



BOARD OF REVENUE BALOCHISTAN
(Land Utilization Branch)

Dated, Quetta, the 23rd November, 2018.

NOTIFICATION

LAND LEASE POLICY FOR FOREIGN INVESTORS, 2018.

No 7-LU/ / WHEREAS, circumstances exist in the wake of Foreign investments and with the materialization of the economic activities including requirement of Land by foreign investors and companies is likely to increase manifold. Laws/policies are required to be formulated by the Government of Balochistan to confer only lease rights to foreign investors/companies, for any land and that the title of land should rest with the Government of Balochistan, Federal Government or Pakistani nationals, companies, firms /entities/Authorities.

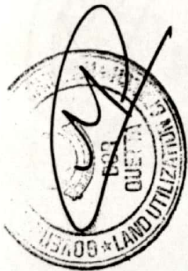
2. **AND WHEREAS**, The Land Lease Policy presently in vogue in the province is silent about leasing out state land to any foreign investor, group or company, therefore, there is need to make the said specific policy in respect of leasing out state land to the foreign investor, groups or companies.

NOW THEREFORE, it has become necessary and expedient to introduce a separate Land lease Policy for foreign investors and in exercise of powers conferred by sub section (2) of section 10 of the Colonization of Government Lands Act, 1912, as applicable to the province of Balochistan vide notification No. 3369/67-198-CLI dated 7th February, 1968, the Government of Balochistan is pleased to frame the following terms and conditions for the leasing out state land and its development/utilization for foreign nationals and devise a fresh policy for the subject purpose namely "**Land Lease Policy for foreign investors, 2018**". The Policy takes effect from the date of its approval from the Provincial Cabinet i.e. 22nd & 23rd November, 2018.

3. This Policy statement of conditions is issued subject to the provisions of Colonization of Government Lands Act, 1912 (Act of 1912).

4. In this Policy/ statement of conditions, unless there is anything repugnant to the subject or context.

- (a) "**Act**" means colonization of Government Land Act 1912.
- (b) "**Committee**" means the committee constituted under paragraph No. 03 of these conditions.
- (c) "**Foreign Investors**" mean foreign investors Company or Group duly registered with Securities Exchange Commission of Pakistan.
- (d) "**Government**" means the Government of Balochistan.
- (e) "**Grant**" means lease of land.
- (f) "**Land**" means land vesting in Government, Authority, Private, selected /identified for project or autonomous body which has not been reserved for any other specific purpose or has been surrendered by the administrative Department or authority for which it was previously reserved.
- (g) "**Market Price**" means the Market price/ value of land prevailing at the time for disposal of the land by the Government, under the Laws in vogue.
- (h) "**Project**" means commercial, incremental housing, residential, Agriculture, Industrial, Energy etc., and amenity projects for which land is required/ granted.



- (i) "Project for Public Purpose" means any project which is to be executed from the funds and resources of the Provincial or Federal Government.
- (j) "SECP" means Securities Exchange Commission of Pakistan.
- (k) Deputy Commissioner means "Collector of a District" as defined in the Balochistan Land Revenue Act, 1967 (Act of 1967).
- (l) Land Leasing Department means "Board of Revenue Balochistan."

5. **Land reservation /allotment committee:**

(1) A committee comprised of the following will recommend cases for allotment by way of lease of land to Foreign Investors/company or group: determination of the amount of lease money and any reservation under this Policy.

(2) **Composition of the committee shall be as under: -**

- | | | |
|--------|--|---------------------------------|
| (i) | Chief Secretary, Balochistan | Chairman |
| (ii) | Additional Chief Secretary (Development) P&D Department
Balochistan | Member |
| (iii) | Senior Member Board of Revenue Balochistan | Member |
| (iv) | C.E.O, Board of Investment, Balochistan | Member |
| (v) | Secretary, Finance Department, Balochistan | Member |
| (vi) | Secretary, Law Department, Balochistan | Member |
| (vii) | Secretary, Sponsoring Department | Ex-Officio Member
/Secretary |
| (viii) | Divisional Commissioner, Concerned | Member |
| (ix) | Deputy Commissioner /Collector (concerned District) | Member |
| | A technical Expert as Coopted Member if required
by the Committee | Member |



6. **Procedure for allotment by way of lease /reservation of land for public purpose or grant of land to a foreign investor company or group.**

The Secretary of the Administrative Department of Federal or Provincial Government, as the case may be, may submit the request to the Provincial Government for reservation of land for public purpose or for the grant of the same on market price for any specific scheme(s)/ Projects and the Government may refer it to the Committee for consideration under following conditions: -

- (i) The Secretary of the Committee may forward the copy of request to the Chairman of the committee and who will fix a date for meeting of the committee.
- (ii) The Deputy Commissioner/ Collector shall forward the availability of unallotted, uncommitted state land and free from all encumbrances along with the sketch Map of land and market price after assessment of the Prevailing Market price will submit through his signature to the secretary of the Committee before the date fixed for the meeting.

