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to provide for establishment of Pakistan Courier and Logistic Authority

WHEREAS it is expedient to establish the Pakistan Courier and Logistics Regulatory Authority and to regulate by law the operations of Pakistan courier and logistics service providers and to provide for the matters connected therewith or incidental thereto.

it is enacted as follows:—

1. Short title, extent and commencement.— (1) This Act may be called the Pakistan Courier and Logistics Regulatory Authority Act, 2018.

(2) It extends to the whole of 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) “Act” means the Pakistan Courier and Logistics Regulatory Authority Act, 2018;

(b) “code of conduct” means the code of conduct to be prescribed by the Authority under its rules for courier and logistics service providers;

(c) “cargo” means any shipment, consignment or goods intended for transmission by rail, road, ship, boat, aircraft or any other mode including operating as a cargo agent, as a freight forwarder, cargo consolidating, terminal operation and any other transport intermediary or incendiary services thereto for cargo;

(d) “Chairperson” means the Chairperson of the Pakistan Courier and Logistics Regulatory Authority;

- (e) "civil servant" means civil servant as defined in the Civil Servants Act, 1973(LXXI of 1973);
- (f) "common carrier" means any person or entity who makes directly or indirectly on commercial basis arrangements for the purpose of receiving, collecting, carrying, conveying and tendering cargo and logistics service which also includes packets, parcels, shipments, consignments and goods, operating as a cargo agent, as a freight forwarder, cargo consolidation, terminal operation in Pakistan or abroad and any person who acts in Pakistan as an agent or subsidiary of a foreign courier and logistics service providing company;
- (g) "company" means a company as defined in the Companies Act, 2017 (XIX of 2017);
- (h) "courier and logistics service provider" means any person or entity by whatever name called, who makes directly or indirectly on commercial basis, arrangements for the purpose of receiving, collecting, carrying, conveying, tendering or delivering packets, parcels, shipments, consignments and goods in Pakistan or abroad including cargo and logistics service through any mode, operating as a cargo agent, as a freight forwarder, cargo consolidation, terminal operation and any person who acts in Pakistan as an agent or subsidiary of a foreign courier and logistics service providing company;
- (i) "Director General" means the Director General appointed under section 7;
- (j) "Fund" means Pakistan Courier and Logistics service Regulatory Authority Fund;
- (k) "Government" means the Federal Government;
- (l) "inland mail" means letters, parcels, packets or any other kind of communication sent by one post office to another in Pakistan;

- (m) "letter" means a communication by one person to another including opened or closed envelopes, postcards and documents sent in writing, printed or typed;
- (n) "licence" means licence granted under this Act;
- (o) "licensee" means a holder of a licence under this Act;
- (p) "logistics service" means service provided by any person or entity by whatever name called, who makes directly or indirectly on commercial basis, arrangements for the purpose of receiving, collecting, carrying, conveying, tendering logistics service which also includes packets, parcels, shipments, consignments and goods, operating as a cargo agent, as a freight forwarder, cargo consolidation, terminal operation in Pakistan or abroad and any person who acts in Pakistan as an agent or subsidiary of a foreign courier and logistics service providing company;
- (q) "mail" includes inland, foreign and transit letters, parcels, packets or any other kind of communication sent by one post office to another in Pakistan or abroad;
- (r) "member" means the member of the Pakistan Courier and Logistics Regulatory Authority including the Chairperson;
- (s) "Ministry of Communications" means Ministry of Communications of the Government;
- (t) "post office" shall have the same meaning as assigned to it in the Post Office Act, 1898 (VI of 1898);
- (u) "regulations" means the regulations made under this Act; and
- (v) "rules" means rules made under this Act.

3. Establishment of Authority.— (1) As soon as may be, but not later than sixty days of the commencement of this Act, the Ministry of Communications shall, by notification in the official Gazette, establish an Authority to be known as Pakistan Courier and Logistics Regulatory Authority for accomplishment of the purposes of this Act.

(2) The Authority shall be a body corporate having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property both moveable and immovable and shall by the its name specified in sub-section (1) sue and be sued.

(3) The Authority shall exercise powers subject to the provisions of this Act.

(4) The principal office of the Authority shall be at Islamabad and it may set up as many offices in other parts of the country as it deems necessary.

