

AS  
[TO BE INTRODUCED IN THE SENATE]

A

Bill

*to promote integrity, transparency, and accountability of public officials and institutions, to reduce conflict of interest, to create the Integrity Commission, and to establish codes of conduct and guidelines for persons exercising public functions.*

It is enacted as follows:

**1. Short title, extent, and commencement.** - (1) This Act may be called as the Pakistan Integrity in Public Life Act, 2024.

- (2) It extends to the Islamabad Capital Territory.
- (3) It shall come into force at once.

**2. Definitions.** - In this Act:

- a) "Assets" means all property, including money, beneficially held in Pakistan or elsewhere and all rights and benefits enjoyed on a continuing basis;
- b) "Chairman" means the Chairman of the Commission;
- c) "Dependent" means the child of a person, including a child of the family, step-child or adopted child, whether of full age or not, who is unmarried and being maintained by such person;
- d) "Income" means all income, from whatever sources derived, acquired in or out of Pakistan, whether directly or indirectly, as money or money's worth and includes all receipts by way of salary, fees, wages, perquisites, profits, gains, emoluments, rents, interest, commissions, bonus, pension, annuity or benefit;
- e) "Integrity Commission" shall refer to the body established under this Act;
- f) "Public Official" shall mean any person holding a public office at the federal level, including elected and unelected officials.
- g) "Public organization" means all government organizations at the Federal level, including Ministries, Departments, Government owned companies, autonomous bodies and other legal entities; and
- h) "Spouse" in relation to a person in public life means a person to whom the person in public life is married.

**3. Creation of the Integrity Commission.** - (1) There shall be established an Integrity Commission responsible for overseeing the conduct of public officials and ensuring integrity in public life.

(2) The composition of the Commission shall consist of a Chairman, Deputy Chairman and three other members who shall be persons of integrity and high standing, having a Master's Degree and at least (10) years' experience at the senior management level in a public or private sector organization, very good understanding of financial instruments and transactions (including banking instruments, investment vehicles and instruments, cash flows, corporate structures, partnership arrangements, asset tracing, etc), sound knowledge of Government's financial rules, regulations and norms relevant to statutory bodies and state enterprises and highest standards of ethics, to be appointed by the President in consultation with the Prime Minister and Leader of the Opposition, and shall include:

- a) At least one member who shall be an attorney-at-law of at least ten years' experience; and
- b) At least one member who shall be a chartered or certified accountant.

(3) The Commission shall operate independently and shall have the powers and functions as prescribed in this Act as follows:

- a) receive, examine and retain all declarations filed with it under this Act;
- b) make such enquiries as it considers necessary in order to verify or determine the accuracy of a declaration filed under this Act;
- c) compile and maintain a Register of Interests;
- d) receive complaints regarding any alleged breaches of this Act or the Commission and refer them to relevant authorities or entities for investigation
- e) examine the practices and procedures of public bodies;
- f) instruct, advise and assist the heads of public bodies of changes in practices or procedures which may be necessary to reduce the breach of integrity;
- g) carry out programs of public education intended to foster an understanding of standard of integrity; and
- h) perform such other functions and exercise such powers as are required by this Act.

(4) The Commission shall, make a report to Parliament of its activities in the preceding year and the report shall be tabled in the Senate and the Parliament not later than 30th June.

**4. Code of Conduct. - (1)** The Integrity Commission shall develop and enforce Code(s) of Conduct for public officials, outlining ethical standards and obligations.

(2) The Code(s) of Conduct shall include provisions addressing conflicts of interest, gifts, and other matters affecting the integrity of public officials.

**5. Declaration of Assets. - (1)** Every public official shall submit a declaration of assets, liabilities, income, and interests in relation to property to the Integrity Commission annually.

(2) The annual declaration shall contain details of the income, assets and liabilities of the person in public life and those of his/her spouse and dependent children.

(3) The declaration shall be made public, subject to reasonable safeguards for sensitive information.

(4) It shall be an offence to fail to file a declaration or to give false or incomplete information in a declaration, subject to relevant penalties determined by the Integrity Commission.

**6. Conflicts of Interest and Register of Interests. - (1)** All public officials must be required to sign conflict-of-interest declarations every year.

