Government of Pakistan
Special Investment Facilitation Council Division
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Streamlining Pakistan's Greenfield Oil Refinery Sector

Overview:

Pakistan consumes about 479,218 barrels of petroleum a day, yet domestic crude meets only 17% of demand and petroleum imports cost US$16.86 billion in FY2025-26, even as US$10.5 billion of refining investment has been identified. New refining capacity, however, must clear 37 Registrations, Licenses, Certificates & Other Permits (RLCOs) issued by 25 regulators, with no single pathway and no fixed timelines. The reform reworks each of these approvals so that any refinery, wherever it is built, files once with OGRA and gets every clearance in parallel against a fixed clock. Where Government designates pre-approved refinery zones, site-level clearances are settled in advance and drop out of the investor's path altogether.

The Two Reform Models

i. Zonal model (pre-approved refinery zones): Government designates refinery zones and clears them once, before plots are allocated: land is secured and zoned for industry, one security clearance covers the whole zone, environmental, fire safety, and building approvals are given at zone level, utilities are built in advance, and verified plot coordinates are held in a zone database. The investor picks a plot and goes straight to OGRA licensing, with no Deputy Commissioner NOC, land conversion, or site-specific Defence NOC.

ii. Non-zonal model (refineries anywhere else): Every approval is kept where it serves a real purpose, but the investor no longer chases them one by one. This model covers the full RLCO-by-RLCO reform and applies to every refinery outside a zone:

- **One window:** the investor files once on an OGRA portal, and OGRA, as the legally designated coordinating authority, routes the file to every other agency and escalates delays.
- **Duplicates removed:** the standalone LPG Licence, Forms L and O, the weights and measures certificate, the Site Coordinates Certificate, and per-shipment Export Approval are eliminated, with OGRA's third-party inspection and accredited third parties covering their purpose.
- **Fixed clocks:** every Deputy Commissioner department and each of the six Ministry of Defence directorates has 30 days to respond, after which the clearance is deemed approved.
- **Fully digital:** filing, fees, progress reports, and licences move online, linked to SECP's SBOSS, with live status visible to both OGRA and the investor.

India's National Single Window System and the UAE's TAMM platform work on the same principle. The two models are complementary: most benchmark countries run both.

Detailed Reform Analysis

1. Regulatory Fragmentation

Description: A greenfield refinery must obtain 37 RLCOs from 25 regulators spanning federal (22 RLCOs), provincial (8), local (6), and industry association (1) bodies. Eleven are specific to refining and come from eight agencies: the Oil and Gas Regulatory Authority (OGRA), which issues the Refining Licence, Export Approval for Surplus Refined Products, and LPG Licence; the Department of Explosives (Licence Forms L and O); the Deputy Commissioner's office (NOC); the Pakistan Nuclear Regulatory Authority (Form 5-A radioactive source licence); the Sindh Supply & Prices Department (weights and measures calibration certificate); the Oil Companies Advisory Council (OCAC membership); the Ministry of Defence (Defence NOC); and Survey of Pakistan (Site Coordinates Certificate). The other 26 are general business requirements from 17 regulators. Although OGRA issues the refinery licence, no agency coordinates the 20+ other clearances, such as environmental, district, land, gas, and port approvals, which investors must chase separately.

Proposed Reform: Designate OGRA by law as the single coordinating authority for the full licensing journey, with power to escalate any clearance it forwards to or relies on from another agency, so delay becomes OGRA's to resolve rather than the investor's to chase. Link the OGRA portal to SECP's SBOSS so that environmental, electricity, land, and gas clearances are drawn directly, and give OGRA live status at the Deputy Commissioner's office and at each of the six Ministry of Defence directorates.

> **In pre-approved zones:** land, security, environmental, and utility approvals are cleared once for the whole zone, leaving OGRA with far fewer clearances to coordinate.

Benefits: Gives investors one lead agency and one coordinated pathway instead of dozens of separate approaches to regulators.

2. Duplicate Checks & Paper-Based Filing

Description: Investors file over 20 paper dossiers by hand, re-entering the same corporate and technical facts each time, pay by demand draft, and receive licences by post with no visibility on file status. Five of the 11 refinery-specific RLCOs re-collect information OGRA has already certified. The standalone LPG Licence repeats documents and fees already covered by the refinery licence, while Form L (bulk storage of petroleum products) and Form O (import, storage, and sale of LPG) re-inspect tank farms, piping, and firefighting already checked by OGRA's third-party inspector, and must be renewed every year.

Proposed Reform: Move all applications, fees, quarterly progress reports, and licences onto one OGRA portal, with online payment, e-licences, and live tracking. Eliminate the standalone LPG Licence, keeping LPG details as a technical addendum in the OGRA file, and eliminate Forms L and O for OGRA-licensed refineries, with OGRA's third-party inspection report as the sole technical certification. Replace the weights and measures certificate with calibration by OGRA-accredited third parties, and the Site Coordinates Certificate with coordinates from an OGRA-accredited surveyor filed inside the OGRA application. Replace per-shipment Export Approval with a standing authorization for

repeat exporters. Move Form 5-A to NADRA identity checks, digital templates, and a three-year validity, and limit OCAC membership documents to legal status, OGRA authorization, and tax registration, checked electronically against OGRA, SECP, and FBR records.

