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PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN

MINISTRY OF LAW, JUSTICE, HUMAN RIGHTS AND PARLIAMENTARY AFFAIRS

(Law, Justice and Human Rights Division)

Islamabad, the 28th March, 2002

F. No. 2(1)/2002-Pub.—The following Ordinance promulgated by the President is hereby published for general information :—

ORDINANCE NO. XVII OF 2002

AN

ORDINANCE

to provide for the establishment of the Oil and Gas Regulatory Authority

WHEREAS it is expedient to foster competition, increase private investment and ownership in the midstream and downstream petroleum industry, protect the public interest while respecting individual rights and provide effective and efficient regulations and for matters connected therewith or incidental thereto ;

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AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action ;

NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the fourteenth day or October, 1999, and the Provisional Constitution Order No. 1 of 1999, read with the Provisional Constitution (Amendment) Order No. 9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:—

CHAPTER I

GENERAL

1. **Short title, extent and commencement.**—(1) This Ordinance may be called the Oil and Gas Regulatory Authority Ordinance, 2002.

(2) It extends to the whole of Pakistan including the offshore area.

(3) It shall, other than the provisions of sub-section (2)(j) of section 6, sub-section (2) of section 23, sub-section (3) of section 23, sub-section (3)(a) of section 44 and sub-section (3)(b) of section 44, come into force at once and the provisions of sub-section (2)(j) of section 6, sub-section (2) of section 23, sub-section (3) of section 23, sub-section (3)(a) of section 44 and sub-section (3)(b) of section 44 shall come into force together or separately on such date or dates as the Federal Government may, on the advice of the Authority, by order in the Official Gazette, appoint.

2. **Definitions.**—(1) In this Ordinance, unless there is anything repugnant in the subject or context,—

(i) "Authority" means the Oil and Gas Regulatory Authority established under section 3;

(ii) "Chairman" means the Member appointed as Chairman of the Authority pursuant to the provisions of this Ordinance and includes the Vice Chairman when acting in substitution thereof;

(iii) "CNG" means natural gas compressed for vehicular or other mobile use;

(iv) "consumer" means a retail consumer for natural gas, retail consumer for oil or wholesale consumer;

(v) "crude oil" means all petroleum other than refined oil products and natural gas, and which at standard atmospheric conditions of pressure and temperature is in a fluid phase, including condensate;

(vi) "decision" means an order, determination, direction or decision of the Authority made in accordance with this Ordinance, rules and regulations, and "decide" shall mean the action taken by the Authority to arrive at such decision;

(vii) "distribution" means the activity of transporting natural gas through pipelines and associated facilities at a pressure which would not ordinarily be expected to exceed 300 psig or such pressure as the Authority may

prescribe from time to time but does not include gathering lines situated wholly within the boundaries of an area to which petroleum rights apply;

(viii) "facility" includes any LPG processing facility or compression facility, natural gas or LPG testing facility, natural gas storage facility or crude oil and refined oil products storage facility (other than storage associated with a refinery);

(ix) "financial year" means the period beginning on the first day of July in a calendar year and ending on the thirtieth day of June in the next following calendar year;

(x) "installation" means port facilities used in loading, unloading and reloading of petroleum, including equipment, terminals, storage tanks and pipelines;

(xi) "licence" means a licence granted under this Ordinance;

(xii) "licensee" means the grantee or holder of a licence;

(xiii) "liquefied petroleum gas" or "LPG" means hydrocarbons mainly consisting of propane and butane, mixed or unmixed, whether with or without other gases, which are vapours at room temperature and pressure but can be liquefied on compression;

(xiv) "LNG" means liquefied natural gas;

(xv) "marketing of refined oil products" means the activity of purchasing or obtaining refined oil products from refineries in Pakistan, or from or through sources abroad, for selling, distributing or marketing directly or through agents or dealers at dispensing outlets or filling stations;

(xvi) "Member" means a Member of the Authority, including the Chairman;

(xvii) "natural gas" means hydrocarbons or mixture of hydrocarbons and other gases which at sixty degrees fahrenheit and atmospheric pressure are in the gaseous state (including gas from gas wells, gas produced with crude oil and residue gas and products resulting from the processing of gas) consisting primarily of methane, together with any other substance produced with such hydrocarbons;

(xviii) "NGRA" means the Natural Gas Regulatory Authority established under the NGRA Ordinance;

(xix) "NGRA Ordinance" means the Natural Gas Regulatory Authority Ordinance, 2000 (I of 2000);

(xx) "offshore area" means the area which is located completely seaward from the high water mark along the coast of Pakistan and is within the territorial waters, historic waters, Contiguous Zone, Continental Shelf or Exclusive Economic Zone, as these terms are defined in the Territorial Waters and Maritime Zones Act, 1976 (LXXXII of 1976);

(xxi) "oil" means all types of petroleum with the exception of natural gas, LPG, LNG and CNG;

(xxii) "person" includes any individual or any legal entity including any partnership, firm, company, trust or corporation;

(xxiii) "petroleum" means crude oil, refined oil products and natural gas;

(xxiv) "petroleum rights" means either a permit for the carrying out of a reconnaissance survey or an exclusive petroleum exploration licence or a development and production lease or a mining lease, and any extension thereto as may be granted by the Federal Government under the Regulation of Mines and Mineral Development (Government Control) Act, 1948 (XXIV of 1948);

(xxv) "pipeline" means any pipe or any system or arrangement of pipes wholly within Pakistan including offshore area, which transports petroleum and includes all equipment of any kind used for the purpose of, or in connection with, or incidental to, the operation of a pipeline in transporting, handling of petroleum;

(xxvi) "policy guidelines" means policies of the Federal Government covering or related to any or all of the regulated activities which are issued in writing pursuant to a decision of the Cabinet of the Federal Government or any committee thereof;

(xxvii) "prescribe" means prescribed by the rules or regulations;

(xxviii) "public emergency" means the occurrence of any natural calamity, or an event which threatens public safety, or the sovereignty, security or integrity of Pakistan and has been so declared by the Federal Government;

(xxix) "record" includes an account, book, return, statement, report, chart, table, diagram, form, survey, image, invoice, letter, map, agreement, memorandum, plan, voucher, financial and nonfinancial information, and anything containing information, whether in writing, digital or in electronic form or represented or reproduced by any other means, and recording of details of electronic data processing systems and programs to illustrate what the systems and programmes do and how they operate;

(xxx) "refined oil products" means products that result from the refining of crude oil and includes, inter alia, furnace oil, motor gasoline, diesel, lubricating oils and other blended products, kerosene, jet fuel and LPG;

(xxxi) "refinery" means an industrial plant where crude oil is processed or refined;

(xxxii) "regulated activity" means an activity requiring a licence;

(xxxiii) "regulations" means regulations made under this Ordinance;

(xxxiv) "retail consumer for natural gas" means a person who purchases or receives natural gas for consumption and not for delivery or resale other than resale for vehicular use or self-consumption by a licensee in connection with its regulated activity;

(xxxv) "retail consumer for oil" means a person who purchases or receives oil for consumption and not for resale;

(xxxvi) "rules" means rules made under this Ordinance;

(xxxvii) "sale" means the sale of natural gas to retail consumers of natural gas but does not include sale of CNG for vechicular use or self-consumption by a licencee in connection with its regulated activity;

(xxxviii) "strategic petroleum storage" means petroleum stored as fuel reserve in the event of a public emergency;

(xxxix) "tariff" means subject to policy guidelines, a schedule or rate determined or approved by the Authority in accordance with the rules;

(xl) "transmission" means the activity of transporting natural gas through pipelines and other facilities at a pressure of not less than 300 psig or such pressure as the Authority may prescribe from time to time except through pipelines situated wholly within the boundaries of an area to which petroleum rights apply and are owned or operated by the holder of a petroleum right; and

(xli) "transportation" means an activity of transporting oil through pipelines and associated facilities, except where the pipelines are an integral part of

a refinery, facility or gathering pipelines situated wholly within the boundaries of an area where petroleum rights apply and are owned or operated by the holder of a petroleum right.