(2) Every public official shall file a statement of registrable interests with the Commission with details, including:

- (a) the Official's occupation or occupations during the three-year period before he or she took up, and his or her membership during that period of any boards or committees of companies, non-governmental organizations, associations, or other bodies established in law,

- (b) any regular remunerated activity which the Official undertakes alongside the exercise of his or her office, whether as an employed person;
- (c) membership of any boards or committees of any companies, non-governmental organization, association or other bodies established in law, or any other relevant outside activity that the Official undertakes, whether the membership or activity in question is remunerated or unremunerated;
- (d) any occasional remunerated outside activity (including writing, lecturing or the provision of expert advice);
- (e) any holding in any company or partnership, where there are potential public policy implications or where that holding gives the member significant influence over the affairs of the body in question; and
- (f) any other financial interests, which might influence the performance of the Official's duties.

(3) An Official shall not use his or her position to influence a decision of another person so as to further the Official's private interests or such of an Official or his or her family or to improperly further another person or entity's private interests.

(4) An Official shall not use information obtained in his or her position that is not generally available to the public to further their private interests or those of his or her family, or to improperly further another person's or entity's private interests.

(5) The Integrity Commission shall maintain a register, to be called the Register of Interests, in which must be recorded all information furnished by all public officials concerning their statements of registrable interests and which would be available for public inspection.

**7. Awareness and education.** - The Integrity Commission shall develop and implement education and awareness programs and trainings on public ethics and procedures for conflict-of-interest situations and ethical dilemmas.

**8. Whistleblower Protection.** - (1) Provisions shall be made to protect whistleblowers reporting acts of conflict of interest and misconduct.

(2) Each public organization shall have an internal Whistle Blowing Policy and develop a plan to communicate it to staff, effectively. The Commission shall issue guidelines and Whistleblowing Policy templates.

(3) Whistleblowers shall be immune from retaliation and afforded appropriate legal protections.

**9. Technology to ensure transparency in Government Procedures.** - (1) Provisions shall be made to promote the development of information technology systems and best practices to ensure transparency in government.

(2) Each public organization shall publish its audited entity/project finance statements, annual progress reports, all applicable policies, and procedures on their website.

(3) The Integrity Commission shall reinforce the legal frameworks on access to public sector information and strengthen timely compliance across the public sector.

**10. Competitive procurement to ensure transparency in Government Procedures.-** (1) Competition shall be encouraged in procurement processes and procurements must be carried out on the basis of clear and appropriate rules and procedures that are applied consistently to all potential bidders.

(2) To strengthen procurement systems, a comprehensive procurement manual providing procedural level guidance shall be developed in line with Public Procurement Regulatory Authority Rules and shall be approved by the competent authority. The Annual Procurement Plan shall be approved by the Principal Accounting officer.

(3) There shall be mandatory end-to-end digitization of the procurement process with all information publicly available online. All steps including technical, and financial evaluation, performance guarantees by successful bidder, and issuance of Work Orders shall be made through an end-to-end digitized publicly accessible procurement portal.

**11. Competitive hiring to ensure transparency in Government Procedures.-** Human resource hiring, and deputations shall be pursued through an open competitive basis without exceptions and shall be rule based, with appropriate rules and procedures applied consistently to all potential applicants.

**12. GIS mapping to ensure transparency in Government Procedures. -** There shall be mandatory use of the Geographic Information System for all infrastructure and development schemes, entailing compulsory uploading of pre-and post-images. This GIS interface shall be publicly available and verifiable information on this shall be the basis of fund release to commercial entities involved in executing on behalf of the government.

**13. Biometric verification to ensure transparency in Government Procedures. -** There shall be mandatory installation of a biometric verification system for ascertaining attendance in all government ministries and departments. Release of pay and remuneration shall be contingent on biometrically verifiable attendance.

**14. E-filing to ensure transparency in Government Procedures. -** Ministries and other federal organizational entities shall fully convert to e-office, the government's electronic filing system, to maintain electronic trail of all communications. Organizations shall draw on this tool for reporting on HR performance.

**15. Risk and audit. -** (1) A comprehensive Risk Register and risk assurance and management objectives shall be developed for ministries and other federal organizational entities, to define risks, their category (operational, financial, reputational, legal etc.) and the means of risk mitigation.

(2) Organizations shall identify and respond to changing and emerging risks. Risks shall be categorized as high, medium, and low so that tracking of high risks can be done on a priority basis.

(3) Assurance arrangements including but not limited to internal audit, external audit, IT audit, review of policies, impact assessments, spot checks, cash-flow tracking exercises, procurement reviews, beneficiary feedback etc., shall be applied depending on the nature of risks.

(4) Necessary risk mitigating actions shall be mapped on a detailed workplan with specific timelines and accountabilities about implementation.

(5) Every organization shall have an Internal Audit department/team that shall have unlimited access to information and records.