- (iii) The committee shall evaluate the project take a decision for reservation/allotment by way of lease of the state land for the Foreign investment on the market price keeping in the view the budgetary provision of the project or company on the market price to be fixed after consideration of proposal of Deputy Commissioner/ Collector. The modalities and recommendations for terms and conditions will be furnished by the Sponsoring Department.
- (iv) Decisions of the Committee shall be subject to the approval of the Chief Minister Balochistan.
- (v) The Foreign Investors Company or group may also apply to the Government for grant of land for any project proposed to be executed through foreign investment with the background of the company duly registered with Securities Exchange Commission of Pakistan, the proper plan and details with estimated cost of the project. The Government may send the request to the committee for processing the request under these conditions.
- (vi) The Chairman of the committee after being satisfied with the credentials and bona fide of the company and proposed project may forward the request made by the foreign investment company to the Members and fix a date for convening the meeting of committee.
- (vii) The committee after hearing the applicant and getting the project properly evaluated may grant land on the market price to a foreign investors Company or group to the approval of Chief Minister.
- (viii) On grant of land by the Committee, the lessee shall deposit lease money determined by the committee within a period of three months from the date of issuance of offer letter.
- (ix) After the grant of the land by the committee further actions for implementation including issuance of offer letter, challan of payment for lease money, execution of lease agreement deed and other formalities shall be taken by Board of Revenue Balochistan.
- (x) The decisions of the Committee in terms of the extent of lease area recommended for allotment and the rate of the lease can be reviewed by the Government of Balochistan on his own motion or on the request of the Administrative Department or the Foreign investment company as the case may be.



7. **ELIGIBILITY CRITERIA**

Foreign investors, groups and companies interested in investment in Balochistan shall subject to the NOC required for the purpose, would be sought from the concerned Department and the concerned Department shall obtain NOC form the Ministry of Foreign Affairs.

8. **EXTENDED SCOPE OF LEASE**

- (1) Land reserved for public purpose can also be offered to foreign investors, groups and companies for investment in agriculture, Energy, industries or in any other sectors.
- (2) The commercial plots can also be allotted to the foreign investors, groups and companies/Joint venture. The Government may decide the size of plot in such cases as it deem appropriate.

9. **MODE OF LEASE**

- (1) The tenure of lease for foreign investors, groups and companies would be based either upon the life cycle/viability of the project as recommended by the allotment Committee on case to case basis initially for not more than a period of 33 (thirty) years which could be extendable on negotiable conditions.
- (2) The original holder of lease shall have the first right, if it applies for extension.

10. **GRANT OF PROPRIETARY RIGHTS**

The right of ownership or proprietary right shall not be conferred on a foreign investor, group or company who has been granted leased land under this policy. However, an extension in the lease period shall be the right of such a lessee as per the viability of project

11. **RIGHT TO MORTGAGE OF LEASED LAND**

The Foreign investors, groups and companies being lessee of the land under this policy shall have the right to mortgage the leased land subject to the Surety provided by the lessee. However, it cannot be materialized without explicit permission/No objection Certificate from the Government of Balochistan.

12. **SURRENDER OF LEASED LAND**

(1) Where the leased land is required for reclamation or defense, National Importance, public purpose or for the exercise of mineral right by the Government or for any other public purposes, the lessee on the receipt of notice issued by the Collector on behalf of the allotment Committee to that effect, shall surrender the whole or any part of such lease land within one month of receipt of notice and reasonable compensation for and development/ investment will be given to the lessee as determined by the Allotment Committee.

(2) The Lessee shall also surrender to the Collector the whole or any part of the land which may be found to have been previously allotted/ leased but required for any other purpose

13. **ON COMPLETION/ABANDONMENT OF LIFE CYCLE OF PROJECT (LIQUIDATION)**

Where the Life cycle of the Project is completed (liquidated), the lease land will be retrieved from the lessee to the sponsoring department/leasing department. Further, the same will be disposed of as per details of clauses in the agreements carried out between lessee the sponsoring departments/Land leasing Department.

14. **IN CASE OF DEFAULT OF PROJECT**

In case of default of the Foreign based funded /investment project, sponsoring Department will deal the land issues as per details of the clauses of the agreements carried out in between lessee and the sponsoring department, as it deemed appropriate.

15. **ON IDENTIFICATION OF PRIVATE LANDS**



(1) Foreign investors /companies or group interested for establishment of their projects on private lands, they will not directly deal with the Private land owners. The private lands will be acquired from private land owners through Land Acquisition Act, 1894(Act of 1894) by the Government of Balochistan or on behalf of the company or group through the sponsoring department. Thereafter, the same will be leased out or sublet to the interested foreign investor by way of lease as per *ibid* land lease policy.

16. **AGREEMENT ON BEHALF OF GOVERNMENT**

A detailed agreement with the approval of the allotment Committee, after vetting thereof from law Department will be carried out in between the Foreign Investors/Company or group by the Sponsoring Department/Land leasing Department

17. **IMPUNITY TO THE POLICY**

Any departure from policy can be condoned by the Government of Balochistan in case of foreign investors subject to the recommendations by sponsoring/line Department and the allotment committee, except in terms of clause-8 relating to grant of propriety rights of the policy.



**BY ORDER OF
GOVERNOR BALOCHISTAN**

**Qamar Masood
Secretary to
Government of Balochistan
Revenue/ Colonization Department**

No. Even Dated Even

Copy forwarded to: -

1. The Principal Secretary to Governor Balochistan, Quetta
2. The Principal Secretary to Chief Minister Balochistan Quetta.
3. The Chairman/Members Chief Minister's Inspection Team, Balochistan Quetta.
4. The Member-II & III, Board of Revenue Balochistan Quetta.
5. The Registrar Balochistan High Court Quetta.
6. All the Administrative Secretaries to Government of Balochistan_____
7. All Commissioners in Balochistan_____
8. The Additional Secretary to Chief Secretary Balochistan, Quetta.
9. All Deputy Commissioners in Balochistan_____
10. All Settlement Officers in Balochistan_____
11. The Controller, Printing Press Quetta.
12. The Private Secretary to Revenue Minister Balochistan, Quetta.