CHAPTER II
ESTABLISHMENT OF OIL AND GAS REGULATORY AUTHORITY

3. **Establishment of Authority.**-(1)The Federal Government hereby establishes a regulatory authority, which shall be known as the Oil and Gas Regulatory Authority.

(2) Subject to the provisions of this Ordinance, the Authority shall be independent in the perfomance of its functions. The Authority shall be a body corporate, having perpetual succession and a common seal, with power, subject to the provisions of this Ordinance, to enter into contracts, acquire and hold property, both movable and immovable, and to sue and be sued in its name.

(3) The Authority shall consist of a Chairman and three additional Members out of whom one shall be designated as Member Gas, one Member as Member Oil and one Member as Member Finance.

(4) The Chairman shall be an eminent professional of known integrity and comptetence with a minimum of twenty years of related experience in law, business, engineering, finance, accounting, economics or petroleum technology.

(5) The Member Oil shall be a person who holds an appropriate degree in the relevant field and is an experienced, eminent professional of known integrity and competence with a minimum of twenty years of related experience in the field of oil, including the transportation thereof.

(6). The Member Gas shall be a person who holds an appropriate degree in the relevant field and is an experienced, eminent professional of known integrity and competence with a minimum of twenty years of related experience in the field of natural gas, including the transmission and distribution thereof.

(7) The Member Finance shall be a person who holds an appropriate degree in the relevant field and is an experienced, eminent professional of known integrity and competence with a minimum of twenty years of related experience in the field of corporate finance or accounting.

(8) Subject to sub-section (9), -

(a) the Chairman shall be appointed by the Federal Government for an initial term of four years and shall be eligible for reappointment for a similar term;

(b) the Member Oil and Member Gas shall be appointed by the Federal Government for initial terms of three years and shall be eligible for reappointment for a term of four years;

(c) the Member Finance shall be appointed by the Federal Government for an initial term of two years and shall be eligible for reappointment for a term of four years.

(9) The Chairman and the other Members shall retire on attaining the age of sixty-five years.

(10) In case of a vacancy occurring due to the death, resignation, retirement or removal of any Member, the Federal Government shall appoint another qualified person within a period not exceeding three months from the date the vacancy occurred.

(11) Any Member may resign from his office by writing under his hand addressed to the Federal Government. The Federal Government may remove a Member from his office if, on an inquiry by the Federal Public Service Commission, he is found unable, to perform the functions of his office due to mental or physical disability, or to have committed misconduct.

(12) Any Member may serve a maximum of two terms.

(13) The Federal Government shall designate one of the Members as Vice-Chairman, who shall act as Chairman at any time during which the Chairman for any reason is incapable of exercising the Chairman's powers or preforming the Chairman's duties and when so acting, the Vice-Chairman shall exercise the power and perform the duties imposed on the Chairman by this Ordinance.

4. **Meetings of the Authority.**—(1) The Chairman and two other Members shall constitute a quorum for a meeting of the Authority requiring a decision by the Authority.

(2) The decisions of the Authority shall be taken by the majority of its Members and in case of a tie, the Member presiding shall have a casting vote.

(3) All decisions of the Authority shall be in writing and identify the decision of the Chairman and other Members separately.

(4) No act, proceeding or decision of the Authority shall be invalid by reason only of the existence of a vacancy in, or defect in the constitution of the Authority.

(5) The Chairman shall call all meetings of the Authority. The Chairman shall also call meetings of the Authority immediately on being requested in writing to do so by at least two Members of the Authority.

(6) Each Member shall have reasonable notice of the time, place of the meeting and matter on which a decision shall be taken.

5. **Remuneration and conflict of interest.**— (1) The Members shall be paid such remuneration for their respective terms of office as may be determined by the Federal Government in advance of their appointment which remuneration shall not be varied to their disadvantage during their term in office.

(2) No person shall be appointed by the Federal Government as a Member if he has any direct or indirect financial interest in, or has any connection which might reasonably be viewed as giving rise to a conflict of interest with any person involved in any regulated activity. No person appointed as a Member shall during his term in office have or maintain any direct or indirect financial interest in any person involved in any regulated activity. Members shall not at any time during their term of office engage themselves in any other services, business, vocation or employment with any other person.

(3) No Member shall take part in any decision, if such Member is in any way, whether directly or indirectly, concerned or interested in the decision, nor shall such Member's presence count for the purpose of forming a quorum at the time of any such decision.

(4) Every Member who knowingly contravenes any of the provisions of sub-section (2) and sub-section (3) shall, on inquiry by the Federal Public Service Commission, be guilty of misconduct.

(5) Subject to sub-section (6), it shall not be lawful for any Member, for so long as he holds office and for a period of two years thereafter, to seek or hold any office or employment nor to acquire or purchase (whether in his name or otherwise) any interest in any corporation, partnership, trust, firm or company carrying on-

(a) business in any regulated activity; or
(b) the business of providing professional or Advisery services to any person undertaking any regulated activity.

(6) A Member may, before the expiration of two years after he has ceased to hold that office, enter into the employment of or accept any professional or Advisery relationship with any corporation, partnership, trust, or company, carrying on business in any phase of a regulated activity, provided he has obtained written approval of the Federal Govenment which shall not be unduly denied.

(7) A Member shall not be in contravention of sub-sections (2), (3) or (4), if he is receiving any pension benefits, while serving the Authority, due to him from a prior employment with any person.

6. **Powers and functions of the Authority.**- (1) In addition to such others powers and functions as may be imposed on it or transferred under this Ordinance, the Authority shall be exclusively responsible for granting licences for the carrying out of regulated activities and regulating such activities.

(2) Without prejudice to the generality of the foregoing, the Authority shall-

(a) ,in the manner prescribed in the rules, grant, issue, and renew licences, modify, amend, extend, suspend, review, cancel and reissue, revoke or terminate any licence for the undertaking of any regulated activity and to prescribe requirements to be satisfied by applicants for the grant of licence;

(b) ,in consultation with licensees, specify, performance and service standards and other conditions for undertaking any regulated activity;

(c) prescribe a uniform form of accounts and accounting practices to be complied with by licensees;

(d) administer, enforce and certify standards and other conditions for undertaking any regulated activity specified in clauses (b) and (e);

(e) ,in consultation with licensees specify and review standards for the equipment and materials to be used in undertaking any regulated activity;

(f) promote and ensure the observance of efficient practices, where applicable, in the transmission, distribution, processing, refining, marketing, storage of petroleum and transportation of petroleum by pipelines;

(g) promote effective competition and efficiency in the activities within its jurisdiction of the Authority;

(h) monitor and enforce compliance by licensees with the conditions of licences;

(i) resolve complaints and other claims against licensees for contravention of the provisions of this Ordinance, rules or regulations;

(j) ensure the provision of open access, common carrier and common operator as may be deemed necessary or expedient by the Authority in the public interest based on an application made by an interested party to the Authority and provided that-

(i) the Authority decides excess capacity is available; and

(ii) any decision relating to open access, common carrier and common operator adequately compensates the owner of the relevant facility, pipeline or installation;

(k) resolve disputes between licensees, between licensees and any other person regarding a regulated activity;

(l) provide for the submission, filing, recording and timely and useful dissemination of information regarding the regulated activities;

(m) ,subject to section 41, make rules under this Ordinance;

(n) subject to section 42, make regulations pursuant to this Ordinance;

(o) safeguard the public interest, including the national security interest, of Pakistan in relation to regulated activities in accordance with this Ordinance, rules and regulations;

(p) prescribe fines for contravention of the provisions of this Ordinance, rules, regulations and terms and conditions of a licence or a decision of the Authority;

(q) protect the interests of all stakeholders including the consumers and the licensees in accordance with the provisions of this Ordinance and the rules;

(r) administer or establish prices, for those categories of petroleum for which the Federal Government establishes prices and may delegate the function to the Authority from time to time, subject to-

(i) section 21, and
(ii) any existing contract or agreement specifying prices;

(s) prescribe, review, approve and regulate tariffs for regulated activities pertaining to natural gas and operations of the licensees for natural gas and marketing of refined oil products;

(t) in consultation with the Federal Government and licensees for natural gas determine for each such licensee a reasonable rate of return which may be earned by such licensees in the undertaking of its regulated activity pertaining to natural gas, keeping in view all the circumstances;

(u) oversee the capital expenditure to be made by licensees for natural gas in connection with any regulated activity pertaining to natural gas;

(v) prescribe procedures and standards for investment programmes by licensees for natural gas;

(w) determine the well-head gas prices for the producers of natural gas in accordance with the relevant agreements or contracts, and notify the same in the official Gazette;

(x) enforce standards and specifications for refined oil products as notified by the Federal Government;

(y) perform any other function or exercise power as may be incidental or consequential to the performance of any of its functions or the exercise of any of its powers.