(6) Every revenue generating organizational entity shall have a mandatory external audit of financial statements by an external audit firm in addition to the audit conducted by the Auditor General of Pakistan on an annual basis.

(7) To strengthen fiduciary systems and financial management and to institutionalize risk management and assurance, full compliance shall be ensured with the following policies and tools of the Government:

- (a) Public Procurement Regulatory Authority Rules;
- (b) Cash Management and Treasury Single Account Policy 2019-20; and
- (c) Public finance management law and secondly legislation ensuing out of it to ensure compliance with the Government's budgetary, accounting and cash management systems.

**16. Act not to prejudice other laws.** - In the event of any inconsistency or conflict between the provisions of this Act and those of any other law, regulation, or legal instrument, whether enacted prior or subsequent to this law, the provisions of this Act shall prevail and take precedence to the extent of such inconsistency or conflict. It is the express intent of this Act that the principles and standards of integrity, transparency, and ethical conduct enshrined in this law supersede any conflicting provisions of other laws, regulations, or legal instruments. All public officials, entities, and individuals subject to the jurisdiction of this law shall adhere to its provisions, and any contrary provisions in other laws shall be deemed to be modified or overridden to ensure the primacy of integrity and ethical governance.

**17. Power to make rules.** - The Government shall make rules for carrying out the purposes of this Act.

**18. Power to frame regulations.** - (1) The Integrity Commission shall frame regulations for carrying out the purposes of this Act.

(2) Without prejudice to or limiting subsection (1), the regulations shall provide, inter alia, for matters involving financial assistance, payment schedule, grievance redressal, social audits and operation of all schemes established and implemented under the Programme.

**19. Removal of difficulties.** - If any difficulty arises in giving effect to the provisions of this Act, the Government may make such order, not inconsistent with provisions of this Act or any other law regulating the implementing agencies, as is necessary or expedient to remove such difficulty.

### **STATEMENT OF OBJECTIVES AND REASONS**

Over the years, serious loopholes have been created in many laws and regulations dealing with various institutions and sectors. There is also shocking tolerance for failure to comply with laws and regulations, their weaknesses, notwithstanding. This allows space for maneuverability, when combined with unchecked powers of discretion, a culture of arbitrariness, tendency to circumvent procedures and a near-absence of accountability for rule and evidence-based decision making. Combine this with a bureaucracy with political leanings, and a tendency to disregard integrity, disclosure and conflict-of-interest in appointments, and a toxic brew has been created to erode the principles of governance, fostering collusion and corruption.



Any serious anti-corruption attempt must address these systemic fault-lines as a starting point. Rule-based control on government functioning, respect for merit, integrity, ethical conduct, accountability and transparency and oversight of discretionary powers and safeguards against conflict of interest are the foundation stones of any measure aimed at improving governance.

Corruption is now widely discussed and condemned in Pakistan. There seems to be a growing realization that corruption isn't just about kickbacks, embezzlement, and fraud, but that with its complex fiscal, intellectual, and ethical ramifications, it has far-reaching consequences. The interplay of weak governance of state institutions, vested interests of the powerful elite, strong monopoly power, wide discretion for officials and weak accountability mechanisms has led to state capture by the elite.

Within this context, this Bill emphasizes the importance of integrity in the public sector, and seeks to establish a comprehensive framework through the Integrity Commission to enhance and uphold ethical standards, transparency, and accountability in governance practices. Its objectives are to promote ethical conduct, foster a culture of integrity and ethical behavior within public institutions, and establish guidelines and standards for individuals and entities to adhere to high ethical principles in their professional conduct. The Bill also aims to promote transparency in the decision-making processes within governmental bodies and institute mechanisms for holding public officials accountable for their actions, ensuring that they act in the best interests of the public and stakeholders.

The Bill also aims to establish a comprehensive whistleblower protection program, ensuring the safety and anonymity of individuals reporting instances of unethical behavior and incentivize and support whistleblowers in their crucial role of exposing wrongdoing without fear of retaliation. The Bill aims to establish an independent oversight body responsible for monitoring the implementation of this Bill and ensuring compliance with its provisions—the Integrity Commission. The Bill aims to rebuild and strengthen public trust in governmental institutions, which has been badly eroded over the years.

In sum, this Bill aims to create a legal and institutional framework that fosters a culture of integrity, transparency, and accountability. By addressing ethical lapses and corrupt practices, we aspire to build a society where public trust is upheld, and the interests of the people are safeguarded.

**SENATOR SANIA NISHTAR  
MEMBER-IN-CHARGE**