27)**.
- i) If any part of any donation is used for any purpose other than that for which it was collected or is otherwise misapplied or misappropriated in any manner, every person concerned with the collection or administration of the fund shall be deemed responsible **(Section 31)**.
- j) Any person who fraudulently tampers with, conceals or destroys any records of the funds shall be liable to imprisonment for up to six months but not less than 15 days and fine from Rs. 25,000/- to Rs100,000/- **(Section 32)**.

5. That the Government of the Punjab is making efforts to build a credible, verifiable and actionable data base of all categories of the organizations. Therefore in the year 2014, Social Welfare and Bait ul-

11/11/14

11/11/14

- 7 -

Maal Department initiated a census of **7516** NGOs registered under the "Punjab Voluntary Social Welfare (Registration and Control) Ordinance, 1961", which census was completed in February, 2015. The objective of the census was to segregate functional and non-functional NGOs. As a result of that census **3776** inactive/non-functional NGOs have been dissolved so far.

6. That similar exercise has also been carried out by the Industry, Commerce and Investment Department and out of **23,181** NGOs registered under "The Societies Registration Act, 1860," **18011** NGOs were identified as inactive and **5170** were found functional/active. Similarly during census, **15752** functional religious institutions were identified and registered.

7. That presently, **4805** NGOs are registered with Social Welfare & Bait-ul-Maal Department out of which **4500** have been geo-tagged so far by Punjab Information Technology Board (PITB) as indicated by the Home Department (**Annex-D**), whereas, Industry, Commerce and Investment Department has also carried out exercise of geo-tagging of the NGOs/Societies. So far geo-tagging of the NGOs/Societies of Lahore district has been completed and rest is being followed.

8. That as a further course of action, the matter regarding the inspection and audit of the accounts of the NGOs was taken up. For this purpose, under Section 7 of the "Punjab Voluntary Social Welfare (Registration and Control) Ordinance, 1961", follow up of regular audit of accounts of NGOs was made. **2551** NGOs got audit of accounts conducted from Chartered Accountants Firms for the financial year **2015-16**, whereas, **1580** NGOs complied with requirement of submission of audit reports

142

for financial year **2016-17** so far. For the NGOs registered under "The Societies Registration Act, 1860" the Industry, Commerce and Investment Department, during the last 12 month, has also carried out process of verification and audit of NGOs and to date **1463** NGOs have been audited. Follow up is being done with the rest of NGOs.

9. That to conduct Special Audit of substantially resourced/foreign funded NGOs registered under "The Punjab Voluntary Social Welfare (Registration and Control) Ordinance, 1961", the Government of the Punjab has provided a supplementary grant of Rs. 30.00 million to hire the services of a Chartered Accountant Firm. In first phase, special audit of **125** NGOs including **58** foreign funded NGOs was conducted by the Grant Thornton Consulting (Pvt.) Ltd **(Annex-E)**. In the second phase, **57** NGOs including **21** foreign funded NGOs were audited by M/s Junaidy Shoaib Asad Chartered Accountants **(Annex-E)**.
10. That ongoing activities regarding audit of the NGOs are as under:
 - a) Replies of special audit observations regarding **125** NGOs are under process at the Directorate General of Social Welfare and Bait-ul-Maal, Punjab.
 - b) Special audit paras of **57** NGOs including **21** foreign funded NGOs are under process for obtaining annotated replies.
 - c) Digital Directory of NGOs has been proposed as a Scheme in ADP 2018-19.
11. That for making effective regulation of the NGOs/societies, new SOPs regarding registration and renewal of registration have also been issued by the Social Welfare & Bait-ul-Maal Department **(Annex-G)**

|| ||

|| ||

143

and Industry, Commerce and Investment Department (**Annex-H**). In this manner the respective Departments of the Government of the Punjab have stepped up their endeavors to improve the monitoring and oversight of NGOs.

12. Moreover, to make the information/credentials of NGOs available to the law enforcement agencies to monitor their activities as well as to the general public, Social Welfare & Bait-ul-Maal Department as well as Industry, Commerce and Investment Department has uploaded the information of all active NGOs on their respective websites i.e. <http://vswa.punjab.gov.pk> (**Annex-I**) and <http://doi.punjab.gov.pk> (**Annex-J**). However, for making active accessibility to the websites for general public, both websites are under process for their technical review by the Punjab Information Technology Board (PITB). In the meanwhile, the Social Welfare & Bait-ul-Maal Department, as an interim arrangement, has uploaded the lists of registered/active and de-listed NGOs on its departmental website i.e. <https://swd.punjab.gov.pk>.
13. That the Government of the Punjab is taking all necessary measures for effective regulation of NGOs *inter alia* to pre-empt and check any misuse of funds. The making of "The Punjab Charities Act 2018" is concrete effort on the part of Government to bring all kinds of NGOs under a single legislation and to optimize effective monitoring and inspection of the NGOs, so that funding/donations of the NGOs should be utilized in a transparent manner. All INGOs/NGSSs/Charities are required to obtain prior NOC from Government of the Punjab. The NOC is being issued by the Home Department after seeking clearance from Intelligence Agencies and Special Branch. As per instructions of the