(3) The Authority shall impose and collect such fees and other charges in respect of any of its functions at such rates as may be determined, from time to time, by the Authority in accordance with the rules.

7. **Tariff.**—(1) Subject to policy guidelines, the Authority shall determine or approve tariff for regulated activities whose licences provide for such determination or such approval or where authorized by this Ordinance.

(2) The criteria for determination, approval, modification and revision of tariffs shall be prescribed in the rules and in the terms and conditions of each licence and shall, inter alia, include ---

(a) provision for the protection of users of regulated activities and consumers against monopolistic or oligopolistic pricing;

(b) cost of research, development and capital investment programme;

(c) provision of reasonable returns to attract investment of the quantitative and qualitative improvements of regulated activities;

(d) encouragement and reward of efficiency;

(e) sending of appropriate price signals regarding the relative abundance or scarcity of supply of such regulated activity;

(f) minimising economic distortions; and

(g) keeping in view the costs of alternate or substitute sources of energy.

8. **Pricing for retail consumers for natural gas.**-(1) The Authority shall determine an estimate of the total revenue requirement of each licensee for natural gas engaged in transmission, distribution and the sale of natural gas to a retail consumer for natural gas, in accordance with the rules, and on that basis advise the Federal Government the prescribed price of natural gas for each category of retail consumer for natural gas.

(2) A licensee for natural gas referred to in sub-section (1), shall submit for review by the Authority its total revenue requirement after incorporating the actual changes in the well-head prices, as notified by the Authority and other relevant factors and the Authority shall advise the Federal Government promptly of the revised prescribed prices for the licensee for natural gas.

(3) The Federal Government shall, within forty days of the advice referred to in sub-sections (1) and (2), advise the Authority of the minimum charges and the sale price for each category of retail consumer for natural gas for notification in the official Gazette by the Authority of the prescribed price as determined in sub-sections (1) and (2), the minimum charges and the sale prices for each category of retail consumers for natural gas.

(4) If the Federal Government fails to advise the Authority within the time specified in sub-section (3) and the prescribed price for any category of retail consumer for natural gas determined under sub-sections (1) and (2) is higher than the most recently notified sale price for that category of retail consumers for natural gas, the Authority shall notify in the official Gazette the prescribed price as determined by the Authority under

subsections (1) and (2) to be the sale price for the said category of retail consumers for natural gas.

(5) Each licensee for natural gas shall pay to the Federal Government the development surcharge in respect of each unit of natural gas sold during the calendar month within two months of the close of that month and any amount paid by a licensee under this sub-section shall be an expenditure for which allowance shall be made in computing profits or gains under section 23 of the Income Tax Ordinance, 1979 (XXXI of 1979):

Provided that when the Income Tax Ordinance, 2001 (XLIX of 2001), comes into force the provisions of the said Ordinance shall apply for the purposes of this sub-section.

(6) In this section -

(a) "category of retail consumers for natural gas" means a category of retail consumers for natural gas designated as such by the order of the Federal Government;

(b) "development surcharge" means the amount payable by each licensee for natural gas and calculated in accordance with the rules and which represents, in respect of each category of retail consumer for natural gas to which it is applicable, the amount, if any, by which the sale price exceeds the prescribed price;

(c) "licence for natural gas" means a licence for transmission, distribution or sale of natural gas to a retail consumer for natural gas granted pursuant to sub-section (1) of section 23;

(d) "licensee for natural gas" means a holder of a licence for natural gas;

(e) "minimum charges" means the amount a licensee for natural gas may charge a retail consumer for natural gas as notified, from time to time, under this section;

(f) "prescribed price" means the amount determined under this section, which represents the amount a licensee for natural gas would be entitled to receive from each category of its retail consumers for natural gas in order to achieve its total revenue requirement;

(g) "sale price" means the price notified under this section at which a licensee for natural gas is authorised under this Ordinance and licence to sell natural gas to that category of retail consumer for natural gas;

(h) "total revenue requirement" means for each financial year, that total amount of revenue determined by the Authority for each licensee for natural gas so as to ensure it achieves the rate of return provided in its licence for natural gas.

9. **Authority hearing.**— (1) Unless otherwise expressly provided in this Ordinance or any rule or regulation, any decision that the Authority has the power to make, may be made on its own motion or initiative after the holding of a meeting of the Authority, and without giving of notice to the public, and without holding a hearing:

Provided that if it appears to the Authority that its decision relating to a regulated activity may directly and adversely affect the rights of a person, the Authority shall, prior to reaching the decision, give the person an opportunity of being heard, including presentation of evidence relevant to the decision.

10. **Delegation of powers.**- (1) The Authority may, by general or special order, delegate to any officer of the Authority the power to exercise on behalf of the Authority any of its powers, duties or functions under this Ordinance subject to such conditions as it may think fit to impose.

(2) Notwithstanding the provisions of sub-section (1), the powers of the Authority to grant licences (excluding licences for transportation, filling or marketing of LPG, LNG or CNG), determine tariffs and revenue requirement (where applicable) and prescribe rules and regulations shall only be exercised in a meeting of the Authority. The power of the Authority to grant licences for transportation, filling or marketing of LPG, LNG or CNG may only be delegated to a Member of the Authority.

11. **Complaints.**- (1) Any interested person may file a written complaint with the Authority against a licensee for contravention of any provision of this Ordinance or of any rule or regulation.

(2) The Authority shall, on receipt of a complaint, provide an opportunity to the complainant as well as to the licensee, or any other person against whom such complaint has been made to state its case before taking action thereon.

12. **Appeal, etc.**—(1) Any person aggrieved by any order or decision of the delegatees of a power delegated by the Authority under section 10 may, within thirty days of the receipt of such decision or order, prefer appeal to the Authority and Authority shall hear and decide the appeal within ninety days from the date of its presentation.

(2) In relation to any decision concerning a regulated activity, the High Court may, if it is satisfied that no other adequate remedy is provided, on application of an aggrieved party, make an order-

(a) directing the Authority to refrain from doing anything it is not permitted by law to do, or to do anything the Authority is required by law to do; or

(b) declaring that any act done or proceeding taken by the Authority has been done or taken without lawful authority and is of no legal effect

(3) Where –

(a) an application is made to a High Court for an order under sub-section (2); and

(b) the making of an interim order would have the effect of prejudicing or interfering with the carrying out of a public work or of otherwise being harmful to public interest or State property or impeding the assessment or collection of public revenues, the Court shall not make an interim order unless the Attorney-General has been given notice of the application with a copy thereof to the Authority and the Attorney General or any person authorised by him in that behalf has had an opportunity of being heard and the Court, for reasons to be recorded in writing, is satisfied that the interim order—

(i) would not have such effect as aforesaid; or
(ii) would have the effect of suspending an order or proceeding which on the face of the record is without jurisdiction.

(4) An interim order made by a High Court on an application made to it to question the validity or legal effect of any order, proceeding taken or act done by the Authority shall cease to have effect on expiration of a period of six months following the day on which it is made, unless the case is finally decided, or the interim order is withdrawn, by the Court earlier.

(5) Every case in which, on application under sub-section (2), the High Court has made an interim order shall be disposed of by the High Court on merits within six months from the day on which it is made, unless the High Court is prevented from doing so for sufficient cause to be recorded.

13. **Review of Authority decision.**-The Authority may review, rescind, change, alter or vary any decision, or may rehear an application before deciding it in the event of a change in circumstances or the discovery of evidence which, in the opinion of the Authority, could not have reasonably been discovered at the time of the decision, or (in the case of a rehearing) at the time of the original hearing if consideration of the change in circumstances or of the new evidence would materially alter the decision.

