



THE NATIONAL HIGHWAY AUTHORITY ACT, 1991



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SCHEDULE

THE NATIONAL HIGHWAY AUTHORITY ACT, 1991

*ACT NO. XI OF 1991

[16th June, 1991]

An Act to establish a National Highway Authority

WHEREAS it is expedient to establish a National Highway Authority for planning, development, operation and maintenance of National Highways and strategic roads and to provide for matters connected therewith or incidental thereto;

It is hereby enacted as follows: —

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.—(1) This Act may be called the National Highway Authority Act, 1991.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2. Definitions.—In this Act, unless there is anything repugnant in the subject or context,—

(a) “Auditor General” means the Auditor General of Pakistan;

(b) “Authority” means the National Highway Authority established under section 3;

(c) “Board” means the Executive Board of the Authority;

¹[(ca) “CDWP” means the Central Development Working Party;]

²[(d) “chief executive officer” means the chief executive officer of the Authority;]

(e) “Council” means the National Highway Council;

¹[(ea) “ECNEC” means the Executive Committee of the National Economic Council;]

²[(eb) “executive member” means a member of the Board;]

²[(f) “member” means member of the Council;]

²[(fa) “motorway” means a fully controlled access road designed and built for high speed mobility of motor traffic ensuring international safety standards which

^{*}This Act shall apply to FATA, vide S.R.O. No. 488 (I)/ 98, dated 26-5-1998, with certain amendments in sections, 12 and 19. Also applied to NA, vide S.R.O., 446(I)/2000, dated 5-7-2000.

¹Ins. by Ordinance No. XXXI of 2001, s. 2.

²Subs. and ins. by Act No. IX of 2024, s. 2.

does not serve the properties bordering on it except at special points, has separate carriageway for the two directions of traffic separate from each other either by a divided strip not intended for traffic or by other means, does not cross at level with any road, railway, tramway, cycle track or footpath and declared motorway by, the Federal Government by notification in official Gazette and specified in Part III of the Schedule;

- (fb) “motorway link road” means a fully controlled access road as described in clause (fa) including slip roads or ramps leading to an from motorways;]
- ¹[(g) “National Highway” means a highway primarily designed for inter-provincial or cross-border connectivity and placed under the jurisdiction of the Authority by the Federal Government by notification in the official Gazette and specified in Part I of the Schedule or any other strategic road and motorway included in Part II and Part III of the Schedule respectively and declared as such by the Federal Government by notification in the official Gazette;]
- ¹[(h) “Chairman” means Chairman of the Council;]
- (i) “Regulations” means regulations framed under this Act;
- (j) “Right of Way” (ROW) means the land acquired for the purpose of construction of a National Highway or any other road assigned to the Authority;
- (k) “road” means a road including land within the right of way and all works, such as, carriageways, cartways, footpaths berms, side drains, culverts, bridges, tunnels, fences, posts, sign boards, plantation and lighting arrangements, intersections and medians assigned to the Authority;
- (l) “rules” means rules made under this Act; ²[and]
- ¹[(la) “Schedule” means the Schedule to this Act;
- (lb) “SOE Act” means the State-Owned Enterprises (Governance and Operations) Act, 2023 (VII of 2023);]
- ¹[(m) “strategic road” means a road having strategic importance or defense requirements not limited to cross-border connectivity as specified in Part II of the Schedule after having been declared as such by the Federal Government by notification in the official Gazette on the recommendations of the Council.]
- (n) ¹[* * * * *

¹Subs. and ins. by Act No. IX of 2024, s. 2.

²Added and omitted by Ordinance No. XXXI of 2001, s. 2.

CHAPTER II

ESTABLISHMENT AND MANAGEMENT OF THE AUTHORITY

3. Establishment of National Highway Authority.—(1) As from the commencement of this Act there shall be established for carrying out the purposes of this Act, an Authority to be known as the National Highway Authority.

(2) The Authority shall be a body corporate having perpetual succession and a common seal with power to acquire, hold and dispose of property, and may by its name sue and be sued.

(3) The headquarters of the Authority shall be at Islamabad.

¹[(4) Notwithstanding anything contained in this Act, the SOE Act, including sections 12, 15 and 22 thereof, shall apply to the provisions of this Act and in case of any inconsistency between the provisions of this Act and the SOE Act, the provisions of the SOE Act shall prevail.

