

The Gazette of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, WEDNESDAY, JUNE 2, 2021

PART II

Statutory Notifications (S. R. O.)

INTERNAL FINANCE WING [ANTI-MONEY LAUNDERING SECTION-I]

Islamabad, the 7th May, 2021

S. R. O. 654 (I)/2021.— In exercise of the powers conferred by section 43 read with sub-section (2) of section 11 of the Anti-Money Laundering Act, 2010 (Act VII of 2010), the Federal Government, in consultation with the National Executive Committee (NEC), is pleased to make the following rules, namely:—

1. **Short title and commencement.**— (1) These rules shall be called the Anti-Money Laundering (Forfeited Properties Management) Rules, 2021.

(2) These rules shall come into force at once.

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

- (a) “**Act**” means the Anti-Money Laundering Act, 2010 (AMLA);
- (b) “**Administrator**” means any person appointed by the Federal Government to perform the functions of an Administrator in accordance with the sub-section (1) of section 11 of the Act;
- (c) “**Agency**” means the investigation and prosecuting agency defined in clause (xviii) of section 2 of the Act;
- (d) “**godown**” shall include warehouse, *maalkhana* or any other place specified by the investigating and prosecuting agency for safe custody of properties taken into custody for enforcement of the provisions of the Act;
- (e) “**perishable property**” means any property, which is perishable in nature or prone to speedy and natural decay, depreciation, devaluation, or when the expense of keeping it in custody is likely to exceed its value;

(2) All other words and expressions used in these rules but not defined herein shall have the same meanings as are assigned thereto in the Act:—

3. **Powers and duties of Administrator.**—(1) The Administrator appointed by the Federal Government shall manage forfeited property expeditiously in the following manner, namely:—

- (1) the provisions of the Order-XL of the Code of Civil Procedure, 1908 (Act V of 1908), shall, in so far as they are not inconsistent with the provisions of the Act, apply to the powers, duties, and liabilities of a receiver;
- (2) the Administrator shall, immediately take possession of the property in relation to which an order of forfeiture has been made under the Act;
- (3) the Administrator shall prepare inventory of the property including its description, measurement, address, condition, nature and type of property and shall prepare a report which shall be submitted to the head of the concerned Agency periodically;
- (4) the Administrator shall take all such reasonable measures as deemed necessary for securing of safety and preserving the value of the property;
- (5) the Administrator shall also ensure that all documents of ownership of property in the name of the Federal Government and other legal requirements are complete, prior to forwarding case for auction;
- (6) the Administrator shall forward the case for auction of properties to the head of the Agency for approval along with the following:—
 - (a) the certified copy of final order of the Court about forfeiture along-with record of other litigation against the property, if any;
 - (b) the certified copy of ownership and other title documents of the property;
 - (c) reasons for auction of property;
 - (d) request for constitution of auction committee;
 - (e) a detailed inventory of the property to be auctioned indicating the following, namely:—
 - (i) description of property as per Municipal, Revenue or other relevant record of the government;
 - (ii) location of property and other relevant details of it;
 - (iii) covered area, details of construction, *i.e.* nature of construction, size of accommodation, details of machinery, equipment, fixtures installations or stores, its or their previous and present use and income derived or being derived from the property;

- (iv) status of properties *i.e* residential, commercial, industrial, etc;
 - (v) market price of the property to be auctioned;
 - (vi) average sale price as per official record of last 12 months;
 - (vii) reserve price at which property may be auctioned (reserved price at which the property to be auctioned will be the average price); and
 - (viii) any other additional information.
- (7) the Administrator shall assist the auction committee for conducting the auction;
- (8) after approval of head of the Agency and confirmation of receipt of the whole amount of the bid, the Administrator shall issue possession order along-with physical possession of property containing the following information, namely:—
- (a) particulars of the successful bidder;
 - (b) computerised National Identity Card of successful bidder;
 - (c) description of property;
 - (d) date and place of auction; and
 - (e) price at which property to the successful bidder sold;
- (9) the Administrator shall prepare three sets of the possession and ownership delivery documents, first copy whereof shall be given to the successful bidder, second copy to be retained in the office of the Administrator and third copy shall be sent to the Court;
- (10) the Administrator shall execute the registration and transfer of proprietary rights of the property auctioned in favour of the successful bidder through concerned authority;
- (11) all charges incurred on the execution of registration and transfer of proprietary rights in favour of the successful bidders shall be borne by the bidders;
- (12) the head of the Agency may cancel the whole proceedings of an auction or part thereof in public interest, after assigning reasons; and
- (13) the Administrator shall maintain a record of receipt and disposal of all properties received and disposed of under the rules and shall also maintain an account of all income received and expenditure incurred on receipt, management and disposal of such properties.

4. **Disposal of livestock and perishable property.**—(1) Where the property seized is livestock or of perishable nature, such forfeited property shall be disposed of in accordance with the order of the Court.