14. **Recruitment of employees.**-(1)The Authority may, from time to time, employ officers, members of its staff, experts, consultants, advisers, and other employees on such terms and conditions as it may deem fit.

(2) The Authority shall prescribe by regulations the procedure for appointment, promotion, termination and other terms and conditions of employment of persons employed under sub-section (1).

15. **Chairman, Members, employees, experts, consultants and advisers not to be civil servants.**— The Chairman, Members, employees of the Authority or experts, consultants or advisers employed by the Authority shall be governed by the terms and conditions of their appointment and shall not be deemed to be civil servants within the meaning of the Civil Servants Act, 1973 (LXXI of 1973).

16. **Chairman, etc., to be public servants.**-The Chairman, Members, employees, experts, consultants and advisers of the Authority shall, when acting or purporting to act

in pursuance of any of the provisions of this Ordinance or the rules or regulations, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code (Act XLV of 1860).

17. Budget and accounts.- (1) The Authority, in respect of each financial year, shall prepare its own budget in accordance with prescribed procedure and shall maintain complete and accurate books of accounts of its actual expenses and receipts, and of the Oil and Gas Regulatory Authority Fund.

(2) The budget prepared by the Authority shall be reviewed by a Budget Committee consisting of one representative each of the Authority, the Federal Government and the private sector nominated by the Federal Government. The private sector nominee shall not have any conflict of interest in the Authority's oversight of regulated activities. The Budget Committee shall ensure that the Authority complies with all requirements of this Ordinance, rules and regulations pertaining to the budget. The Budget Committee shall take its decisions by simple majority of its members.

(3) The accounts of the Authority shall be audited annually by the Auditor-General of Pakistan and one or more auditors who are chartered- accountants within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961), appointed by the Authority in consultation with the Auditor-General of Pakistan from a panel of chartered accountants proposed by the Budget Committee.

18. Oil and Gas Regulatory Authority Fund.- (1) There shall be a fund to be known as the Oil and Gas Regulatory Authority Fund which shall vest in the Authority and shall be utilized by the Authority to meet its expenses and charges properly incurred in connection with the carrying out of its functions and duties imposed or transferred to it under this Ordinance, including without limitation the payment of salaries and other remuneration to the Chairman, Members, employees, experts, consultants and advisers of the Authority.

(2) The Oil and Gas Regulatory Authority Fund shall consist of-

(a) charges and fees including licence fees assessed and collected by the Authority to recover the reasonable costs of regulated activities under this Ordinance;
(b) fines and other penalties imposed and collected by the Authority as specified under this Ordinance;
(c) proceeds received by the Authority from the sale of data, publications, reports, maps, and other information;
(d) loans obtained by the Authority. All loans to be obtained by the Authority shall be with the approval of the Budget Committee;
(e) grants obtained by the Authority; and
(f) proceeds of any investments made by the Authority in utilising any amounts of the Oil and Gas Regulatory Fund which are not required for immediate use. All investments to be made by the Authority shall be with the approval of the Budget Committee.

19. Inspection by public.-- (1)Subject to section 38, the Authority shall maintain public files that shall be kept open in convenient form for public inspection and examination during reasonable business hours, on payment of such reasonable fees as the Authority may prescribe.

(2) Subject to procedures and standards for confidentiality prescribed by the Authority, the Authority's files shall include all relevant documents to be maintained and indexed as the Authority deems fit.

20. Submission of yearly report, returns, etc.- (1) The Authority shall submit to the Federal Government, and publish, as soon as possible after the end of every financial year but before the last day of December the next following year-

(a) a report on the conduct of its affairs for that financial year, including anticipated developments for the following financial year; and

(b) a report on the state of the petroleum industry in Pakistan, in so far as it relates to regulated activities, identifying the ownership, operation, management, control, efficiency and cost of regulated activities, amount of production, transportation, transmission and distribution capacity, present and future domestic demand for petroleum and other matters related to regulated activities.

(2)The Federal Government may direct the Authority to supply any return, statement, estimate, statistics or other information regarding any matter under the Authority, and the Authority shall expeditiously comply with such direction.

CHAPTER III
POLICY GUIDELINES

21. Powers of the Federal Government to issue policy guidelines.-(1) The Federal Government may, as and when it considers necessary, issue policy guidelines to the Authority on matters of policy not inconsistent with the provisions of this Ordinance or the rules and the Authority shall comply with the policy guidelines in the exercise of its powers and functions and in making decisions.

(2) Without prejudice to the generality of the foregoing, the Federal Government may issue policy guidelines in relation to-

(a) planning for infrastructure development;

(b) pricing of petroleum including development surcharge as defined in section 8 and the petroleum development levy as defined in the Petroleum Products (Petroleum Development Levy) Ordinance, 1961 (XXV of 1961);

(c) standards and specifications for refined oil products;

(d) supply of natural gas and refined oil products to service new areas and provision of financial incentives in cases where the service is not economically viable;

(e) establishment and maintenance of the strategic petroleum storage;

(f) open access, common carrier and common operator;

(g) marketing of refined oil products; and

(h) tariff applicable to petroleum .

CHAPTER IV
LICENCES

22. **Exclusive power to grant licences .**---(1) The Authority shall have the exclusive power, to be exercised in the manner prescribed in the rules, to grant, issue, renew, extend, modify, amend, suspend, review, cancel and reissue, revoke or terminate, a licence in respect of any regulated activity.

(2) If a licensee is of the opinion that it is not financially viable for it to supply natural gas to a particular area based on the tariff applicable to it, it shall give reasons to the Authority therefor.

(3) If the Authority agrees with the licensee that it is not financially viable for such licensee to supply natural gas to a particular area based on the tariff applicable to it unless the Federal Government makes special financial arrangements with the licensee, it shall report the matter to the Federal Government and the licensee shall not be obligated to supply natural gas to the said area unless suitable financial arrangements are made by the Federal Government.

(4) On receipt of instructions from the Authority, the licensee shall supply natural gas to the said area within such time as the Authority may specify.

23. **Grant of licences.-** (1) No person shall-

(a) construct or operate any pipeline for natural gas;

(b) construct or operate any natural gas testing facility or natural gas storage facility ;

(c) construct or operate any natural gas installation ; or

(d) undertake transmission, distribution or sale of natural gas,

unless a general or specific licence to undertake such activity has been issued and is in full force and effect and the person is the licensee.

(2) No person shall-

(a) construct or operate any pipeline for LPG;

(b) construct or operate any LPG or LNG production or processing facility; LNG, LPG or CNG testing facility or LPG, LNG or CNG storage facility;

(c) construct or operate any installation relating to LPG or LNG; or

(d) undertake transporting, filling, marketing or distributing of LPG, LNG or CNG,

unless a general or specific licence to undertake such activity has been issued and is in full force and effect and the person is the licensee.

(3) No person shall:

(a) construct or operate any pipeline for oil;

(b) construct or operate any oil testing facility; oil storage facility (other than storage associated with a refinery); or oil blending facility;

(c) construct or operate any installation relating to oil;

(d) construct or operate any refinery;

(e) undertake storage of oil; or

(f) undertake marketing of refined oil products,

unless a general or specific licence to undertake such activity has been issued and is in full force and effect and the person is the licensee.

(4) An application for the licence shall be submitted to the Authority on the prescribed form and in accordance with the rules.

(5) An application under sub-sections (1), (2) and (3) shall be accompanied by the prescribed fee.

(6) On receiving an application for a licence, the Authority may grant the licence subject to such conditions, restrictions or stipulations as may be set out in, or attached to, the licence.

24. Transfer and assignment of licences .- (1) No licence shall be transferred or assigned without the consent in writing of the Authority. The Authority may without undue delay, consent to the transfer or assignment of a licence subject to such conditions, restrictions and stipulations, as provided in the rules, that the Authority may determine, or the Authority may, for such reasons as may be recorded, and by a decision in writing giving the reasons thereof, refuse to consent to the transfer or assignment of a licence.

(2) An application for the transfer or assignment shall be submitted to the Authority on the prescribed form and in accordance with the regulations.

(3) An application under sub-section (2) shall be accompanied by the prescribed fee, if any.

(4) A transfer or assignment of a licence shall have no effect until the Authority has consented to the transfer or assignment.

