

NOTIFICATION.

Dated Quetta, the 31st May, 2021.

No. PAB/Legis:V(18)/2021. The Balochistan Public Finance Management (Amendment) Bill, 2021 (Bill No.18 of 2021), having been passed by the Provincial Assembly of Balochistan on 25th May, 2021 and assented to by the Governor Balochistan, on 30th May, 2021 is hereby published as an Act of the Balochistan Provincial Assembly.

THE BALOCHISTAN PUBLIC FINANCE MANAGEMENT (AMENDMENT)
ACT 2021, ACT No. XVI of 2021.

AN
ACT

to amend the Balochistan Public Finance Management Act, 2020 enacted through Balochistan Finance Act, 2020 (Act No. 1 of 2020).

Preamble.

WHEREAS, it is expedient to amend the Balochistan Public Finance Management Act, 2020 enacted through Balochistan Finance Act, 2020 (Act No. 1 of 2020), for the purposes hereinafter appearing;

It is hereby enacted as follows: -

Short title and commencement.

1. (1) This Act may be called the Balochistan Public Finance Management (Amendment) Act, 2021.
- (2) It shall come into force at once.

Amendment in Section 2 of the Balochistan Public Finance Management Act, 2020.

2. In the Balochistan Public Finance Management Act, 2020 hereinafter referred to as "the said Act", in section 2, -
 - (a) After clause (d), the following new clauses shall be inserted, namely: -
“(da) “Budget Grant or Grant” means the amount granted or deemed to have been

granted by the Provincial Assembly in respect of a demand for grant;”

(db) “Charged Expenditure or Expenditure Charged upon the Provincial Consolidated Fund” means such items of expenditure as are enumerated in Article 121 of the Constitution and are not submitted to vote in the Provincial Assembly under Article 122 (1) of the Constitution;”

(b) after clause (g), the following new clause shall be inserted, namely: -

“(ga) “Demand for Grant” means a proposal made to the Provincial Assembly on the recommendation of the Government for withdrawal of certain sum out of Provincial Consolidated Fund for expenditure which is granted or deemed to have been granted under Article 122, of the Constitution;”

(gb) “Development Project” means a project or scheme or program involving developmental expenditure;”

(gc) “Pre-Audit” means and include a process whereby the concerned Accounts Office or the officer as stated in section 32, ensures that all the applicable laws relating to any certain transaction have been complied with, before the occurrence of transaction, by the concerned Principal Accounting Officer (PAO) or any of its authorized sub-ordinate officer, to whom such financial powers have been delegated from the Government;”

(gd) “Provincial Assembly” means the Provincial Assembly of Balochistan;”

- (c) in clause (o), after the word "rules", the words "or regulations" shall be inserted;
- (d) in clause (q), the words "and includes moneys, other than Provincial Consolidated Fund, received by or on behalf of the Government or a Public Entity; moneys received by or deposited with the Supreme Court or any other court established; and moneys received by a Public Entity as a trust account, conditional grant, contribution or donation from the general public or public servants, or from a foreign donor agency or organization and is payable on demand or fulfilment of an obligation on the part of the payee or the beneficiary, as the case may be" shall be omitted;
- (e) after clause (t), the following new clauses shall be inserted, namely: -
"(ta) "Regulations" means the regulations framed under this Act and the rules made thereunder;
(tb) "Rules" means the rules made under this Act;
(tc) "Schedule of Authorized Expenditure" means the Schedule prepared following consideration by the Provincial Assembly of the Annual or Supplementary or Excess Budget Statement in respect of a financial year and authenticated by the Chief Minister by his signature under Article 123, of the Constitution;"
- (f) after clause (w), the following new clause shall be inserted, namely: -
"(wa) "Technical Approval" means approval accorded by the competent forum to a PC-I / PC-II which are compliant with the standards and procedures set by the

Planning Commission of Pakistan and Planning & Development Department, Government of Balochistan;”

**Amendment in 3.
Section 13 of the
Balochistan
Public Finance
Management
Act, 2020.**

In the said Act, in section 13, -

(a) for sub-section (1), the following shall be substituted, namely: -
“Conception and Preparation of Development Projects. - All development projects may be conceived and prepared as per the applicable planning and development processes and templates.”