Benefits: Ends repeat verification and hand-delivered paperwork, and gives applicants live visibility of their files.

3. Extended Compliance Timelines

Description: Files move one desk at a time, with no deadlines: six levels within OGRA, 14 departments in the Deputy Commissioner's office, and 6 Ministry of Defence directorates for the Defence NOC, which takes from three months up to a year. For the 11 refinery-specific RLCOs alone, waiting time totals 2,784 days if taken one after another (over 7.5 years), and at least 900 days even if all ran at once.

Proposed Reform: Route one OGRA-portal application at the same time to the Deputy Commissioner's office and directly to Defence HQ, removing the Petroleum Division forwarding step. Give each district department and each of the six Ministry of Defence directorates 30 days to respond, after which the clearance is deemed approved, and require Defence HQ to issue one binding decision. Remove OGRA and Civil Defence from the Deputy Commissioner's department list, with any fire-safety sign-off done jointly with OGRA's third-party inspection, and replace the open-ended clarification loop with one digital round of reconsideration. Inside OGRA, have the Head of Department and Members for Oil, Gas, and Finance review in parallel, and carry construction-stage findings forward so only changed items are re-verified at the operational stage.

> **In pre-approved zones:** the Deputy Commissioner NOC, land conversion, and site-specific Defence NOC are not needed at all, since the zone is cleared before plot allocation.

Benefits: Reduces cumulative processing time by more than 68% and waiting time by up to 97%.

4. Reform Package & Economic Impact

Description: Of the 37 RLCOs, 26 (70%) are general requirements already covered by earlier reforms. The remaining 11 refinery-specific RLCOs, plus 7 general ones with changed proposals (18 in all), were assessed under the two models, drawn from the UAE, Saudi Arabia, Oman, Singapore, India, and Nigeria, whose pre-cleared zones and single coordinating authorities cut refinery timelines (in India, by up to 18 months). The other 19 general RLCOs are unchanged by this package.

Proposed Reform: For refineries outside zones, eliminate 6 of the 18 (33%) and simplify and digitize 12 (67%), all through the OGRA portal and SBOSS. Inside pre-approved zones, where site-level clearances are settled in advance, 15 (83%) are eliminated and 3 (17%) simplified and digitized. The treatment of each licence is below.

Licence / approval (regulator)	Zonal model (pre-approved zones)	Non-zonal model (outside zones)
Refinery-specific RLCOs (11)		
OGRA Refining Licence (pre-construction & operational)	Simplify & digitize	Simplify & digitize
OGRA Export Approval for Surplus Refined Products	Eliminate	Eliminate
OGRA LPG Licence for Refineries	Eliminate	Eliminate
Form L, bulk storage of petroleum products (Department of Explosives)	Eliminate	Eliminate
Form O, import, storage, and sale of LPG (Department of Explosives)	Eliminate	Eliminate
NOC from Deputy Commissioner	Eliminate	Simplify & digitize
Form 5-A, radioactive source licence (Pakistan Nuclear Regulatory Authority)	Simplify & digitize	Simplify & digitize
Weights & measures verification and calibration certificate (Sindh Supply & Prices Department)	Eliminate	Eliminate
OCAC Membership (Oil Companies Advisory Council)	Simplify & digitize	Simplify & digitize
Defence NOC (Ministry of Defence)	Eliminate	Simplify & digitize
Site Coordinates Certificate (Survey of Pakistan)	Eliminate	Eliminate
General RLCOs with changed proposals (7)		
Environmental Approval, IEE/EIA (EPA)	Eliminate (pre-cleared at zone level)	Simplify & digitize
Environmental Operating Certificate (EPA)	Eliminate (pre-cleared at zone level)	Simplify & digitize
Fire Safety Certificate (Civil Defence)	Eliminate (pre-cleared at zone level)	Simplify & digitize
Building Plan Approval (Development Authority)	Eliminate (pre-cleared at zone level)	Simplify & digitize
Water & Sewerage Connection (water utility)	Eliminate (pre-cleared at zone level)	Simplify & digitize
Solid Waste Service Approval (water utility)	Eliminate (pre-cleared at zone level)	Simplify & digitize
Land Registration (Board of Revenue)	Eliminate (pre-cleared at zone level)	Simplify & digitize
Total (18)	**15 eliminated, 3 simplified & digitized**	**6 eliminated, 12 simplified & digitized**

Benefits: Cuts processing time by more than 68%, waiting time by up to 97%, and generates an estimated **PKR 578 billion** (about US$2.08 billion) in annual compliance cost savings.