CHAPTER V
OFFENCES

25. **Offences.**--- (1) Any person who-

(a) undertakes any regulated activity in contravention of this Ordinance;

(b) does any act with the intention of interfering, without authorization, with any regulated activity, and thereby causes damage to any facility, plant, equipment or material employed for such regulated activity;

(c) without lawful excuse, wilfully or recklessly undertakes any regulated activity which causes physical damage to the person or property of another; or

(d) steals petroleum;

shall be guilty of an offence punishable with imprisonment for a term which may extend to two years, or with fine, or with both, for an offence under clause (a) or clause (c) and three years, or with fine, or with both, for an offence under clause (b) or clause (d).

(2) Any person who attempts or aids, abets, counsels or procures the commission of any offence under this Ordinance shall be punishable with the same punishment provided for the offence.

(3) The provisions of sub-sections (1) and (2) shall be in addition to, and not in derogation of, any law for the time being in force.

26. **Cause damage to facility, plant or equipment, etc.**-If any person willfully or recklessly damages any facility, plant, equipment or material employed in any regulated activity, he shall, on a reference by the licensee , be liable to pay such amount as the Authority may determine for making good such damage, and the amount so determined shall be recoverable as arrears of land revenue.

27. **Recovery of the value of petroleum stolen, etc.**- Where any person has stolen, unauthorisedly obtained or otherwise used, petroleum for which he has not paid, such person shall be liable to pay the value of the petroleum stolen, obtained or used as may be determined in accordance with the rules.

28. Offences by companies, etc.--- Where the person guilty of an offence under this Ordinance is a company, corporation, partnership or firm every director, or partner of the company, corporation, partnership or firm as the case may be, shall, unless he proves that the offence was committed without his knowledge or consent, be guilty of the offence.

29. Cognizance of offences.---No court shall take cognizance of an offence punishable under this Ordinance except on a complaint in writing made by the Authority or a person authorized by it in this behalf.

CHAPTER VI
MISCELLANEOUS

30. Power to call for information.-The Authority may call for any pertinent information required by it for carrying out the purposes of this Ordinance from any person involved, directly or indirectly, in the provision of any regulated activity or any matter incidental or consequential thereto. Any person called upon to provide such information shall do so within the period prescribed by the Authority and his failure so to do shall be punishable by the imposition of such penalty as may be prescribed.

31. Right of access.--Subject to the terms of its licence, licensees shall have the right upon not less than twenty-four hours notice and at reasonable times, to enter premises or property for the purposes of inspection, repair and maintenance of all facilities, equipment and apparatus relating to the regulated activities, the collection of payments, lawful disconnection, and the examination of the suitability of property for construction or the installation of facilities, equipment or apparatus relating to the regulated activities:

Provided that no such notice will be required to be given if such entry is necessary to respond to, and remedy, a situation endangering public safety caused by a regulated activity.

32. Easements.- (1) Subject to the provisions of sub-section (2), a licensee may lay, place, construct or install on under or over any land such works as may be necessary for such licensee to satisfy its service obligations under the rules and its licence including such other actions as may be necessary to render the work safe and efficient and the licensee shall pay compensation in accordance with rules to any person adversely affected by any disturbance or damage that may be caused thereby and such compensation may include annual payment for use of land.

(2) Before entering on any land for the purposes specified in sub-section (1) the licensee shall give notice of the intended action to the owner or occupier of the land. The owner or the occupier of any land may file objections with the Authority within thirty days of such notice.

(3) If an objection to the notice required by sub-section (2) is filed, the Authority shall hold an enquiry and provide all interested parties an opportunity of being heard. Upon conclusion of the enquiry, the Authority may, either unconditionally, or subject to such terms and conditions as may be deemed in the public interest, by a decision in writing, authorize or prohibit any of the acts specified in the notice.

33. Certification of public purpose for compulsory acquisition of land.-The Authority may, in the manner and on such terms and conditions, as may be prescribed in the rules, on an application by a licensee, certify that the requirement of a licensee to acquire a property is for a public purpose and for the purposes of the Land Acquisition Act, 1894 (I of 1894), the certificate of the Authority shall be conclusive proof that the proposed acquisition for such licensee is for a public purpose.

34. Technical standards, etc.- (1) The Authority shall, after consulting interested persons and subject to the rules, prescribe by regulations, technical standards of materials, equipment and other resources as may be required for undertaking any of the regulated activities and may prescribe different standards for different classes of equipment and may establish procedures for the testing of any such equipment.

(2) It shall be a mandatory requirement of all licensees that they comply with all relevant technical standards established by the Authority.

35. Records.- (1) The Authority may prescribe, by the regulations, the records that are required to be filed with the Authority by persons who are applicants for licences or who are otherwise involved in the petroleum industry.

(2) Each person who is required by this Ordinance or the rules or the regulations to maintain records shall produce those records at all reasonable times when directed to do so by the Chairman, any Member or by any person authorized by the Authority, and shall afford such person facilities for inspecting the records, making copies of and taking extracts therefrom.

36. Existing agreements.- If on the commencement of this Ordinance there exists an agreement in respect of, or dealing with, a regulated activity to which the Federal Government is a party, in the event of any inconsistency between the provisions of this Ordinance, the rules or the regulations, the provisions of the agreement shall prevail to the extent of the inconsistency.

37. Recovery of arrears.-(1)All amounts due to the Authority may be recovered as arrears of land revenue.

(2) The Federal Government may prescribe a summary procedure for recovery of sums due to licensees.

38. Confidential information.--(1)Except as provided under the regulations, no person shall communicate, or allow to be communicated, any record or information obtained under this Ordinance to a person not legally entitled to that record or information or allow any person not legally entitled to that record or information to have access to any record obtained under this Ordinance.

(2) A person who knowingly receives records or information obtained under this Ordinance shall hold the record or information subject to the same restrictions under sub- section (1) as apply to the person from whom the records or information were received.

39. **Immunity.**- Except as expressly provided in this Ordinance, no suit, prosecution or other legal proceedings shall lie against the Authority, the Chairman or any Member, employee, expert, consultant or adviser of the Authority in respect of anything done or intended to be done in good faith under this Ordinance, the rules or regulations.

40. **Winding up of the Authority.**- No provision of any law relating to the winding up of bodies corporate shall apply to the Authority. The Authority shall only be wound up by an Ordinance or Act of Parliament .

41. **Power to make rules.**- (1) The Authority may, with the approval of the Federal Government, which approval shall not be unduly delayed or unreasonably withheld, make rules for carrying out the purposes of this Ordinance. On approval of rules by the Federal Government, the Federal Government shall notify the same in the official Gazette.

(2) Without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely:-

(a) determination (where applicable) of rates and tariffs for regulated activities;

(b) the terms and conditions for the grant, extension, modification, amendment, issuance, renewal, suspension, review, cancellation and reissue, revocation, termination or transfer of a licence and including provision of information or records;

(c) provision of fines for contravention of this Ordinance, the rules, the regulations and terms and conditions of licences;

(d) promoting fair competition;

(e) inspection and audit of regulated activities;

(f) review of the decisions of the Authority;

(g) abandonment of a regulated activity;

(h) access and inspection by the Authority of the regulated activities and provision of penalties for preventing the Authority to carry out inspection;

(i) actions the Authority may take in respect of regulated activities in case of public emergency and escape of petroleum from a regulated activity;

(j) extension of facilities and services to supply natural gas to new areas and persons respectively;

(k) levy of fees;

(l) enforcing the terms and conditions of licences and decisions of the Authority;

(m) determination of the prescribed price for retail consumers of natural gas;

(n) procedure for appointment of the Budget Committee members and rules for operation;

(o) implementation of policy guidelines;

(p) open access, common carrier and common operator; and

(q) any other matter incidental or consequential to the implementation of the purposes of the Ordinance.

(3) The power to make rules conferred by this section, except for the first occasion, shall be subject to the condition of previous publication.

42. Power to make regulations.- (1) The Authority may, by notification in the official Gazette, make regulations, not inconsistent with the provisions of this Ordinance or the rules, for the carrying out of its functions under this Ordinance.