4. Composition of Authority.— (1) The Authority shall consist of the following members, namely to be appointed by the Government or a person authorised by it in this behalf:-

(a)	a suitable and an eminent professional having rich experience in business, management, finance or economics;	<i>Chairperson</i>
(b)	two persons from Pakistan courier and logistics service providers;	<i>Members</i>
(c)	one person who shall be member Legal having excellent legal expertise in the relevant field to assist the Authority in legal matters;	<i>Member</i>
(d)	A nominee not below the rank of Joint Secretary of the Division to which subject of communications stands allocated;	<i>Member</i>
(e)	A nominee not below the rank of Joint Secretary of the Division to which subject of commerce stands allocated;	<i>Member</i>
(f)	A nominee not below the rank of Joint Secretary of the Division to which subject of ports and shipping stands allocated;	<i>Member</i>
(g)	A nominee not below the rank of Joint Secretary of the Division to which subject of railways stands allocated;	<i>Member</i>
(h)	A nominee not below the rank of Joint Secretary of the Division to which subject of finance stands allocated;	<i>Member</i>

(i)	A nominee not below the rank of Joint Secretary of the Division to which subject of law and justice stands allocated; and	<i>Member</i>
(j)	Director General or Deputy Director General of Pakistan Post Office Department.	<i>Member</i>

(2) Director General of the Authority shall act as Secretary of the Authority.

(3) The members shall receive such fee and expenses for participation in each meeting of the Authority as may be prescribed.

(4) Term of office for private members shall be three years.

5. Resignation, removal and vacation.— (1) A private member may, by writing under his hand addressed to the appointing authority, resign his office or the appointing authority may remove any member from his office, if he—

- (a) fails to discharge or becomes incapable of discharging his assigned functions or duties under this Act;
- (b) has been declared insolvent by a court;
- (c) has been dismissed from the service of Pakistan; or
- (d) has been convicted of an offence involving moral turpitude.

(2) A member, other than an *ex officio* member, shall be deemed to have vacated his office if he absents himself for three consecutive meetings of the Authority without leave.

6. Meetings of the Authority.— (1) Meetings of the Authority shall be convened by the Chairperson at such dates, time and venue as may be deemed appropriate. The Authority shall meet at least twice during a calendar year. The minutes of every meeting of the Authority shall be laid in its next meeting.

(2) The Chairperson or, in his absence, any of the members elected by the members present for the purpose, shall preside over a meeting of the Authority.

(3) One-half of the total members shall constitute a quorum for meetings of the Authority requiring a decision by the Authority.

(4) The decisions of the Authority shall be taken by the majority votes of members present in the meeting and in case of a tie the Chairperson shall have a casting vote.

7. **Director General.**— (1) There shall be a Director General of the Authority, to be appointed by Prime Minister or a person authorized by him in this behalf, on the terms and conditions as may be prescribed.

(2) The Director General shall be the chief executive officer of the Authority and shall discharge such duties and functions as may be assigned to him or under this Act.

(3) The Director General shall comply with all such directions as may be given to him by the Authority from time to time.

8. **Powers and functions of the Authority.**— (1) The Authority shall be responsible for setting objectives and policy guidelines for the Director General in accordance with the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, the Authority shall—

- (a) regulate the operations, jurisdiction and conduct of Pakistan courier and logistics service providers to safeguard the interest of the State and public;
- (b) promote and encourage development of infrastructure on modern lines and to provide awareness, education and research in the field of courier and logistics service;
- (c) approve policies, plans and programmes to be executed by the Director General;
- (d) prescribe rules, procedures and necessary framework for utilization of funds generated or acquired through services, donations or grants, etc;
- (e) put into place administrative and institutional arrangements for implementation of rules and regulations;

- (f) advise the Government on the policy issues relating to courier and logistics service;
- (g) direct applicants who apply for grant of a licence to operate as courier and logistics service providers to obtain other permissions and licences where required under relevant law and rules and get undertaking from them to abide by and comply with the provisions of international treaties, agreements, protocols etc. concerning with their business and services;
- (h) prescribe fees including fee for grant of a licence and renewal thereof;
- (i) resolve disputes between service providers and customers through Director General;
- (j) levy such charges or fees for services and facilities provided by the Authority and constituent offices;
- (k) perform and carry out any other act, thing or function relating to courier and logistics service assigned to it by the Government or a person authorized by it in this behalf;
- (l) engage in human resource development of its officers, employees, advisers and consultants;
- (m) enter into contracts for supply of goods, services or material or for the execution of works, as may be necessary for the discharge of any of its duties and functions;
- (n) carry out such other works or activities as may be deemed necessary by the Authority to make best use of its assets;
- (o) prescribe criteria for grant of licence to courier and logistics service providers;
- (p) prescribe the manner in which complaints and claims against courier and logistics service providers shall be processed and resolved through Director General;

- (q) conduct inquiry and investigation relating to courier and logistics service providers through Director General;
- (r) award fine, compensation and revoking of licence of a defaulter courier and logistics service provider through Director General; and
- (s) make rules and regulations under this Act.