||

||

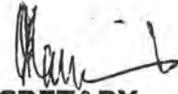
||

||

144

Federal Government, necessary measures have also been taken by the Home Department, Government of the Punjab for eradicating terrorism financing in Punjab.

The report is submitted pursuant to the direction of the August Court



SECRETARY

16/7/18

Government of the Punjab

Social Welfare & Bait-ul-Maal Department

11 11

11 11

145

IN THE HON'BLE SUPREME COURT OF PAKISTAN

Compliance Report

on behalf of Industries Department, Order dated 27.06.2018 passed by
the Hon'ble Supreme Court of Pakistan in the subject case

Respectfully Sheweth:

In compliance of Order dated 27.06.2018, questionnaire of Secretary, Law & Justice Commission of Pakistan, a consolidated report on behalf of Industries Department, in letter and spirit, the following important steps have been taken to bring NGOs/Societies under umbrella of an effective monitoring and evaluation regime:-

Under the Societies Registration Act, 1860.

- The census of all the registered NGOs/Societies was conducted which reveal that out of 23181 registered NGOs, 18011 are found inactive. Out of active NGOs, 25 NGOs are found receiving foreign funding while 3800 receiving local funding.
- Instructions were issued to all Deputy Commissioners who have also been assigned to act as Registrar Joint Stock Companies under Societies Registration Act, 1860 for carrying out a baseline assessment of active entities in line with Templates circulated by Law & Justice Commission of Pakistan with the direction to develop an online database and website providing details of INGOs/NGOs ensuring transparency and quick-check/referencing. However data of all NGOs/Societies, Companies and Madaris registered under Societies Registration Act, 1860 have been uploaded at website: <http://doi.punjab.gov.pk>
- SOPs have also been notified to streamline registration, evaluation and effective monitoring of the registered NGOs/Societies.
- Deputy Commissioners/Registrar Joint Stock Companies have also been instructed to implement the concerns of Law & Justice Commission of Pakistan as circulated in terms of Questionnaire.
- One major step taken by the Punjab Government, Home Department, is the promulgation of the Punjab Charities Act, 2018 which provides

Amir

446

formation of Commissions at Tehsil, District and Divisional levels with a view to effectively monitor and evaluate the registration, monitoring and financial regime of the NGOs.

Background

- Prior to devolution, Director Industries Punjab was the Registrar under the Societies Registration Act, 1860.
- With the inception of District Government System in the year, 2001, EDO(F&P) was notified as Registrar in each district.
- On devolution of Local Government System in the year, 2017, the Deputy Commissioners were notified as Registrar Joint Stock Companies.

Amir

147

14-

Annex - W
C

THE PUNJAB CHARITIES ACT 2018
(Act V of 2018)

CONTENTS

SECTION	HEADING
1.	Short title, extent and commencement.
2.	Definitions.
3.	The Commission.
4.	Chairperson of the Commission.
5.	Chief Executive Officer.
6.	Functions of the Commission.
7.	Power to call for record of charities, etc.
8.	Power to appoint charity trustee.
9.	Enquiry.
10.	Employees.
11.	Appointment of advisers, consultants etc.
12.	Charities to be registered.
13.	Exemption.
14.	Register of charities.
15.	Application for registration.
16.	Register to be public document.
17.	Cancellation of registration.
18.	Registering authority.
19.	Sanctioning authority.
20.	Prohibition on collection.
21.	Powers of sanctioning authority.
22.	Residuary powers of the Commission.
23.	Periodic evaluation of charities.
24.	Administrative actions.
25.	Reports.
26.	Obligations of charity trustees.
27.	Fiduciary responsibilities of charity trustees.
28.	Accounting records of a charity.
29.	Accounting of charitable funds.
30.	Audit and Inspection.
31.	Misapplication of funds.
32.	Penalty.
33.	Cognizance and summary trial.
34.	Compounding of offence.
35.	Confiscation.
36.	Appeal.
37.	Application of other laws.
38.	Rules.
39.	Regulations.
40.	Indemnity.
41.	Revision.
42.	Repeal and savings.
43.	Repeal.