(b) for sub-section (2), the following shall be substituted, namely: -
“All development project proposals, in excess of a threshold size prescribed by the Planning and Development Department, may undergo a feasibility study.”

In section 14, for the word “shall”, appearing after the word “Department”, the word “may” shall be substituted.

**Amendment in 4.
Section 14 of the
Balochistan
Public Finance
Management
Act, 2020.**

**Amendment in 5.
Section 15 of the
Balochistan
Public Finance
Management
Act, 2020.**

(a) In the said Act, in section 15, -
for sub-section (1), the following shall be substituted: -

“Technical Approval. - All development project proposals shall be subject to a technical approval process from the relevant fora.”

(b) for sub-section (2), the following shall be substituted: -

“The Provincial Development Working Party (PDWP) shall have the powers to rectify errors in all provincially funded development projects other than change in cost, scope or shifting of a project from one location or site to another location or site.”

**Amendment in 6.
Section 16 of the
Balochistan
Public Finance
Management
Act, 2020.**

In the said Act, in section 16, -

(a) in sub-section (1), after the title phrase, the words and a comma “Within a period not exceeding two years from the date of promulgation of this Act,” shall be inserted and thereafter, for the word “No”, the word “no” shall be substituted.

(b) in sub-section (2), for the words, “thirty three”, the word, “twenty” shall be substituted.

**Amendment in 7.
Section 17 of the
Balochistan
Public Finance
Management
Act, 2020.**

For sub-section (1), the following shall be substituted, namely: -

“Monitoring and Evaluation of Development Projects. – Development Projects shall be subject to the Monitoring and Evaluation processes as per the Planning and Development Department guidelines.”

**Omission of 8.
Section 18 of the
Balochistan
Public Finance
Management
Act, 2020.**

In the said Act, section 18 shall be omitted.

Amendment in Section 19 of the Balochistan Public Finance Management Act, 2020.

In the said Act, in section 19, -

- (a) for sub-section (1), the following shall be substituted: -
“Records and Utilization of all Public Assets.
- Within a period not exceeding two years from the date of promulgation of this Act, the Principal Accounting Officers (PAOs) shall develop a data bank / asset management software for recording and utilization of all public assets including moveable but not limited to fixed assets in the manner as prescribed.”
- (b) sub-section (2) shall be omitted.
- (c) in sub-section (3), for the word “shall”, the word “may” and for the words “fixed assets register” the words “all public assets” shall be substituted.

Amendment in Section 26 of the Balochistan Public Finance Management Act, 2020.

In the said Act, in section 26, for the words “shall approve regulations”, commas and the words, “, with the approval of Government, shall make rules” shall be substituted.

Insertion of Section 26A in the Balochistan Public Finance Management Act, 2020.

After section 26, as amended above, the following new section 26A shall be inserted namely: -

“26A. Establishment of Specialized Units. – Within a period not exceeding two years from the date of commencement of this Act, the Government shall establish specialized units including but not limited to an Internal Audit, Provincial Revenues and Fiscal Policy Management, Debt Management, Risk & Investment Management and Budget Reform Management within the Finance Department having distinct roles,

responsibilities, functions, powers, terms and conditions as may be prescribed.

**Amendment in 12.
Section 27 of the
Balochistan
Public Finance
Management
Act, 2020.**

In the said Act, in section 27, in clause (a), the words "by Rs.10 billion" shall be omitted.

**Amendment in 13.
Section 40 of the
Balochistan
Public Finance
Management
Act, 2020.**

In the said Act, in section 40, -

- (a) in sub-section (2), for the words "until altered, amended or repealed by such authority competent to alter, amend or repeal the same.", the colon and the proviso ": provided that existing instruments, contrary to the provisions of this Act and the rules made thereunder, shall have no legal effect." shall be substituted.
- (b) in sub-section (3), after the words "shall include", the words "but not limited to the following" shall be added.

**Insertion of 14.
Section 40 A in
the
Balochistan
Public Finance
Management
Act, 2020.**

After section 40, as amended above, the following new section 40 A shall be inserted namely: -

"40 A. Power to make Regulations.- Subject to this Act and the rules made thereunder, the Finance Department may frame regulations for giving effect to the provisions of this Act and the rules made thereunder."


21/05/21
O/C (TAHIR SHAH KAKAR)
Secretary.