9. **Delegation.**— The Authority may, by order in writing, delegate to the Chairperson, members, advisers, consultants, Director General or an officer or employee of the Authority any of its powers, responsibilities or functions under this Act subject to such conditions as may be prescribed.

10. **Chairperson and Director General not to engage themselves in certain business.**— (1) The Chairperson shall not, during his term of office, engage himself in any other service, business, vocation or employment or enter into the employment of or accept any Advisory or consultancy relationship with any person or entity engaged in applying for a licence from the Authority or operating courier and logistics service or any related undertaking of such aforesaid person or entity.

(2) The Director General shall not have any direct or indirect financial interest or have any connection with any such person, entity or related undertaking as mentioned in sub-section (1), associated in any way with the licensee of a courier and logistics service provider for so long as he holds the office.

11. **Fund.**— (1) There shall be a fund to be known as Pakistan Courier and Logistics Regulatory Authority Fund which shall vest in the Authority and shall be utilized by it to meet charges from the fund in connection with its functions under this Act including payment of salary and remunerations of the Chairperson, members, advisors, consultants, officers and employees.

(2) The funds shall consist of—

- (a) fees for issuance and renewal of licences;
- (b) subsidy or loans obtained with the general sanction of the Government;

- (c) foreign aid obtained with sanction of and on such terms and conditions as may be approved by the Government; and
- (d) all other sums received by the Authority from any other source.

(3) The Authority may open and operate one or more accounts in local or foreign currency in any scheduled bank in Pakistan.

(4) The Authority may invest its funds in such investments as determined, from time to time by it.

(5) The Authority shall prepare its own budget, approve the same for each calendar year and submit to relevant Ministry of the Government well in time prior to commencement of next financial year for information.

12. Audit and Accounts.— (1) The Authority shall maintain its accounts in such form as may be determined by it in consultation with Controller General of Accounts.

(2) The Authority shall cause to be carried out audit of its accounts by the auditors who are chartered accounts within the meaning of the Chartered Accounts Ordinance, 1961 (X of 1961).

(3) Notwithstanding the audit provided in sub-section (2), the Auditor General shall have the power to conduct special audit of accounts of the Authority if the Government directs as such.

13. Officers, employees, consultants and advisers.— (1) To carry out the purposes of this Act, the Authority may, from time to time, appoint officers, employees, consultants and advisers as it may deem necessary in accordance with terms and conditions as may be prescribed.

(2) The civil servants, having an adequate knowledge and experience of relevant field, will be eligible for posting in the Authority on deputation basis who shall be governed by the Civil Servants Act, 1973(LXXI of 1973) and rules made thereunder.

14. Annual report.— The Authority shall compile and submit an annual report on its operations and accounts to relevant Ministry of the Government and shall also arrange for its publication and circulation to the public.

15. Categories of courier and logistics service providers.– The Authority shall issue licences for the following categories, namely:-

- (a) international courier and logistics service providers;
- (b) national courier and logistics service providers;
- (c) provincial courier and logistics service providers; and
- (d) local area and specific subject courier and logistics service providers.

16. Licence to operate.– The Authority shall have an exclusive right to issue licences for establishment and operation of courier and logistics service under the terms and conditions to be prescribed under the rules:

Provided that this exclusive right shall be used by the Authority in conformity with the principles of fairness, transparency and equity to be applied to all applicants for grant of licences whose eligibility shall be based on prescribed criteria notified in advance and it shall be done through an open and transparent process according to rules prescribed for the purpose:

Provided further that after enactment of this Act, those persons and entities already engaged in provision of courier and logistics service, shall immediately apply for grant of licence to the Authority in the prescribed manner.

17. Consideration of an application for grant of a licence.– The Authority shall take decision on an application for grant of a licence within sixty working days from the date of receipt of the application.

18. Suspension of operation.– A courier and logistics service provider shall not cease or suspend operations except with prior approval of the Authority.

19. Power to authorize inspection.– (1) The Authority may authorize any of its officers or its nominees in writing to enter the premises of a courier and logistics service provider for the purpose of inspection. The inspection and search shall be made as may be prescribed.

(2) A courier and logistics service provider shall provide to such authorized officer with every assistance and facility in performance of his duties.

(3) The authorized officer shall, within forty-eight hours of the inspection, submit his inspection report to the Authority.