A

- 15 -

THE PUNJAB CHARITIES ACT 2018 (Act V of 2018)

[08 March 2018]

An Act to register and regulate charities and collection of charitable funds.

It is necessary to make effective provisions for the registration, administration and regulation of charities, fund-raising appeals and collection of charitable funds for charities and other institutions; and, for other purposes.

Be it enacted by the Provincial Assembly of the Punjab as follows:

1. Short title, extent and commencement.— (1) This Act may be cited as the Punjab Charities Act 2018.

(2) It extends to whole of the Punjab.

(3) It shall come into force at once.

2. Definitions.— In this Act:

- (a) “Act” means the Punjab Charities Act 2018;
- (b) “Assistant Commissioner” means the executive officer incharge of a Tehsil;
- (c) “charitable fund” includes the money and goods collected for a limited period of time for charitable purpose by a person or organization not registered as a charity;
- (d) “charitable purpose” means the purpose which is for:
 - (i) prevention and relief of poverty;
 - (ii) promotion of education and learning;
 - (iii) provision of health and lifesaving services;
 - (iv) community development;
 - (v) promotion of arts, culture and heritage;
 - (vi) promotion of human rights, conflict resolution and reconciliation activities;
 - (vii) promotion of religious and racial harmony;
 - (viii) promotion of diversity and tolerance;
 - (ix) environmental protection and environmental improvement;
 - (x) relief of those in need of it by reason of youth, age, ill health, or disability; and
 - (xi) such other purposes as the Commission may determine.
- (e) “charity” means any association of persons which is established for a charitable purpose and includes the following:
 - (i) an organization registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 (*XLVI of 1961*);
 - (ii) an organization registered under the Societies Registration Act, 1860 (*XXI of 1860*);
 - (iii) an organization registered under the Companies Act, 2017 (*XIX of 2017*) or under any other law for the time being in force;
 - (iv) an organization registered for charitable purposes under any law for the time being in force; and

449

- (v) a public or private trust.
- (f) "charity trustee" means the person or persons having the general administration, control and management of a charity;
- (g) "collect" or "collection" means appealing for, receiving, collecting or attempting to collect any donations whether in money or in kind;
- (h) "collector" means a person actually engaged in collecting donations for a charitable purpose;
- (i) "Commission" means the Charity Commission established under the Act.
- (j) "declaration" means a declaration made by the charity or promoter of a charitable fund, stating:
 - (i) the names and addresses of the charity or promoter or promoters of the fund;
 - (ii) the proposed value of the donation;
 - (iii) the names and addresses of the collectors of the fund;
 - (iv) the names and addresses of the recipients of the fund;
 - (v) the objects and purposes for which the fund shall be utilized;
 - (vi) the names of the banks or the persons in whose custody the collection shall be kept; and
 - (vii) any other prescribed information.
- (k) "Deputy Commissioner" means the executive officer incharge of a district or any other person appointed by the Government as Deputy Commissioner for purposes of the Act;
- (l) "Government" means Government of the Punjab;
- (m) "prescribed" means prescribed by the rules or regulations made under the Act;
- (n) "promoter" means a person, other than a charity, responsible for collection, custody, administration and accounting of the donations for a charitable fund or a charitable purpose;
- (o) "recipient" means an individual, institution, association, society or undertaking for whose benefit a charitable fund is or shall be collected;
- (p) "registering authority" means the registering authority mentioned in section 18 of the Act; and
- (q) "sanctioning authority" means the authority mentioned in section 19 of the Act.

3. **The Commission.**— (1) The Commission shall consist of not less than three and not more than five Commissioners including the Chairperson, as the Government may determine.

(2) A Commissioner shall be a person who is known for integrity, expertise, experience and eminence in the field of law, administration, social work or any other related field.

(3) The Government may appoint Commissioners from amongst serving or retired civil servants, retired judges and private sector on such terms and conditions as may be prescribed and until so prescribed as the Government may determine.

(4) Subject to the provisions of the Act, the Commission shall discharge its functions, exercise its powers and conduct its proceedings in the prescribed manner and until so prescribed in the manner the Commission may determine.

(5) The term of the office of a Commissioner shall be two years.



150



(6) A Commissioner shall perform such functions as may be prescribed or assigned by the Commission.

4. Chairperson of the Commission.— (1) The Government shall appoint one of the Commissioners as the Chairperson of the Commission but a Commissioner shall not be appointed as Chairperson for more than two consecutive terms.