(5) The Authority shall be governed by the Council which shall act as the Board as defined in sub-clause (ii) of clause (b) of section 2 of the SOE Act.]

4. Purpose and functions of Authority.—The purpose and functions of the Authority shall be to plan, promote, organise and implement programmes for construction, development operation, repairs and maintenance of ¹[national highways, motorways and strategic roads] specially entrusted to it by the Federal Government, or by a Provincial Government or other authority concerned.

¹[5. National Highway Council.—(1) There stands established the National Highway Council consisting of—

S.No.	Membership	Status
(1)	(2)	(3)
(a)	One of the independent Members appointed by the Federal Government.	Chairman
(b)	Secretary of the Finance Division or his nominee not below the rank of Additional Secretary or equivalent	Member <i>ex-officio</i>
(c)	Secretary of the Planning, Development and Special Initiatives Division or his nominee not below the rank of Additional Secretary or equivalent	Member <i>ex-officio</i>
(d)	Secretary of the Communications Ministry or his nominee not below the rank of Additional Secretary or equivalent	Member <i>ex-officio</i>
(e)	Chief Executive Officer	Member
(f)	Five independent members to be appointed by the Federal Government from private sector, each of whom shall have the requisite skills, competence, knowledge, experience and approach so that the Council as a group includes core competencies and diversity to assist the Authority in achieving its primary and other objectives	Member- (Independent)

¹Added and Subs. by Act No. IX of 2024, ss.3-5.

(2) Subject to the provisions of the SOE Act in this behalf, the Federal Government may, by notification in the official Gazette, increase or decrease the number of members of the Council subject to having the independent Members in majority and that the quorum rules are adjusted accordingly.

(3) Subject to the provisions of the SOE Act in this behalf, the general policy direction of the Authority shall vest in the Council.

(4) Not less than fifty percent of total membership of the Council including not less than three independent and one *ex-officio* member shall constitute quorum for a meeting of the Council.

(5) The meeting of the Council shall be presided by the Chairman and in case of his absence the meeting shall be presided by such a member as the Chairman may nominate.

(6) Decisions of the Council shall be taken in accordance with sub-section (2) of section 22 of the SOE Act.

(7) The Council may constitute committees with its chairmanship along with their terms of reference from amongst its members and may assign to it the business on which the committee shall make its recommendations for approval by the Council and quorum for meeting of each such committee shall be fifty percent and a fraction shall be rounded as one member.

(8) The Chairman of the Council shall be responsible for leading the Council and ensuring its effective functioning and continuous development and shall not involve in day-to-day operations of the Authority.]

¹[6. Powers and function of the Council.]—(1) The Council shall exercise its powers and perform its functions in accordance with the provisions of this Act and the provisions of the SOE Act with regard to a Board being apex body.

(2) In addition to the powers and functions provided for in sub-section (1), the Council shall—

- (a) approve five years' plans or such other plans, recommended by the executive board, in consultation with relevant stakeholders for construction and development of national highways, motorways and strategic roads specially entrusted to the Authority by the Federal Government or by a Provincial Government or other entity;
- (b) approve the annual maintenance plan recommended by the executive board for national highways, motorways, and strategic roads;
- (c) lay down national policies and guidelines to be followed by the Authority in the performance of its functions; and
- (d) approve annual development and non-development budget on recommendation of the executive board.]

¹[7. Executive Board.]—(1) For exercising its powers and performing its functions, the Council shall be assisted by an Executive Board consisting of—

¹Subs. by Act No. IX of 2024, s

S.No.	Membership	Status
(1)	(2)	(3)
(a)	Chief executive officer	Chairperson
(b)	Member (Planning) of the Authority	Executive Member
(c)	Member (Engineering) of the Authority	Executive Member
(d)	Member (Aided Projects) of the Authority	Executive Member
(e)	Member (Public Private Partnership Projects) of the Authority	Executive Member
(f)	Member (Finance) of the Authority	Executive Member
(g)	Member (Administration) of the Authority	Executive Member

(2) The chief executive officer shall be the chief executive of the Authority appointed by the Council by the three-fourth majority resolution including vote of *ex-officio* members under a performance-based contract as per the criteria set by Council who shall—

- (a) be responsible for the management of the Authority and for its procedures in financial and other matters under delegation from the board and subject to the oversight and directions of the Council;
- (b) ensure the proper implementation of strategies and policies approved by the Council; and
- (c) put in place appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with the Authority's plan, the primary objective and all statutory obligations.