(2) In particular and without prejudice to the generality of the foregoing powers, such regulations may provide for all or any of the following matters, namely:-

(a) maintenance and submission of records by any person involved directly or indirectly in a regulated activity and the inspection of the records by the Authority;

(b) establishment of technical standards and their monitoring for the design, construction, testing, operation, maintenance and abandonment of a regulated activity;

(c) administration of the Oil and Gas Regulatory Authority Fund;

(d) establishment of terms and conditions of employment and remuneration policies for staff, consultants and advisers of the Authority;

(e) procedure for resolving disputes amongst the licensees, consumers and licensees, and users of open access facilities;

(f) procedures, processes and practice for carrying out the functions of the Authority;

(g) procedure for appeal of decision or order made by delegatees pursuant to section 10;

(h) prescription of forms and procedures for an application for a regulated activity and the time for submission; and

(i) any other matter incidental or consequential to the performance of the functions of the Authority.

43. **Ordinance to override other laws.-** (1) The provisions of this Ordinance, the rules and the regulations, and any licences issued hereunder shall have effect notwithstanding anything to the contrary contained in any other law, rule or regulation, for the time being in force, and any such law, rule or regulation shall, to the extent of any inconsistency, cease to have any effect on the commencement of this Ordinance and the Authority shall, subject to the provisions of this Ordinance, be exclusively empowered to determine the matters in its jurisdiction as set out in this Ordinance.

(2) Nothing in this Ordinance, or any repeal effected thereby, shall affect or be deemed to affect anything done, action taken, proceedings commenced, directions given, instruments executed or orders, rules or regulations issued under or in pursuance of any law repealed or amended by this Ordinance and any such things, actions, proceedings, directions, instruments or orders shall, if in force on the commencement of Ordinance, continue to be in force and have effect as if the same were respectively done, taken, commenced, given executed or issued under this Ordinance.

CHAPTER VII
REPEAL AND SAVINGS

44. **Repeal and savings.-**(1) The Natural Gas Regulatory Authority Ordinance, 2000 (I of 2000) is hereby repealed .

(2) On the commencement of this Ordinance-

(a) all properties, assets and liabilities pertaining to the NGRA established under the NGRA Ordinance shall vest in, be and always deemed to have been the properties, assets and liabilities, as the case may be, of the Authority established under this Ordinance;

(b) notwithstanding the provisions of section 3 and sub-sections (2) and (5) of section 5, the Chairman and Members, employees, experts, consultants or advisers appointed pursuant to the NGRA Ordinance, shall be deemed to be and always deemed to have been appointed under this Ordinance on the same terms and conditions for the unexpired portion of their respective terms to which they were appointed under the NGRA Ordinance;

(c) any agreement, order or determination made by the NGRA or under the NGRA Ordinance shall continue to be in force as though the same has been made by the Oil and Gas Regulatory Authority or under this Ordinance and shall always deemed to have been so made;

(d) subject to section 43 any licence issued under the NGRA Ordinance, shall continue to be in force as if the same has been granted under this Ordinance and shall always deemed to have been so granted;

(e) if an offence was committed as defined under the NGRA Ordinance prior to the commencement of this Ordinance, the penalty to be imposed upon conviction for that offence shall be the penalty authorized or required to be imposed by this Ordinance; and

(f) all rules and regulations prescribed or issued under the NGRA Ordinance shall be deemed to have been prescribed or issued under this Ordinance and shall always be deemed to have been so prescribed or issued.

(3)(a) The definition for "Authority" set out in the rules referred to in clause (b) shall be substituted by the following definition, namely:—

"Authority" means the Oil and Gas Regulatory Authority established pursuant to the Oil and Gas Regulatory Authority Ordinance, 2002.";

(b) the substitution referred to in clause (a) shall apply to the following rules, namely:-

(i) the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971;

(ii)the Compressed Natural Gas (Production and Marketing) Rules, 1992; and

(iii)the Liquefied Petroleum Gas (Production and Distribution) Rules, 2001; and

(c)the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, the Compressed Natural Gas (Production and Marketing) Rules, 1992 and the Liquefied Petroleum Gas (Production and Distribution) Rules, 2001, shall stand repealed to the extent that any rules promulgated pursuant to this Ordinance provide for the matters relating to-

(i) refining and blending of petroleum, in the case of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971;

(ii) CNG, in the case of the Compressed Natural Gas (Production and Marketing) Rules, 1992; and

(iii) LPG, in the case of Liquefied Petroleum Gas (Production and Distribution) Rules, 2001.

45. **Application to existing operations.-** (1) Notwithstanding anything contained in this Ordinance, all persons lawfully carrying on regulated activities immediately before the commencement of this Ordinance shall be deemed to be validly carrying on such regulated activities pursuant to this Ordinance:

(a) in case of all persons other than those undertaking the transmission, distribution or sale of natural gas, on such terms and conditions as were applicable to them on the date of commencement of this Ordinance; and

(b) in case of all persons undertaking the transmission, distribution or sale of natural gas, on such terms and conditions as were applicable to them pursuant to this Ordinance and the relevant rules,

on the condition that all such persons shall apply for licences in accordance with the relevant rules.

(2) Upon application for issuance of licences being made to the Authority by-

(a) persons, other than those undertaking the transmission, distribution or sale of natural gas, such persons shall be issued licences by the Authority, on the terms and conditions applicable to them on the date of commencement of this Ordinance; and

(b) all persons undertaking the transmission, distribution or sale of natural gas shall be issued licences by the Authority on the terms and conditions applicable to them pursuant to this Ordinance and the relevant rules.

46. **Validation of natural gas prices, etc.** - Notwithstanding anything contained in any other law for the time being in force, notification or any decision of a Court the sale price of natural gas and the minimum charges fixed and all notifications related thereto issued by the Federal Government from time to time after the commencement and before the repeal of the Natural Gas Regulatory Authority Ordinance, 2001 (I of 2000) shall be deemed to have been validly fixed and issued under sub-section (3) of section 19 of the said Ordinance and the price of natural gas and the minimum charges so fixed and notified shall be deemed to have been validly fixed and notified and shall have, and shall be deemed always to have had, effect accordingly.

47. **Removal of difficulties.**- If any difficulty arises in giving effect to any provision of this Ordinance, the Federal Government may make such order not inconsistent with the provisions of the Ordinance, as may appear to it to be necessary for the purpose of removing the difficulty:

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

GENERAL
PERVEZ MUSHARRAF,
President.

MR. JUSTICE
MANSOOR AHMED,
Secretary.

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(3) Where this Ordinance makes any provision for anything to be done but no provision or no sufficient provision has been made as respects the authority by whom, or at the time at which, or in the manner in which it shall be done, then, it shall be done by such authority, at such time, or in such manner as the University shall prescribe.

10. Rules and Regulations.- (1) The University may, by notification in the official Gazette, make rules for carrying out the purposes of this Ordinance.

(2) The Board of Directors of the Examination Board may make regulations not inconsistent with the provisions of this Ordinance or the rules made thereunder.

General
PERVEZ MUSHARRAF
President

Mr.Justice
(MANSOOR AHMAD)
SECRETARY

Islamabad, the 8th November, 2002

F. No. 2(1)/2002-Pub.—The following Ordinance promulgated by the President is hereby published for general information :—

Ordinance No. CXV of 2002

AN

ORDINANCE

to amend the Oil and Gas Regulatory Authority Ordinance, 2002

WHEREAS it is expedient to amend the Oil and Gas Regulatory Authority Ordinance,2002 (XVII of 2002), for the purpose hereinafter appearing;

AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW,THEREFORE, in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No.1 of 1999, read with the Provisional Constitution (Amendment) Order No.9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of

Pakistan is pleased to make and promulgate the following Ordinance:-

1. **Short title and commencement.-** (1) This Ordinance may be called the Oil and Gas Regulatory Authority (Amendment) Ordinance, 2002.

(2) It shall come into force at once.

2. **Insertion of section 43A, Ordinance XVII of 202.-** In the Oil and Gas Regulatory Authority Ordinance,2002 (No.XVII of 2002), after section 43, the following new section shall be inserted, namely:-

"43A. Ordinance not apply to certain petroleum activities.—Nothing in this Ordinance shall apply to upstream petroleum activities and such activities shall not be deemed to be regulated activities:

Provided that where any holder of petroleum right claims transportation or transmission tariff for pipeline connecting the petroleum field to the point of delivery, the provisions of this Ordinance shall apply.