(2) The Chairperson and the Commissioners shall be responsible for the due discharge of the mandate of the Commission.

5. Chief Executive Officer.— (1) The Government shall, in consultation with the Commission, appoint the Chief Executive Officer of the Commission on such terms and conditions as may be prescribed and until so prescribed as the Government may determine.

(2) The Chief Executive Officer shall be responsible for the day to day administration of the Commission and shall perform such other functions as may be prescribed or assigned by the Commission.

6. Functions of the Commission.— (1) The Commission shall perform such functions as may be necessary for accomplishing the purposes of the Act.

(2) Without prejudice to the generality of the foregoing powers, the Commission shall:

- (a) maintain public trust and confidence in charities;
- (b) register charities;
- (c) protect charities and the beneficiaries thereof;
- (d) ensure that charities and promoters comply with their legal obligations in exercising control and management of the administration of the charitable funds;
- (e) issue necessary advice to the charities and charity trustees;
- (f) ensure effective use of charitable funds;
- (g) institute a mechanism for effective monitoring and accountability of charities, promoters, collectors and recipients;
- (h) hold, if necessary, an enquiry into the affairs of a charity or charitable fund;
- (i) alter or set aside sanction of collection accorded by a Deputy Commissioner;
- (j) receive and examine annual audit report of a charity or charitable fund;
- (k) conduct or cause to be conducted a special audit of a charity or charitable fund;
- (l) issue guidelines for proper accounting, management and utilization of a charity or charitable fund;
- (m) issue such directions to the Deputy Commissioners and Assistant Commissioners as may be necessary for the due discharge of the functions under the Act; and
- (n) perform such other related functions as the Government may assign.

7. Power to call for record of charities, etc.— (1) The Commission may call for any record, data or information about a charity, a charity trustee, the beneficiaries of a charity, a charitable fund and expenditure on charity by a corporate entity.

(2) The Commission may seek verification of the financial records from financial institutions and may utilize the services of a law enforcing agency for the purpose.

8. Power to appoint charity trustee.— (1) The Commission may appoint a charity trustee or any officer or office-bearer of a charity if such charity fails to remove a trustee or appoint a new trustee or officer where:

- (a) a trustee or officer has been convicted of an offence involving moral turpitude, dishonesty or deception; or
- (b) a trustee has been adjudged bankrupt; or
- (c) the conduct of a trustee or officer is detrimental to the cause of the charity owing to mismanagement or other reasons as may be determined by a court or the Commission.

(2) The Commission shall provide an opportunity of defence and hearing to the charity or the person likely to be affected by the decision of the Commission.

9. Enquiry.— (1) The Commission, on its own motion or on receipt of a request from the Government or a complaint from any person, may hold an enquiry into the affairs of a charity to ascertain whether any charitable funds have been misapplied or misappropriated or there is any breach of trust.

(2) If as a result of enquiry under sub-section (1), the Commission finds that an offence has been committed under any law or any trust has been breached, it may move a reference to the Government to proceed further in accordance with law.

10. Employees.— (1) The Commission may, from time to time, employ persons to assist the Commission in the performance of its functions.

(2) The employees of the Commission shall be paid such remuneration and allowances and shall hold their employment on such terms and conditions as may be prescribed.

11. Appointment of advisers, consultants etc.— The Commission may, with the approval of the Government, employ such consultants, or technical professionals or advisers as may be necessary for the due discharge of its functions under the Act, on such terms and conditions as may be prescribed and until so prescribed, as the Government may determine.

12. Charities to be registered.— (1) Every charity shall get itself registered with the Commission not later than such date as the Government may, by notification, determine.

(2) A charity shall not collect charitable funds or seek collection of the charitable funds unless it is registered under the Act.

13. Exemption.— The Government may, after recording reasons, exempt an organization or charity from the provisions of section 12 of the Act, but an organization which is not registered as a not-for-profit company shall not be so exempted.

14. Register of charities.— (1) The Commission shall maintain a Register of Charities in such manner as may be prescribed and until so prescribed as the Commission may determine.

(2) The Register shall contain:

- (a) the name of every registered charity; and
- (b) such other particulars of, and such other information relating to, every such charity as may be prescribed or as the Commission may determine.

15. Application for registration.— (1) Every organization required to be registered under the Act shall provide to the registering authority the information regarding the objectives of the charity, the source or sources of income of the charity and the nature of its spending, and such other documents or information as may be prescribed.

(2) The Registering Authority may, for reasons to be recorded in writing, refuse registration of an organization if in its opinion the objects of charity stated in declaration are not in consonance with the charitable purpose or for any other reasonable cause.