(3) The chief executive officer, or in his absence a member of the Executive Board authorized by him on his behalf, shall preside meetings of the Executive Board.

(4) Fifty percent of its total membership shall constitute quorum for meetings of the Board, a fraction shall be rounded as one member.

(5) Decision by majority of the members present and voting shall be construed as decision of the Executive Board.]

¹[8. Powers and functions of the Executive Board.—The executive board shall exercise its powers and perform its functions in accordance with the provisions of this Act, including to—

- (a) consider and recommend, in consultation with relevant stakeholders, proposals for schemes and projects;
- (b) consider and approve award of contracts for works, services and goods;
- (c) recommend the annual maintenance plan for national highways, motorways, and strategic roads;
- (d) consider and review progress reports of the Authority;
- (e) recommend to the Council for approval annual development and non-development budget;
- (f) recommend schemes and projects to be funded through toll and other receipts from operation of national highways, motorways and strategic roads; and
- (g) perform such other functions as may be assigned to it by the Council.]

¹Subs. by Act No. IX of 2024, s. 8.

9. ¹[Chief Executive Officer], his duties, functions and powers.—(1) The Council shall appoint the ¹[Chief Executive Officer] who shall be the Chief Executive of the Authority and shall exercise such powers and perform such functions as may be specified by the Council.

(2) The ¹[Chief Executive Officer] shall receive such salary and allowances and be subject to such conditions of service as may be determined by the Council.

²(3) The ¹[Chief Executive Officer] shall have the power to approve projects of emergent nature, maintenance, rehabilitation and construction affecting traffic movement and safety of structures up to fifty million rupees and to recommend for approval proposals, schemes and projects exceeding fifty million rupees to the Executive Board.

(4) The ¹[Chief Executive Officer], on the recommendations of the Executive Board, shall have the power to divert funds from one approved project to another only within a financial year's allocation.]

CHAPTER III POWERS AND DUTIES OF THE AUTHORITY

10. The powers of the Authority.—(1) The Authority may take such measures and exercise such powers as it considers necessary or expedient for carrying out the purposes of this Act.

(2) Without prejudice to the generality of the powers conferred by sub-section (1), the Authority may for the purpose of carrying out the purposes of this Act—

- (i) advise the Federal Government on matters relating to ¹[national highways, motorways and strategic roads];
- (ii) acquire any land in accordance with legal procedure and obtain and dispose of movable and immovable property or interests therein;
- (iii) undertake any work specified in sub-sections (1) and (2) of section 11;
- (iv) incur expenditure on works specified in clause (iii);
- (v) procure plant, machinery, instruments and materials required for its use;
- (vi) enter into and perform all such contracts as it may consider necessary;
- (vii) levy, collect or cause to be collected tolls on ¹[national highways, motorways and strategic roads] and such other roads as may be entrusted to it and bridges thereon;
- (viii) licence facilities on roads under its control on such terms as it deems fit;
- (ix) determine a building line between which and the ROW it shall not be lawful without the consent of the Authority to construct or maintain any structure or make any excavation;

¹Subs. by Act No. IX of 2024, ss. 9-10.

²Added by Ordinance No. XXXI of 2001, s. 7

- (x) cause studies, surveys, experiments and technical researches to be made or contribute towards the cost of any such studies, surveys, experiments or technical researches made by any other agency;
- (xi) exercise power to award negotiated contracts for projects to be undertaken through Private Sector Financing programme;
- (xii) seek and obtain advice and assistance for the preparation and execution of any plan, programme or project;
- (xiii) raise funds (local and foreign) through borrowing, floating of bonds, sharing or leasing of assets or any other means, from time to time;

Provided that a foreign loan shall be negotiated in consultation with the relevant Ministry of the Government of Pakistan;

- (xiv) perform any other function supplemental, incidental or consequential to the purposes and functions aforesaid ¹]; and]
- ¹[(xv) takeover ROW of the roads declared as ²[national highways, motorways and strategic roads] with the consent of provinces and approval of the Federal Cabinet and Provinces shall simultaneously effect the mutation free of cost and without any liability or condition.]

11. Plans and schemes.—(1) The Authority shall prepare a master plan for the development, construction, operation and maintenance of ²[national highways, motorways and strategic roads] in Pakistan for the approval of the Council.

