

[AS PASSED BY THE SENATE]

A

Bill

further to amend the Control of Narcotic Substances Act, 1997

WHEREAS it is expedient further to amend the Control of Narcotic Substances Act, 1997 (XXV of 1997), for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and commencement.— (1) This Act shall be called the Control of Narcotic Substances (Amendment) Act, 2020.

(2) It shall come into force at once.

2. Amendment of Section 12, Act XXV of 1997.— In the Control of Narcotic Substances Act, 1997 (XXV of 1997), in Section 12, in clause (c) after the word “declaration”, the words “or by employing any other means of concealment” shall be inserted.

Statement of Objects and Reasons

That Pakistan has been given final lifeline by Financial Action Task Force (FATF) to meet the deficiencies with regard to Money Laundering (ML) and Terrorists Financing highlighted by Asian Pacific Group (APG).

That vide para-41 of recommendation No.3 of Mutual Evaluation Report (MER) 2019 (Copy Enclosed), FATF has observed a minor deficiency in Section 12 of the Control of Narcotic Substances (CNS) Act, 1997 that it restricts the acts of concealment or disguise by making false declaration. It is highlighted that as per section 12 (c) of CNS Act, 1997, the scope/applicability of the said section has been confined to “making false declaration with regard to ownership, source, location or true nature of assets”. Moreover, during the meeting held at Financial Monitoring Unit (FMU), it was intimated that legal regime of Pakistan with regard to ML and TF is largely compliant, however, in case the deficiencies are not met, it may result into negative impact upon the efforts undertaken by Pakistan to comply with the requirements/observations of FATF.

Senator Muhammad Azam Khan Swati
Minister for Narcotics Control