16. Register to be public document.— (1) The Register of Charities shall be a public document and shall be open to public inspection at all reasonable times.

(2) A person may obtain copies of particulars of Register of Charities or documents supplied by a charity subject to payment of such fee as may be prescribed.

(3) The Commission shall publish on its website such information in the Register as may be necessary to create general awareness about the work and conduct of charities.

17. Cancellation of registration.— The Commission may, after affording an opportunity of hearing, suspend or cancel the registration of a charity if the Commission is satisfied that:

- (a) the organization or association of persons is not furthering any charitable purpose; or
- (b) the charity has committed a serious violation of the provisions of the Act or the rules.

18. Registering authority.— (1) The Commission shall be the registering authority when the operation of a charity extends to the whole of the Punjab or two or more districts.

(2) The Deputy Commissioner shall be the registering authority when the operation of a charity does not extend beyond the district.

(3) The Assistant Commissioner shall be the registering authority where the operation of a charity extends only to a Tehsil.

19. Sanctioning authority.— (1) The Commission may sanction the collection of charitable funds if the collection is proposed to be made from the whole of the Punjab or two or more districts or for a period of more than twelve months.

(2) Subject to subsection (1):

- (a) the Deputy Commissioner may sanction the collection of charitable funds if the collection is to be made from within a district; and
- (b) the Assistant Commissioner may sanction the collection of charitable funds if the collection is to be made from within a Tehsil.

20. Prohibition on collection.— (1) A promoter shall not make or solicit collection for any charitable fund unless before the start of the collection, he makes a declaration in respect of the intended collection and delivers the declaration to the sanctioning authority, and the sanctioning authority sanctions, in writing, the collection.

(2) The sanctioning authority may refuse to sanction the collection under this section if it is not satisfied with regard to good faith of the promoter or persons proposing to make the collection, or if the authority is not satisfied with regard to the proper custody of the fund or the due administration of the fund for the purpose for which it is to be collected.

(3) The sanctioning authority may sanction the collection subject to such conditions as it may consider necessary for ensuring the proper custody of the fund and its due administration and utilization for the objects and purposes of the charitable fund.

(4) If the sanctioning authority sanctions the collection, it shall issue or cause to be issued a certificate for a specified period, to the promoter in such form and manner as the Commission may, by regulations, prescribe, authorizing him to make the collection through identified collectors and for identified recipients.

(5) The Deputy Commissioner may alter or set aside a sanction of collection accorded by an Assistant Commissioner in the district.

21. Powers of sanctioning authority.— The sanctioning authority may, at any time, for sufficient reasons and after affording opportunity of hearing, cancel or alter any order made or direction given by it under the Act .

22. Residuary powers of the Commission.— The Commission may issue such directions to the Deputy Commissioners and Assistant Commissioners as may be necessary for achieving the objectives of the Act.

23. Periodic evaluation of charities.— The Commission shall undertake a periodic evaluation of the charities to review the performance of the charity trustees under the Act.

24. Administrative actions.— (1) If, after evaluation or audit, the Commission is satisfied that any charity has failed to comply with the obligations envisaged under the Act, the Commission may:

- (a) suspend or cancel the registration of that charity under the Act; and
- (b) impose fine, not exceeding one million rupees, on the charity or organization.

(2) The Commission shall not take any action under sub-section (1) unless the charity or organization is afforded a reasonable opportunity of hearing and showing cause against the proposed action.

25. Reports.— The Commission shall, from time to time, publish reports, highlighting the areas of operations carried out by the Commission and other administrative actions taken during the period under report.

26. Obligations of charity trustees.— (1) A charity trustee shall:

- (a) comply with the terms and conditions of the governing instrument which envisages the establishment of the charity trustee with the relevant authority;
- (b) coordinate with the other charities operating in the respective domain for purposes of consolidated efforts at achieving the objectives and targets under the Act; and
- (c) immediately inform the Commission about any change in the constituent document of the charity.

27. Fiduciary responsibilities of charity trustees.— A charity trustee shall be responsible for:

- 21 -
- (a) controlling the assets of the charity;
 - (b) protection, proper investment and utilization of the charitable fund;
 - (c) ensuring that the charitable funds are not used for any purpose other than the declared purpose;
 - (d) ensuring that the charitable funds or property is not misused or allowed to go waste as a result of mismanagement or for any other reasons;
 - (e) the sale, lease or other disposal of the charity property and insurance of the charity property; and
 - (f) ensuring that no unnecessary encumbrances are created on the charity property.