(2) The Authority may frame a scheme or schemes for all or any of the following matters, namely:—

- (i) construction, expansion, operation and development of ²[national highways, motorways and strategic roads];
- (ii) research and development in the field of Highways;
- (iii) training of the Authority's employees;
- (iv) welfare of the Authority's employees; and
- (v) any other matter pertaining to the purposes and functions of the Authority or incidental thereto.

12. Powers to eject unauthorized occupants.—Subject to rules, the Authority shall have power to summarily eject any unauthorised occupant of National Highway or strategic road or proposed site thereof and demolish and remove any structure thereon, and to use such force, including police force, as may be necessary for the purpose and to recover the cost thereof from the person responsible for such occupation or obstruction.

¹Subs. and added by Ordinance No. XXXI of 2001, s. 8.

²Subs. by Act No. IX of 2024, ss. 10-11.

CHAPTER IV ESTABLISHMENT

13. Appointment of officers, servants etc.—(1) The Authority may from time to time employ such officers and servants, or appoint such experts or consultants, as it may consider necessary for the performance of its functions, on such terms and conditions as it may deem fit.

(2) Notwithstanding any thing contained in sub-section (1), any rules made, or orders or instructions issued, by the Authority, or in the terms and conditions of service of any person employed by or serving under the Authority, the Authority may at any time terminate the services of any person, after giving him not less than sixty days notice or pay for the period by which such notice falls short of sixty days.

(3) Service under the Authority is hereby declared to be service of Pakistan and every person holding a post under the Authority, not being a person who is on deputation to the Authority from any province, shall be deemed to be a civil servant for the purposes of the Service Tribunals Act, 1973.

14. Recruitment and condition of service.—The Authority shall, with the approval of the Council, prescribe the procedure for appointment and terms and conditions of service of its officers and servants.

15. ¹[Chief Executive Officer], etc., to be deemed to be public servants.—The ¹[Chief Executive Officer], ¹[Executive Members], officers and servants of the Authority shall, when acting or purporting to act in pursuance of any of the provisions of this Act, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code (XLV of 1860).

16. Delegation of powers to ¹[Chief Executive Officer], etc.—The Authority may by general or special order delegate to the ¹[Chief Executive Officer], a ¹[Executive Member] or officer of the conditions as it may think fit to impose.

17. Industrial Relations Ordinance, 1969 (XXIII of 1969), not to apply.—Nothing contained in the Industrial Relations Ordinance, 1969 (XXIII of 1969), shall apply to, or in relation to, the Authority.

18. Persons serving National Highways Board.—(1) Any person on deputation to the National Highways Board immediately before the constitution of the Authority shall, on the constitution of the Authority, be deemed to be on deputation to the Authority on the same terms and conditions of service to which he was entitled in the National Highways Board.

(2) Employees of the National Highways Board immediately before the constitution of the Authority, including a person on deputation to any other organization in Pakistan or abroad, may, on the constitution of the Authority, opt to become an employee of the Authority.

(3) An employee exercising an option under sub-section (2) shall become an employee of the Authority on such terms and conditions as may be prescribed by rules or regulations.

(4) The Federal Government shall contribute to the pension, gratuity and final payment of provident fund of a person absorbed in the Authority under sub-section (3) in accordance with the rules of the Federal Government in force at the time of such absorption.

¹Subs. by Act No. IX of 2024, ss. 12-13.

19. Authority to be local authority.—The Authority shall be deemed to be a local authority for the purpose of borrowing money under the Local Authorities Loans Act 1914 (IX of 1914).

CHAPTER V

REPORTS AND STATEMENTS

20. Submission of yearly reports and returns, etc.—(1) The Authority shall submit to the Federal Government, as soon as possible after the end of every financial year but before the last day of September next following, a report on the conduct of its affairs for that year.

(2) A copy of the report mentioned in sub-section (1), together with a copy of the audit report, shall be placed by the Federal Government before the National Assembly and the National Assembly shall refer the same to its Committee on Public Accounts for scrutiny and examination.

(3) The Committee on Public Accounts shall scrutinize and examine the reports referred to it under sub-section (2) in the same manner as, and shall in respect thereof, perform the same functions and exercise the same powers as are required by it to be performed and exercised in respect of appropriation accounts of the Federal Government and the report of the Auditor General thereon.

(4) The Federal Government may require the Authority to furnish it with—

- (i) any return, statement, estimate, statistics or other information regarding any matter under the control of the Authority; or
- (ii) a report on any such matter; or
- (iii) a copy of any document in the charge of the Authority;

and the Authority shall comply with every such requisition.

