

Government of Pakistan  
Ministry of Finance, Revenue, Economic Affairs, Statistics & Privatization  
(Economic Affairs Division)

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Islamabad, 28<sup>th</sup> November, 2013

**NOTIFICATION**

No.1(5)INGO/05: In pursuance of Economic Coordination Committee (ECC) of the Cabinet's decision contained in Cabinet Division's Memorandum No.F.1/19/2013-Com dated 25<sup>th</sup> November 2013 the following policy is hereby notified:-

**Policy for regulation of organizations receiving foreign contributions**

Until legislation for a regulatory framework for foreign economic assistance flowing outside government channels is enacted, for improved accounting of such flow of funds and greater aid effectiveness, the following policy will operate:

- 1- These provisions will regulate foreign organizations and those national organizations which receive or intend to receive foreign contributions, until the coming into force of appropriate legislation.
- 2- Any organization registered outside Pakistan and any organization registered within Pakistan and desirous of utilizing foreign economic assistance will need prior registration with the Government. Foreign economic assistance includes moneys, services and goods which emanate from outside Pakistan. The Government for the purpose will be the Economic Affairs Division.
- 3- The application for registration will be accompanied by such documentary information as may be specified by the Government and will be shared with and vetted by the Ministry of Interior, the Provincial Governments and / or local governments and other relevant stakeholders. The applications shall be processed expeditiously and in any case within four months of receipt.
- 4- Subject to concurrence, the organization will sign a Memorandum of Understanding with the Government containing the information specified by the Government.

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Government of Pakistan  
Islamabad



including, amongst other things, the work and the geographical area in which it is proposed to be carried out (a template of the MoU is attached with this notification). The Government will maintain a register of such organizations.

5- The duration of the Memorandum of Understanding will be up to five years from the date of signatures as decided between the Government and the organization. The organization can apply for renewal of registration four months prior to expiry of registration and this application will be similarly vetted by the parties mentioned above.

6- Violation of any provision of the Memorandum of Understanding will result in termination and cancellation of the registration, subject to the organization being provided an opportunity of being heard.

7- In case of rejection of the application for registration, the organization may, within 60 days, apply for a review of the decision. Such application will be considered by a Review Committee chaired by the Secretary, Economic Affairs Division and comprising senior level representatives of Ministry of Interior, Ministry of Foreign Affairs, other concerned ministries of the Government, and the Provincial Governments and / or local governments, which will submit its recommendations to the Government, after giving the organization an opportunity of being heard. The decision arrived at after review will be final. The same process will apply in case of rejection of an application for renewal or in case of termination of the Memorandum of Understanding/cancellation of registration.

8- The organization will declare to the Government all foreign contributions, along with the terms and conditions of those contributions, as well as details of all bank accounts maintained by it. The organization will maintain accounts under internationally recognized accounting standards, get these accounts audited on an annual basis by a registered Chartered Accountant firm and will provide to the Government a copy of the audited annual statements, along with a certificate from the Auditors to the effect that the foreign contributions have been utilized for the objectives of the organization as specified in the Memorandum of Understanding.

9- The organization will provide to the Government and the concerned Provincial Government / local government on an annual basis a report regarding its activities with reference to the Memorandum of Understanding and the foreign contributions. The Planning and Development Departments of the Provincial Governments may review the activities of the

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organization in the context of their development framework and priorities, and may convey recommendations to the Government from time to time.

10- The organization will be bound to provide any information that the Government may require from time to time. The Government may verify any information provided by the organization.

11- If the Government is of the opinion that it is in the public interest (such as in situations of disasters and emergencies), it may, subject to such conditions that it may specify, exempt an organization or class of organizations from all or any of the provisions of this policy for a period not exceeding six months.

(Sherbaz Khan Magsi)  
Section Officer (INGOs)

Distribution:-

1. Minister for Science & Technology, M/o Science & Technology, Islamabad
2. Minister of State for Information Technology, M/o Information Technology, Islamabad
3. Chairman, Securities & Exchange Commission of Pakistan, Islamabad
4. Deputy Governor, State Bank of Pakistan, Islamabad
5. Secretary, Economic Affairs Division, Islamabad
6. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
7. Secretary, Ministry of Foreign Affairs, Government of Pakistan, Islamabad
8. Secretary, Ministry of Interior, Government of Pakistan, Islamabad
9. Secretary, Ministry of Finance, Government of Pakistan, Islamabad
10. Chairman, Federal Board of Revenue, Government of Pakistan, Islamabad
11. Chairman, P&ID, Government of the Punjab, Lahore
12. Additional Chief Secretary (Dev.), Government of Sindh, Karachi
13. Additional Chief Secretary (Dev.), Government of KPK, Peshawar
14. Additional Chief Secretary (Dev.) Government of Balochistan, Quetta
15. Additional Chief Secretary (Dev.), Government of Gilgit-Baltistan, Gilgit
16. Additional Chief Secretary, FATA Secretariat, Peshawar

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