28. Accounting records of a charity.— (1) The charity trustees shall ensure that accurate accounting records are maintained in respect of the charity.

(2) The accounting records shall mention all the transactions of the charity and shall also reflect on the financial position of the charity.

(3) The accounting records shall in particular contain:

- (a) entries pertaining to all sums of money received and expended by the charity each day;
- (b) matters in respect of which the receipt and expenditure takes place; and
- (c) the details of assets and liabilities of the charity.

(4) The charity trustees shall preserve the accounting records for such period as may be prescribed.

(5) The charity trustee shall prepare annual statement of accounts.

(6) If the amount given to a charity in a calendar month exceeds fifty thousand rupees, the charity shall deposit the amount in a dedicated bank account and shall provide information of the bank account to the sanctioning authority or the registering authority, as the case may be.

29. Accounting of charitable funds.— The charity trustees shall ensure that accounting records of a charitable fund are maintained as required under section 28.

30. Audit and Inspection.— (1) The Commissioner or the sanctioning authority may, for reasons to be recorded, direct that the accounts of a charity shall be audited or re-audited by a specified auditor at the expense of the charity or the person who has applied for the special audit of the charity.

(2) The Commission or sanctioning authority may inspect or cause to be inspected any accounts maintained under the Act or the rules.

31. Misapplication of funds.— (1) A charity, promoter, collector or recipient of a charitable fund shall not use the fund for any purpose or object other than the purpose or object for which it was collected except with the prior permission of the Commission.

(2) A person authorized to hold charitable fund shall not transfer the custody of the charitable fund to any other person except with the prior approval in writing of the Commission or the sanctioning authority.

|| ||

|| ||

255 |

(3) If any part of any donations collected for any charitable fund is used for any purpose or object other than that for which it was collected, or is otherwise misapplied or misappropriated in any manner, every person concerned with the collection or administration of the fund, whether as a promoter, collector or a recipient, shall unless he proves that the misuse, misapplication or misappropriation occurred without his knowledge and that he had used all due diligence to prevent such misuse, misapplication or misappropriation, shall be deemed to have committed the misuse, misapplication or misappropriation of the charitable fund.

32. Penalty.— (1) Any person who dishonestly or fraudulently tampers with, conceals or destroys any records pertaining to the collection of any charitable fund to which the Act applies shall be deemed to have contravened the Act.

(2) A person who contravenes any provision of the Act or the rules or of any order made, direction given or condition imposed under the Act shall be liable to punishment of imprisonment for a term which may extend to six months but which shall not be less than fifteen days and fine which shall not be less than twenty five thousand rupees or more than one hundred thousand rupees.

33. Cognizance and summary trial.— (1) An offence under the Act shall be cognizable and non-bailable.

(2) A Magistrate of the first class shall conduct the trial of an offence under the Act in accordance with the provisions of Chapter XXII of the Code of Criminal Procedure, 1898 (*V of 1898*) relating to the summary trials.

34. Compounding of offence.— (1) Subject to subsection (2), the Commission or any person specifically authorized in this behalf by the Commission may, at any stage, compound an offence under the Act subject to the deposit of administrative penalty which shall not be less than twenty five thousand rupees.

(2) The offence under the Act shall not be compoundable if the accused had been previously convicted under the Act or his previous offence had been compounded by the Commission or the officer authorized by the Commission.

35. Confiscation.— A court trying an offence under the Act may order the confiscation or recovery of any fund wrongfully collected or misapplied by any person in contravention of the Act.

36. Appeal.— (1) Any person aggrieved by an order or direction of the Commission, may within thirty days of the order, prefer an appeal to the Appellate Committee.

(2) The Government shall, by notification, constitute the Appellate Committee consisting of the Chairperson and such members as it may determine.

(3) The Committee shall perform its functions in the prescribed manner and until so prescribed, the Committee shall regulate its own procedure.

37. Application of other laws.— The provisions of the Act shall be in addition to and not in derogation from any other law.

38. Rules.— (1) The Government may, by notification, make rules to carry out the purposes of the Act.

|| ||

|| ||

158 |

(2) Without prejudice to the generality of the foregoing powers, the rules may provide for:

- (a) the form and contents of declarations and the verification of statements made in a declaration;
- (b) the period for which declarations shall remain in force and the manner in which the period may be extended or terminated;
- (c) the form and manner in which receipts for donations may be given and the maintenance of proper vouchers for purposes of the accounts;
- (d) the maintenance of proper books of account and the auditing of the accounts;
- (e) the periodical submission of statements of accounts;
- (f) the supervision, inspection and examination of accounts; and
- (g) the payment of charges for forms of declarations and certificates.