Explanation.- for the purposes of this section, the expression "upstream petroleum activities" means all activities except activities related to LPG and LNG production or LPG and LNG processing facilities, carried out by the holder of any petroleum right prior to delivery of petroleum to any purchaser thereof other than a a purchaser who is a retail consumer for natural gas or retail consumer, for oil."

REGISTERED No. M - 302
L.-7646

The Gazette of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, THURSDAY, FEBRUARY 21, 2008

PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN

MINISTRY OF LAW, JUSTICE AND HUMAN RIGHTS

Islamabad, the 21st February, 2008

No. 2(1)/2008-Pub.—The following Ordinance promulgated by the President is hereby published for general information:—

ORDINANCE No. III OF 2008

AN

ORDINANCE

further to amend the Oil and Gas Regularity Authority Ordinance, 2002

WHEREAS it is expedient further to amend the Oil and Gas Regularity Authority Ordinance, 2002 (XVII of 2002), for the purpose hereinafter appearing;

AND WHEREAS the National Assembly stands dissolved and the President is satisfied that circumstances exist which render it necessary to take immediate action;

[2169 (2008)/Ex. Gaz.] *Price : Rs. 2.00*

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 89 of the Constitution of the Islamic Republic of Pakistan, the President is pleased to make and promulgate the following Ordinance:—

1. **Short title and commencement.**—(1) This Ordinance may be called the Oil and Gas Regularity Authority (Amendment) Ordinance, 2008.

(2) It shall come into force at once.

2. **Amendment of section 3, Ordinance XVII of 2002.**—In the Oil and Gas Regularity Authority Ordinance, 2002 (XVII of 2002), in section 3, for sub-section (4) the following shall be substituted, namely:—

"(4) The Chairman shall be an eminent professional of known integrity and competence with a minimum of twenty years of related experience in law, business, engineering, finance, accounting, economics, petroleum, technology, public administration or management.".

PERVEZ MUSHARRAF,
President.

JUSTICE
BIN YAMIN KHAN,
Secretary.

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EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, TUESDAY, FEBRUARY 17, 2009

PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN

MINISTRY OF LAW AND JUSTICE

Islamabad, the 17th February, 2009

No. 2(1)/2009-Pub.—The following Ordinance promulgated by the President is hereby published for general information:—

ORDINANCE NO. IV OF 2009

AN

ORDINANCE

further to amend the Oil and Gas Regulatory Authority Ordinance, 2002

WHEREAS it is expedient further to amend the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), for the purposes hereinafter appearing;

AND, WHEREAS the National Assembly is not in session and the President is satisfied that circumstances exist which render it necessary to take immediate action;

Price : Rs. 2.00

[162(09)/Ex. Gaz.]

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 89 of the Constitution of the Islamic Republic of Pakistan, the President is pleased to make and promulgate the following Ordinance:—

1. **Short title and commencement.**—(1) This Ordinance may be called the Oil and Gas Regulatory Authority (Amendment) Ordinance, 2009.

(2) It shall come into force at once.

2. **Amendment of section 2, Ordinance XVII of 2002.**— In the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), hereinafter referred to as the said Ordinance, in section 2, in sub-section (1), in clause (xxxvii), for the words "but does not include" the words "and includes" shall be substituted.

3. **Amendment of section 6, Ordinance XVII of 2002.**—In the said Ordinance, in section 6, in sub-section (2), in clause (s), after the word "gas" occurring twice, the word and letters "and CNG" shall be inserted.

4. **Amendment of section 21, Ordinance XVII of 2002.**—In the said Ordinance, in section 21, in sub-section (2), in clause (h), after the word "petroleum", the word and letters "and CNG" shall be added.

5. **Insertion of section 43B, Ordinance XVII of 2002.**—In the said Ordinance, after section 43A, the following new section shall be inserted, namely:—

> "*43B. Sale price of CNG*—Notwithstanding anything contained to the contrary in this Ordinance or any other law for the time being in force, the Authority, in accordance with the policy guidelines issued by the Federal Government from time to time, shall determine and notify the maximum sale price of CNG to be charged by a licensee from a consumer for vehicular or other mobile use."

ASIF ALI ZARDARI,
President.

JUSTICE
AGHA RAFIQ AHMED KHAN,
Secretary.

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EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, TUESDAY, JULY 14, 2009

PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN

MINISTRY OF LAW AND JUSTICE

Islamabad, the 14th July, 2009

No. 2 (I)/2009-Pub.—The following Ordinance Promulgated by the President is hereby published for general information:—

ORDINANCE No. XVI of 2009

AN

ORDINANCE

further to amend the Oil and Gas Regulatory Authority Ordinance, 2002

WHEREAS it is expedient further to amend the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), for the purposes hereinafter appearing;

AND, WHEREAS the National Assembly is not in session and the President is satisfied that the circumstances exist which render it necessary to take immediate action;

Price : Rs. 2.00

[687(09)/Ex. Gaz.]

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 89 of the Constitution of the Islamic Republic of Pakistan, the President is pleased to make and promulgate the following Ordinance:—

1. **Short title and commencement.**—(1) This Ordinance may be called the Oil and Gas Regulatory Authority (Ordinance), 2009.

(2) It shall come into force at once.

2. **Amendment of section 2, of Ordinance XVII of 2002.**—In the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), hereinafter referred to as the said Ordinance, in section 2, in sub-section (1), in clause (xxxvii), for the words "but does not include" the words "and includes" shall be substituted.

3. **Amendment of section 6, Ordinance XVII of 2002.**—In the said Ordinance, in section 6, in sub-section (2), in clause(s), after the word "gas" occurring twice, the word and letters "and CNG" shall be inserted.

4. **Amendment of section 21, Ordinance XVII of 2002.**—In the said Ordinance, in section 21, in sub-section (2), in clause (h), after the word "petroleum", the word and letters " and CNG" shall be added.

5. **Insertion of section 43B, Ordinance XVII of 2002.**—In the said Ordinance, after section 43A, the following new section shall be inserted, namely:—

"43B. *Sale price of CNG*—Notwithstanding anything contained to the contrary in this Ordinance or any other law for the time being in force, the Authority, in accordance with the policy guidelines, issued by the Federal Government from time to time, shall determine and notify the maximum sale price of CNG to be charged by a licensee from a consumer for vehicular or other mobile use".

ASIF ALI ZARDARI,
President.

JUSTICE (RETD.)
RIAZ KAYANI,
Secretary.

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EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, TUESDAY, FEBRUARY 15, 2011

PART I

Acts, Ordinances, President's Orders and Regulations

SENATE SECRETARIAT

Islamabad, the 15th February, 2011

No. F. 9(32)/2010-Legis.—The following Act of Majlis-e-Shoora (Parliament) received the assent of the President on 10th February, 2011, is hereby published for general information:—

ACT No. III OF 2011

An Act further to amend the Oil and Gas Regulatory Authority (Amendment) Ordinance, 2002

WHEREAS it is expedient further to amend the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), for the purpose hereinafter appearing;

It is hereby enacted as follows:

1. **Short title and commencement.**—(1) This Act may be called the Oil and Gas Regulatory Authority (Amendment) Act, 2011.

(2) It shall come into force at once.

2. **Amendment of section 3, Ordinance XVII of 2002.**—In the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), in section 3, for sub-section (4) the following shall be substituted, namely:-

"(4) The Chairman shall be an eminent professional of known integrity and competence with a minimum of twenty years of related experience in law, business, engineering, finance, accounting, economics, petroleum, technology, public administration or management.".

IFTIKHAR ULLAH BABAR,
Special Secretary.