20. Power to vary conditions, suspend or revoke licence.— (1) The Authority may revoke or suspend a licence of a courier and logistics service provider on one or more of the following grounds, namely:-

- (a) the licensee has failed to pay the licence or its renewal fee and charges;
- (b) the licensee has failed to comply with the terms and conditions of the licence;
- (c) the licensee has contravened any provision of this Act or rules made thereunder; and
- (d) if the shareholders of the licensee, being a company, have transferred majority of their shares.

(2) Except for reason of necessity in the public interest, a licence shall not be cancelled under sub-section (1) unless the licensee has been given fifteen days' notice to show the cause.

21. Offences and penalties.— (1) Any person who undertakes the business of providing services mentioned in this Act without a licence from the Authority shall be guilty of an offence punishable with a fine which may extend to one million Rupees.

(2) Where the violation or abetment in violation of any provision of this Act is repeated, such violation shall be punishable with imprisonment for a term which may extend to one year or with fine or with both.

(3) The offences under this Act shall be compoundable and non cognizable.

22. Cases to be initiated on complaint.— No court shall take cognizance of any offence under this Act except on a complaint in writing by the Authority or any officer authorized by it.

23. **Cognizance of offences.**— No court inferior to that of a Magistrate of First Class shall try an offence punishable under this Act.

24. **Offences by companies.**— (1) Where any offence under this Act has been committed by a person who at the time when the offence committed was in charge of and was responsible to a company for the conduct of its business, shall be deemed to be guilty of the offence and shall be liable to be proceeded against.

(2) Where the person guilty of an offence under this Act is a legal person or entity, every director, partner and employee of the entity, unless he proves that offence was committed without his knowledge or consent, shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

25. **Chairperson etc., deemed public servants.**— The Chairperson, members, advisers, consultants, Director General, officers and employees of the Authority shall be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code, 1860 (Act XLV of 1860) while acting or purporting to act under any provision of this Act.

26. **Dues to be recovered as arrears of land revenue.**— All dues including outstanding amount of licence and annual renewal fee or any other charges including fine as imposed by the Authority shall be recoverable as arrears of land revenue.

27. **Appeals.**— Any person aggrieved by any decision or order of the Director General may within thirty days of receipt of such order prefer an appeal to the Authority:

Provided that the Director General shall supply a copy of its decision or order of revocation of licence within seven days of the decision to the licensee for making an appeal to the Authority.

28. **Officers of Federal, Provincial and local governments to assist Authority.**— The officers of Federal Government, Provincial Governments and local governments shall assist the Authority and its officers in the discharge of their functions under the provisions of this Acts and rules and regulations made thereunder.

29. Power to make rules.— (1) The Authority may, with the approval of the Government or a person authorized by it and by notification in the official Gazette, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may be provided for all or any of the following matters, namely:-

- (a) to prescribe the forms for the licences for working, installing, operating or dealing in courier and logistics service;
- (b) to prescribe the terms and conditions of licence including fee to be charged in connection with issuance of licences and related matters;
- (c) to prescribe terms and conditions for appointment of Director General, advisers, consultants, officers and employees;
- (d) to prescribe conditions for delegation of powers and responsibilities of the Authority; and
- (e) to prescribe standards and measures for consignments to be handled by the courier and logistics service providers.

30. Powers to make regulations.— The Authority may make regulations not inconsistent with this Act or the rules framed thereunder to provide for or giving effect to the provisions of this Act and the efficient conduct of the affairs of the Authority.

31. Information and data.— The Authority may requisition in writing any information or data required by it for carrying out the purposes of this Act from any person or entity involved directly or indirectly in the provision of courier and logistics service or any matter incidental or consequential thereto.

32. Indemnity.— No suit, prosecution or other legal proceedings shall lie against the Authority or any other person exercising any power or performing any function under this Act or for anything which is in good faith done or purporting or intended to be done under this Act or any rules made thereunder.

33. **Savings.**– Nothing in this Act shall derogate from or affect the provisions of the Post Office Act, 1898 (VI of 1898) and the Pakistan Postal Services Management Board Ordinance, 2002 (XXVI of 2002).

34. **Removal of difficulties.**– If any difficulty arises in giving effect to any provision of this Act, the Authority may make such order, not inconsistent with provisions of this Act, as may appear to it to be necessary for the purpose of removing the difficulty:

Provided that no such order shall be made after two years of the commencement of this Act.

STATEMENT OF OBJECTS AND REASONS

To protect the interest of consumers, state and courier and logistics service providers, to create fair conditions for all market operators, to organize the competition in terms of quality, accessibility, affordability, safety, security and to bring the operations of courier and logistics service providers within the ambit of law, prescribing regulatory framework as such.

SENATOR KHUSHBAKHT SHUJAT
Member-in-Charge