39. Regulations.— Subject to the Act and the rules, the Commission may, by notification, frame regulations to give effect to the provisions of the Act.

40. Indemnity.— No prosecution, suit or other legal proceedings shall be instituted against any person in respect of anything which is, in good faith, done or intended to be done under the Act.

41. Revision.— Subject to section 36, the Government may, at any time, on its own motion or on the application of any aggrieved person, revise any decision or direction of the Commission and pass such order in accordance with the Act as it may deem proper.

42. Repeal and savings.— (1) The Charitable Funds (Regulation of Collections) Act, 1953 (*XXXI of 1953*) is hereby repealed.

(2) Notwithstanding the repeal of the Charitable Funds (Regulation of Collections) Act, 1953 (*XXXI of 1953*), anything done or action taken under the repealed Act, shall have the effect as if the thing is done or action is taken under the Act.

43. Repeal.— The Punjab Charities Ordinance 2018 (I of 2018) is hereby repealed.

|| ||

|| ||

SECRET

PRIME MINISTER'S OFFICE
ISLAMABAD

Subject: RECOMMENDATIONS OF THE HIGH-LEVEL COMMITTEE SET UP BY THE PRIME MINISTER TO REVIEW LAWS AND REGULATIONS REGARDING ACCREDITATION AND ACTIVITIES OF INGOs

Reference Ministry of Foreign Affairs' u.o. No. HA-5/2/2015 dated 16th June, 2015 on the above subject.

2. The Prime Minister has been pleased to approve the amended recommendations (enclosed) for further necessary action.

CP/101
(Javair Aslam)
Secretary to the Prime Minister
19-06-2015

Syed Tariq Fatemi, Special Assistant to the Prime Minister on Foreign Affairs No. 1965(M)/SPM/2015

Recommendations

1. Henceforth, the Ministry of Interior instead of the Economic Affairs Division, will be in charge of the registration process of the INGOs in Pakistan.
2. Electronic screening shall be introduced as the first step in the registration process. An on line form will automatically reject cases filed with incomplete information.
3. The Economic Affairs Division will provide the existing proforma to MOI to evaluate it to prepare the electronic version of the proforma (preferably within 10 days) and give the members of the INGO Committee access to it for their input.
4. MOI will develop a new comprehensive online form, in consultation with all key stakeholders, and then have it approved by the INGO Committee.
5. In the next step, scrutiny of screened applications will be done by key stakeholders within a period of 45 days. This will involve verification of INGO's non-profit status in the country of origin, the sources of their funding and information about their past operations in other countries.
6. Once an INGO's application for registration is found to be satisfactory, it will be registered for allocation of a particular field of work and a specified location, in consultation with the relevant federal and provincial authorities.
7. This allocation will be done strictly on the basis of needs and national priorities and keeping in view the expertise of the INGO involved.
8. Any deviation from the authorized field and the geographic location will be considered a violation that will lead to termination of registration, without any reason being envisaged.
9. Final decision to register an INGO or otherwise will be the sole prerogative of the INGO Committee, functioning under the 2013 Policy. The existing INGO Committee will shift from EAD to MOI.
10. Following amendments be made in the existing rules/regulations:
 - a. Maximum period of work for any INGO will be upto 3 years, instead of the existing 5 years;
 - b. Maximum duration of visas for those non-Pakistani nationals desirous of working for the INGO, will be upto one year;
 - c. INGOs will not have access to courts;

CV

- d. Pending final decision on application for registration, there will be no interim permission to work;
- e. Prior to registration with the MOI/GOP, an INGO will not be allowed to establish headquarters and field offices, open bank accounts, and hire local employees.
- (1. All INGOs operating in Pakistan will be required to seek fresh registration on the newly introduced electronic version of the registration form, within a span of three months.
12. No unregistered INGO shall be allowed to work. Those failing to register shall be made to leave the country.
13. There will be regular and effective monitoring of INGOs activities and work throughout Pakistan, by all relevant stakeholders.
14. For monitoring purposes, the INGO Committee meetings will be chaired by the Secretary Interior. MOFA, EAD, ISI, IB, SECP, and FBR will be represented at senior levels. As soon as information on violation of terms of reference of an INGO is received, the concerned Ministry/Department/ Agency will immediately share that information with all concerned stakeholders.
15. MOI will periodically intimate all stakeholders about the updated status of INGOs and their areas of operation/activities in various provinces and districts of Pakistan for effective monitoring of the activities of these INGOs by all stakeholders.
16. It will be mandatory for every INGO to submit a detailed annual Plan of Action to EAD, envisaging projects which are in line with their mandate. The Plan of Action shall also include details of the corresponding actual budget. EAD will share these details with all stakeholders.
17. The foreign employees of the INGOs shall seek prior permission of the Ministry of Interior (MoI) for visiting areas outside their permissible area of activities, as given in MOU. In case of violation, visas of foreigners may be cancelled.
18. Business/visit visas shall not be issued to INGOs staff. No request for change of status of visa shall be entertained in Pakistan or by any mission in other countries.
19. Gaps/deficiencies in the existing visa regime will be removed, so that they are not exploited.
20. Security clearance shall be obtained before issuing initial visa to the foreigners wishing to work for INGOs by the Pakistan missions abroad.