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ISLAMABAD, WEDNESDAY, JUNE 27, 2012

PART I

Acts, Ordinances, President's Orders and Regulations

NATIONAL ASSEMBLY SECRETARIAT

Islamabad, the 27th June, 2012

No. F.22(14)/2012-Legis. —The following Act of Majlis-e-Shoora (Parliament) received the assent of the President on the 26th June, 2012 and is hereby published for general information:—

ACT No. XVII OF 2012

An Act to give effect to the financial proposals of the Federal Government for the year beginning on the first day of July, 2012 and to amend certain laws

WHEREAS it is expedient to make provisions to give effect to the financial proposals of the Federal Government for the year beginning on the first day of July, 2012 and to amend certain laws for the purposes hereinafter appearing;

It is hereby enacted as follows:—

[2704(2012)/Ex. Gaz.] *Price Rs. 481.00*

"(2) Any surplus of receipts over the actual expenditure in a year, after payment of tax, shall be remitted to the Federal Consolidated Fund and any deficit from the actual expenditure shall be made up by the Federal Government."; and

(2) after section 36, the following new section shall be inserted, namely:—

"36A. Penalties and fines recovered. - All penalties and fines recovered by the Authority shall be credited to the Federal Consolidated Fund.".

17. **Amendment of Ordinance XVII of 2002.**- In the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), the following further amendments shall be made, namely:—

(1) in section 17, after sub-section (3), the following new sub-section shall be added, namely:—

"(4) Any surplus of receipts over the actual expenditure in a year, after payment of tax, shall be remitted to the Federal Consolidated Fund and any deficit from the actual expenditure shall be made up by the Federal Government."; and

(2) section 28 shall be re-numbered as sub-section (1) of that section and after sub-section (1), re-numbered as aforesaid, the following shall be added, namely:—

"(2) All penalties and fines recovered by the Authority shall be credited to the Federal Consolidated Fund.".

18. **Amendment of the Federal Excise Act, 2005.**—In the Federal Excise Act, 2005, the following further amendments shall be made, namely:—

(1) In section 2, clause (12A), inserted *vide* Finance Act, 2010 shall be re-numbered as clause (12);

(2) in the First Schedule,—

(a) In Table I, in column (1),—

PCT CODE	Description	CD (%)
(1)	(2)	(3)
	3. ETT Machine 4. Gamma Camera for Nuclear Cardiology Studies. **L. PERIPHERAL INTERVENTIONS EQUIPMENT** Disposables and other equipment for peripheral interventions including : Stents (including carotid and wall stents), Balloons, sheaths, catheters, Guide wires, Filter wires, Coils, Needles, Valves (including rotating homeostatic valves, connecting cables, inflation devices adaptors.	
9939	Diagnostic kits for HIV and Hepatitis	0
9940	Omitted.	
9941	Following goods donated to municipal authorities including development authorities subject to the condition that the goods shall not be sold or otherwise disposed off within a period 10 years of imports without prior approval of the CBR and payment of customs duties and taxes leviable at the time of import. 1. Ambulances (8702.1090, 8702.9090, 8703.2390, 8703.2400, 8703.3290, 8703.3300, 8703.9000) 2. Fire fighting vehicles (PCT 8705.3000) 3. Waste disposal trucks (PCT 8704.2200, 8704.2300) 4. Incinerators for disposal waste management (8417.8000) 5. Motorized sweepers (PCT 8479.8990) 6. Brake down lorries (PCT 8705.9000) 7. Special purpose vehicles for the maintenance of street lights and overhead cables (8705.9000) 8. Snow ploughs (PCT 8430.2000)	0
9942	The re-rollable scrap having width not exceeding 1000 mm with thickness 6 mm and above and a length not exceeding 2.5 meters, consisting of mill rejects and crop ends of ingots, billets, slabs, blooms and including cuttings of sheets and plates, pipes and bars whether in pieces or in rolled strips, cuttings of ships plates, used and pitted rails and girders, whereas in case of girders and pipes length shall be 1.5 meter.	0

KARAMAT HUSSAIN NIAZI,
Secretary.

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ISLAMABAD, SATURDAY, MARCH 5, 2022

PART I

Acts, Ordinances, President's Orders and Regulations

SENATE SECRETARIAT

Islamabad, the 3rd March, 2022

No. F. **9(2)/2022-Legis.**—The following Act of *Majlis-e-Shoora* (Parliament) received the assent of the President on 28th February, 2022 and is hereby published for general information:—

ACT NO. VII OF 2022

An Act further to amend the Oil and Gas Regulatory Authority Ordinance, 2002

WHEREAS, it is expedient further to amend the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), for the purposes hereinafter appearing;

It is hereby enacted as follows:—

1. **Short title and commencement.**—(1) This Act shall be called the Oil and Gas Regulatory Authority (Amendment) Act, 2022.

Price: Rs. 5.00

[7410(2022)/Ex. Gaz.].

(2) It shall come into force at once

2. **Amendment of section 8, Ordinance XVII of 2002.**—In the Oil and Gas Regularity Authority Ordinance, 2002 (XVII of 2002), in section 8,—

(a) In sub-section (3), for full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

"Provided that the Federal Government shall ensure that the sale prices so advised are not less than the revenue requirement determined by the Authority.", and

(b) for sub-sections (4) and (5), the following shall be substituted, namely:—

"(4) If the Federal Government fails to advise the Authority within the time specified in sub-section (3), the category wise prescribed prices so determined by the Authority under sub-sections (1) and (2), as the case may be, shall be notified by the Authority as the category wise sale prices.

(5) Each licensee for natural gas shall pay to the Federal Government the development surcharge in respect of each unit of natural gas sold in a manner as prescribed by the Federal Government under the Natural Gas (Development Surcharge) Ordinance, 1967 (I of 1967) and the rules made thereunder. Any amount paid by a licensee under this sub-section shall be an expenditure for which allowance shall be made in computing profits or gains under the Income Tax Ordinance, 2001 (XLIX of 2001) for the purposes of this sub-section."

MOHAMMAD QASIM SAMAD KHAN,
Secretary.

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ISLAMABAD, SATURDAY, MARCH 5, 2022

PART I

Acts, Ordinances, President's Orders and Regulations

SENATE SECRETARIAT

Islamabad, the 3rd March, 2022

No. F. 9(3)/2022-Legis.—The following Act of *Majlis-e-Shoora* (Parliament) received the assent of the President on 28th February, 2022 and is hereby published for general information:—

ACT NO. VIII OF 2022

An Act further to amend the Oil and Gas Regulatory Authority Ordinance, 2002

WHEREAS, it is expedient further to amend the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), for the purposes hereinafter appearing;

It is hereby enacted as follows:—

1. **Short title and commencement.**—(1) This Act shall be called the Oil and Gas Regulatory Authority (Second Amendment) Act, 2022.

(2) It shall come into force at once.

Price: Rs. 5.00

[7411(2022)/Ex. Gaz.].

2. **Amendment of section 2, Ordinance XVII of 2002.**—In the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), hereinafter referred to as the said Ordinance, in section 2, in sub-section (1),—

(a) in clause (xvii), after the words "products resulting from processing of gas", the expression "including RLNG" shall be inserted; and

(b) after clause (xxxv), the following new clause (xxxva) shall be inserted, namely:—

"(xxxva) "RLNG" means re-gasified LNG;".

3. **Amendment of section 8, Ordinance XVII of 2002.**—In the said Ordinance, in section 8,—

(a) in sub-section (2), after the words "as notified by the Authority", the words "cost of imported gases" shall be inserted;

(b) in sub-section (4), for the full stop at the end a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

"Provided that sub-sections (1) to (4) shall not be applicable in case of RLNG price determined under section 43B.".

4. **Amendment of section 9, Ordinance XVII of 2002.**—In the said Ordinance, in section 9, the existing provision of section 9 shall be numbered as sub-section (1) thereof and thereafter the following new sub-section (2) shall be added, namely:—

"(2) The Authority may decide, without giving notice to the public and without holding a public hearing, if the prescribed price is required to be revised only on account of revision in well-head gas prices and cost of imported gases.".

5. **Insertion of section 43B, Ordinance XVII of 2002.**—In the said Ordinance, after section 43A, the following new section shall be inserted, namely:—

"**43B. Sale price of RLNG.**—Notwithstanding anything to the contrary contained in this Ordinance or any other law for the time being in force, the Authority, in accordance with the policy guidelines issued by the Federal Government from time to time, shall determine and notify the sale price of RLNG to be charged by a licensee from its consumer.".

MOHAMMAD QASIM SAMAD KHAN,
Secretary.

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