CHAPTER VI

FINANCE

21. National Highway Authority Fund.—(1) There shall be formed a non-lapsable fund vesting in the Authority known as the “National Highway Authority Fund”, to be utilized by the Authority to meet charges in connection with its functions under this Act including the payment of salaries and other remuneration to the Chairman, Members, officers, servants, experts and consultants of the Authority.

(2) The National Highway Authority Fund shall be kept in scheduled banks and shall be operated according to rules and regulations of the Authority.

(3) ¹[The National Highway Authority Fund shall have to its credit] all funds received by the Authority from which the Authority can incur expenditure related to its functions including—

¹Subs. by Ordinance No. XXXI of 2001, s. 9.

- (i) loans obtained from the Federal Government;
- (ii) other loans obtained by the Authority;
- (iii) grants made by the Federal Government;
- (iv) income from tolls;
- (v) funds provided by the Federal Government;
- (vi) foreign aid, grants and loans negotiated and raised by the Authority;
- (vii) all other sums received by the Authority, such as fees, damages costs, refunds, forfeitures, sale proceeds, lease money, rentals and fines;
- (viii) income from the sale of assets, land or vehicles; and
- (ix) funds from floating bonds, shares or through any other means.

22. Maintenance of accounts.—The Authority shall maintain complete and accurate books of accounts in such forms as may be prescribed by it.

23. Annual statement of accounts.—In the month of January each year, the Authority shall submit to the Federal Government for approval a statement of the estimated receipts and expenditure in respect of the next financial year.

24. Audit.—(1) The accounts of the Authority shall be audited every year by the Auditor-General in such manner as may be prescribed by the Federal Government.

(2) Copies of the audit report shall be sent to the Authority and, with the comments of the Authority, to the Federal Government and shall also be available for public inspection.

(3) The Authority shall carry out any directive issued by the Federal Government for rectification on an audit objection.

CHAPTER VII MISCELLANEOUS

25. Recovery of arrears due as arrears of land revenues.— Any sum due to the Authority shall be recoverable as an arrear of land revenue.

26. Land acquisition.—The acquisition of any land or any interest in land for the Authority or for any project under this Act shall be deemed to be acquisition for a public purpose within the meaning of the Land Acquisition Act, 1894 (I of 1894), and the provisions of the said Act shall apply accordingly.

27. Transfer of rights and liabilities.—(1) As from the commencement of this Act all assets and liabilities and all rights and obligations of the National Highways Board and the Directorate General National Highways shall stand transferred to the Authority.

(2) All contracts made by the National Highway Board the Directorate General National Highway shall be deemed to be contracts made by the Authority.

28. Authentication of orders and other instruments of the Authority.—All orders, decisions and other instruments of the Authority shall be authenticated by the signature of the Chairman and any other Member or any officer of the Authority authorised by it in this behalf.

29. Power to enter.—Subject to any regulations made in this behalf, any person generally or specially authorised by the Authority in this behalf may, whenever it is necessary so to do for any of the purposes of this Act at all reasonable times, enter upon any land or premises, and

- (i) make any inspection survey, measurement, valuation or enquiry;
- (ii) take levels;
- (iii) dig or bore into sub-soil;
- (iv) set out boundaries and intended lines of work;
- (v) mark such levels, boundaries and lines by placing marks and cutting trenches; and

Provided that no such person shall enter any boundary or any enclosed court or garden attached to a dwelling-house except with the consent of the ¹[occupant] thereof for obtaining which at least twenty-four hours notice in writing of his intention to do so has been given to the ¹[occupant].

30. Indemnity, etc.—(1) Nothing in this Act shall be construed as imposing upon the Authority, either directly or indirectly, any duty enforceable by proceedings before any court.

(2) No suit, prosecution or other legal proceedings shall lie against the Authority, the Chairman or any Member, officer, servant, expert, or consultant of the Authority in respect of any damage caused or likely to be caused or anything done or intended to be done in good faith under this Act or the rules or regulations.

31. Rules.—The Federal Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.

32. Regulations.—The Authority may make regulations, not inconsistent with the rules, on all matters for which regulations are expedient.