21. INGOs will not be allowed to be registered separately with Securities and Exchange Commission of Pakistan (SECP), as Companies. However, INGO Committee may draw rules for monitoring of their transactions, including by SECP.
22. The INGO Committee will be the sole authority for registrations of INGOs. No other Federal, Provincial or local department would be allowed to register any INGO.
23. There would be proper regulation and monitoring of INGOs sources of funding, their accounts and tax returns. Those failing to do so shall be proceeded against, under prescribed rules as framed by relevant authorities.
24. Right of appeal will be applicable only in cases of cancellation of registration on the issue of tax returns, provided it is agreed by the relevant stakeholders.
25. INGOs would be required to have their performance audit done from a panel of auditors provided/approved by the INGO Committee on behalf of the Government.
26. INGOs would be required to make payment to their staff through the banking system in Pakistan and to provide their complete particulars to the Government, on a regular basis.
27. INGOs shall provide updated lists of their "foreign staff" and "locally hired staff" to the Committee through the MOI on a 6-monthly basis. EAD will share these lists with other stakeholders in the INGO Committee.
28. No individual holding Indian nationality will be allowed to work with any INGO.
29. INGOs shall fulfill reporting requirements without fail. Prescribed formats will be devised and conveyed to them at the time of registration.
30. The Committee through MOI will devise these reporting formats as per requirements of the MOU and views of the other stakeholders.
31. INGOs must operate only with the executive authority of the Government. Their non-cooperation or any breach of security or participation in any activity inconsistent with Pakistan's national interests, culture and norms or contrary to Government policy, will involve cancellation of their license, without assigning any reason.
32. In case the INGOs, their subordinates, or their associates are found to be in violation of this laid down framework, their registration will be immediately cancelled and they will have no right to appeal.

33. Once all stakeholders have taken a decision regarding cancellation/non-renewal of registration of an INGO, its implementation will be ensured.
34. In case of grievance of any INGO against orders of INGO Committee the concerned INGO may file a representation before a special committee. This special committee would be headed by Minister for Finance. Minister for Interior and SAPM on Foreign Affairs would be members of the committee. Secretary Interior would be Secretary of the special committee. The committee would decide all representations made before it within 30 days. The decision of this committee would be final.
35. Instances of unauthorized import of armored vehicles will be investigated for further appropriate action.
36. Decisions on termination of INGO registration shall be implemented in true letter and spirit within a period of 60 days, allowing an INGO for making payments and fulfilling all contractual obligations, including to those relating to office and home spaces. However, operational activity shall cease immediately.
37. Ministry of Interior will ensure implementation of the decisions of the INGOs Committee, once case of INGO is cancelled or rejected.
38. The Policy for regulation of organizations receiving foreign contributions (No. 1(5)INGO/05 dated 28 November 2013) and the Bill "Foreign Contributions Act-2015" drafted by the Committee under the former Minister for Science and Technology, will be synchronized, in the light of these recommendations, and shall provide a regulatory framework for all matters relating to INGOs in Pakistan, under the guidance of the INGO Committee coordinated by MOI.
39. These recommendations, including the relevant existing rules, regulations and policies will become part of legislation to be prepared by the Ministry of Law, Justice and Human Rights and placed before Parliament for its approval.

IN THE SUPREME COURT OF PAKISTAN
(ORIGINAL JURISDICTION)

CMA No. -----/2018

IN

Suo Moto Case No. 13/2015

Suo Moto Case No. 13/2015 (Suo Moto action regarding monitoring and evaluation
framework of NGOs/INGOs)

AFFIDAVIT OF THE FACTS

I, Dr. Muhammed Raheem Awan, Secretary Law and Justice Commission of Pakistan take oath and state that the facts as stated in the report are true and correct to the best of my knowledge and belief.

Sworn at Islamabad on the 31st day of August 2018.

Deponent

163