

By Fax

No. DGM-9(8)/2015  
Government of Pakistan  
**Ministry of Petroleum & Natural Resources**  
(Mineral Wing)

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Islamabad, the February 23, 2015.

Director Administration,  
Sindh Board of Investment,  
Government of Sindh,  
Karachi.

Subject: **LEGAL FRAMEWORK AND LAWS CONCERNING MINES AND MINERALS.**

Reference:- Sindh Board of Investment (SBI)'s letter No.SBI/PC(Energy)/  
Legal Framework/2014-15 dated 09.02.2015 on the above subject.

2. The item-wise position regarding the queries raised by the Consulate  
General of Pakistan, Toronto (para-3 of SBI's letter under reference), as per information  
available with this Ministry, is summarized below:

S.#	Query	Reply
1.	<i>What are the tax incentives for mining operations?</i>	The taxes, levies and fiscal incentives applicable to mineral sector have been enumerated in National Mineral Policy-2013 and the SBI's information memorandum attached with the letter referred to above. However, the current tariff of taxes/duties may be ascertained from Federal Board of Revenue. Similarly, the rates of labour levies; contributions towards Employees' Social Security, Employees' Old-Age Benefits, Workers' Welfare Fund, Workers Profit Participation Fund and Workers Children Education Cess etc. need to be updated after consulting the regulatory organizations concerned; Provincial Labour Department, Employees' Social Security Institution, WWF and EOBI.
2.	<i>What is the business law environment applicable to mines and minerals sector in Pakistan?</i>	Constitutionally, all minerals other than nuclear substances are Provincial subject. The followings are specific business laws governing mines and minerals sector in Pakistan: <ul style="list-style-type: none"><li>• National Mineral Policy-2013;</li><li>• Regulation of Mines &amp; Oil-fields and Mineral Development (Government Control) Act, 1948 and Provincial rules/regulations framed thereunder for grant of mineral concessions;</li></ul>

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