²[33. Removal of difficulties.—If a difficulty arises in giving effect any of the provisions of this Act, the Federal Government may make such order, not inconsistent with the provisions of this Act and the State-Owned Enterprises (Governance and Operations) Act, 2023 (VII of 2023), as may appear to be necessary for the purpose of removing the difficulty.]

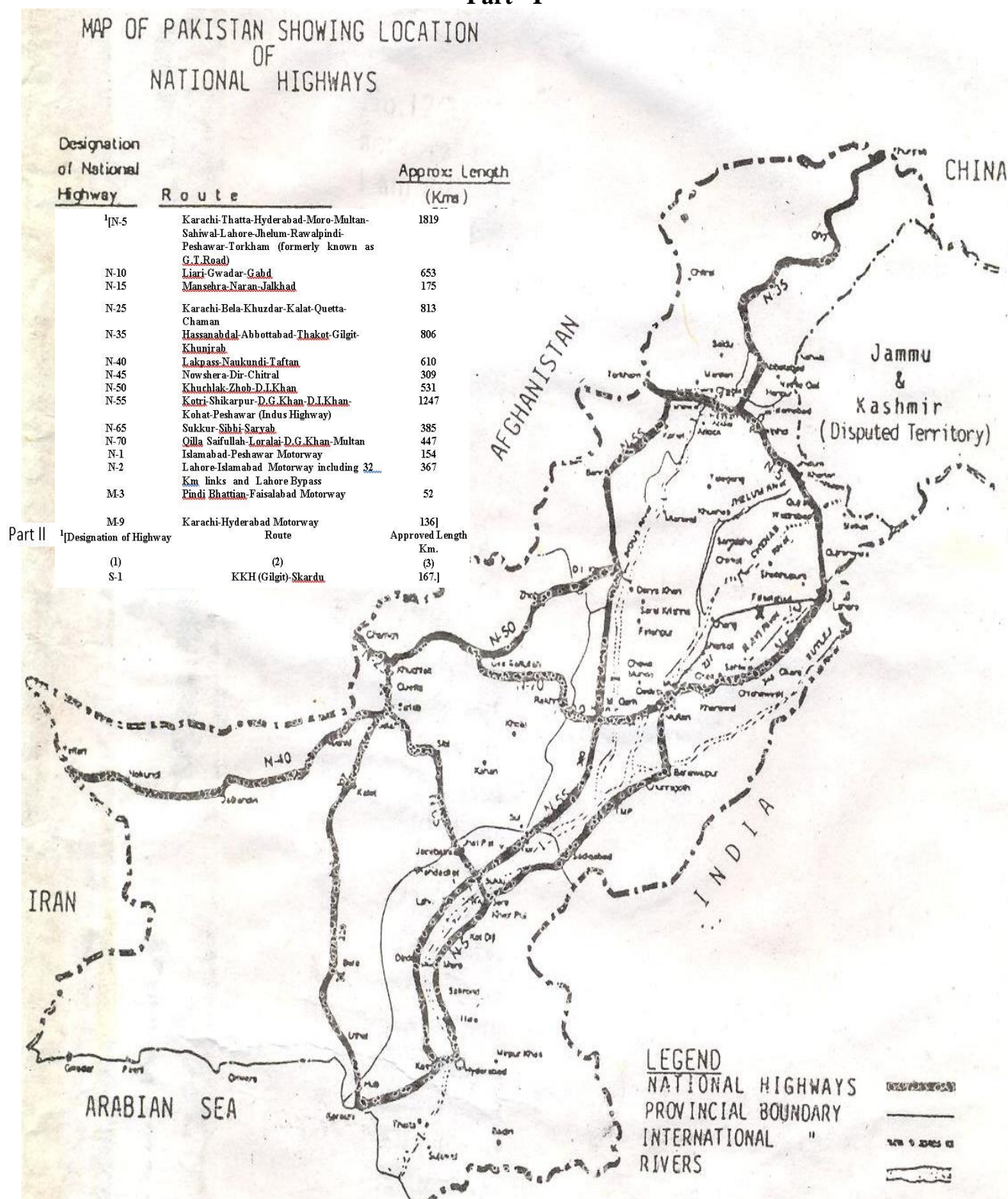
¹Subs. by Ordinance No. XXXI of 2001, s.10.

²Subs. by Act No. IX of 2024, s.14.

THE SCHEDULE

[See section 2(g) and (m)]

Part - I



RGN Date: 03-09-2024

¹Subs. and Added by Ordinance No. XXXI of 2001, s.12.