(2) After disposal, the sale proceeds shall be remitted in the designated account of Government of Pakistan immediately.

5. **Designation of godown.**— Subject to the approval of head of the concerned Agency, the Administrator shall select and designate as many places as may be necessary for the storage of properties vesting in the Federal Government in terms of section 10 of the Act for safe custody, management and maintenance of the property till final disposal.

6. **General provisions for storage of properties in godown.**—For safe custody, preserve value and to manage the properties, the following procedures shall be followed, namely:—

- (a) the double lock system shall be followed as far practicable. One key shall remain with the godown keeper and the other to be retained by the godown Incharge;
- (b) the incharge Godown shall ensure that the packages are kept in the godown in an iron safe, almirah, vault or any other suitable container;
- (c) the articles requiring special handling, the instructions shall be displayed on package and a separate register for such valuable be maintained; and
- (d) for safety, the godown in charge shall take appropriate measures to mitigate risk of any damage due to water seepage, short circuit, fire or any other wear and tear including calamity, etc, which may be avoided as per the prevailing best practices.

7. **Storage of high value movable properties.**— (1) The Administrator shall ensure that the packages containing valuables are kept in safe and vault, under double lock system.

(2) The property worth more than one hundred thousand Rupees shall be kept in the locker or vault in the State Bank of Pakistan, District or Tehsil Treasury or any nationalized bank.

(3) For withdrawal of these valuables, each concerned Agency shall designate two officers not below the rank of BPS 17 and for withdrawal of these valuables prior written permission of next supervisory officer of the Agency shall be required.

8. Central assets and recovery management office.— (1) Each Agency shall establish a central asset recovery office to ensure assets recovery and management of the forfeited property under the Act and rules made thereunder.

(2) The Administrator shall submit a periodic report to the office under sub-rule (1) about all the activities undertaken with regard to the forfeited property.

9. Designated account.— (1) There shall be a central account with State Bank of Pakistan maintained by the Finance Division, Government of Pakistan (GoP), where proceeds of property vesting in Government of Pakistan under the Act shall be remitted by all Agencies after attainment of the finality of forfeiture order.

(2) An account shall be centrally established in the name of head of each Agency and other such accounts in the name of the Administrators as deem necessary after obtaining prior approval of the Finance Division through principal accounting officer, where proceeds of forfeited property shall be provisionally deposited and kept till attainment of finality of forfeiture order and transfer of proceeds in the account of Federal Government of Pakistan referred under sub-rule (1) or as directed by the court of law, as the case may be.

(3) The following amounts may also be kept in account referred under sub-rule (2), namely:—

- (a) the amounts received in consequence of disposal of perishable properties;
- (b) the proceeds received from sale or otherwise disposal of the properties vesting in the Federal Government of Pakistan under section 10 of the Act; and
- (c) the income received from properties vesting in the Federal Government under section 10 of the Act.

10. Periodical audit and inspection.— (1) The special team of auditors/experts shall be appointed by the head of the agency for inspection and audit of the safety measures, financial, performance and physical audit, with a view to ensuring safety, security, proper accounting and management of all properties on biannual basis.

(2) The provision of special audit referred in sub-rule (1) shall be in addition to audit being conducted by the office of Auditor General of Pakistan.

11. Cooperation and Coordination.—All investigating and prosecuting agencies shall exchange financial intelligence and information about the properties

with other stake holders for expeditious confiscation and forfeiture under the Act and these rules.

12. **Management of statistics.**—(1) The centralized asset recovery office of each Agency shall collect and maintain consistent and comprehensive data and statistics for all asset restraint activities related to all cases.

(2) The focal person shall collect, maintain record of reports received and conduct monitoring of the progress and coordination with other stakeholders. If needed, after approval of next senior, he may direct regional units for appropriate measures for effective enforcement of the provisions of the Act as deemed fit in the circumstances.

13. **Hiring of experts.**—Each Agency may hire the Specialists and experts for enforcement of the provisions under the Act on contract or deputation basis through open competitive process in accordance with the relevant rules, general or special approval of the competent authority as deemed expedient under the circumstances.

14. **Allocation of budget.**—For the purposes of enforcement of provisions of the Act, without prejudice to the existing provisions to deal with matters under law of predicate offences, each Agency shall allocate necessary funds and establish revolving fund or imprest to make necessary expense to carry out day to day management of the properties and other obligations related thereto in accordance with the guidelines of Finance Division and the Public Finance Management Act, 2019.

15. **Application of other rules.**— The provisions of these rules shall be in addition to and not in derogation of the rules made under the Anti-Narcotics force Act, 1997 (III of 1997), the control of Narcotic Substances Act, 1997 (XXV of 1997), the Anti-Terrorism Act, 1997 (XXVII of 1997) and the National Accountability Ordinance, 1999 (XVIII of 1999) and any other law relating to predicate offence.