

# Frequently Asked Questions

## What is PCP Certification?

PCP Certification is a performance evaluation of the applicant non-profit organization (NPO) against PCP Certification Standards in the categories of internal governance, financial management and programme delivery.

## What are PCP Certification Standards?

PCP Certification Standards consist of best standards for the not for profit sector. PCP Certification Standards have also been notified by the Federal Board of Revenue, Government of Pakistan.

## Who can apply for PCP Certification?

Any Non-Profit Organization (NPO) which has been registered for at least one or more years under a non-profit registration law at any location in Pakistan, can apply for PCP Certification. Most common NPO registration laws in Pakistan include Trust Act, 1882, The Societies Registration Act, 1860, The Voluntary Social Welfare Agencies (Registration & Control) Ordinance, 1961 and Section 42 of The Companies Ordinance, 1984.

International NGOs which have been working in Pakistan for at least one or more years under arrangements of a MoU signed with the Government of Pakistan, can also apply for PCP Certification.

## What is the procedure to apply for PCP Certification?

Application for PCP certification can be made by accessing the “Apply online” tab on our website; [www.pcp.org.pk](http://www.pcp.org.pk). As a first step, the organization is required to create a login ID and then online application form can be accessed. Application form has to be completed online. Once complete, organization is required to submit it electronically, take a print out of submitted application form and send it at our postal address along with required documents, fee and applicable taxes.

For detailed tutorial on the process of applying for PCP certification; [click here](#)

### Does PCP charge any fee for Certification?

In order to cover costs incurred during the process of certification, PCP charges subsidized fee. Certification fee is linked to the annual average receipts of the organization during the last three years. In case the organization has been in operation only for one or two years then average shall be calculated based on one or two years, respectively. The information regarding certification fee for different types of Certification is given as under:

**Regular Certification** (Where the organization has been in operation for at least three or more years)

Size of NPO	Average annual financial receipts (income/grants/donations etc) of the last 3 years	Certification Fee (Rs.)
Small	Up to 1 Million	16,500
Medium 1	Between 1 to 5 Million	50,000
Medium 2	Between 5 to 10 Million	110,000
Large 1	Between 10 to 50 Million	190,000
Large 2	Between 50 to 100 Million	250,000
Large 3	100 Million and above	360,000

**Provisional Certification** (Where the organization has been in operation for more than one year but less than three years)

Size of NPO	Annual/bi-annual average financial receipts (income/grants/donations etc) of the preceding year/two years	Certification Fee (Rs.) (One year)	Certification Fee (Rs.) (Two years)
Small	Up to 1 Million	6,600	9,900
Medium 1	1-5 Million	20,000	30,000
Medium 2	5 - 10 Million	44,000	66,000
Large 1	10 - 50 Million	76,000	114,000
Large 2	50 - 100 Million	100,000	150,000
Large 3	100 Million and above	144,000	216,000

As per the current provisions of ICT (Tax on Services) Ordinance, 2001. Sales Tax@16% is also applicable on applicable Certification fee.

### When does the application become complete?

An application becomes complete after the organisation has completed all mandatory requirements.

Mandatory requirements include submission of application form online and submission of printed application form in hard copy along with required documents including fee & applicable taxes. Once the above documents are received at our office, our team conducts a desk review. In case there are any short documents, an intimation is sent to the authorised representative of the applicant organisation.

Application is not considered complete until the applicant NPO provides missing documents and complies with the mandatory requirements.

When all mandatory requirements are fulfilled, our team sends a final acknowledgement conveying that the application is complete. Upon fulfilment of mandatory requirements, all applications are placed in a queue and processed in an order.

### What are different required documents to be attached with the application form and sent to PCP?

- Governing document / Trust Deed etc
- Registration/Incorporation Certificate
- List of members of BOD/BOG/BoT etc
- Minutes of Meetings of BOD/BOG/BoT etc
- Annual Audit Reports ( last three years )
- Fee Deposited ( Demand Draft , Payorder , Cheque in favor of PCP)
- Sales Tax calculated @16% on Certification fee
- A certificate on official letter head stating the following
  - That the organization does not propagate the views of any political party and/or religious sect.
  - That no adverse decree has been passed against the organization in any of the civil courts in Pakistan on grounds of fraud or breach of trust.

### What steps follow after the application becomes complete?

After an application becomes complete upon fulfillment of mandatory requirements, the following steps follow:

- Field Evaluation
- Preparation of Evaluation Report
- Sharing of draft report with applicant organization
- Presentation of case to Certification Panel for its decision
- Issuance of certificate & final report

### What is field Evaluation?

Field evaluation entails a visit to applicant NPO's head office and field areas for the purpose of detailed evaluation. During the field evaluation, PCP team interacts with management, board members, staff members, beneficiaries and other stakeholders including government.

### What is certification panel and its role?

Certification Panel is a Body which is independent of PCP's Board. Panel consists of seven (7) members including representatives from civil society, government (EAD & FBR) and eminent citizens. After evaluation, report on findings is presented before the certification Panel for decision. Decision of certification Panel with regards to grant of PCP certification is final.

### How much time does it takes for the whole certification process to complete?

From our end, time starts ticking from the date when the application becomes complete after fulfillment of all mandatory requirements. It usually takes (2-3) months for the whole process to complete.

### What is the validity time of PCP certification?

Certification once granted is usually valid for a period of three years. However, in cases where applicant organisations have come into existence since one or two years, certification is valid for one and two years, respectively.

### How does renewal of Certification take place?

Renewal of PCP Certification is a fresh evaluation after the expiry of certification period. Organisation has to apply afresh in the same manner as applicable in new cases.

### Can certification be revoked?

Yes. In case an evidence is brought to our notice that the NPO is no more complying with PCP's Certification requirements, certification can be revoked. However, due opportunity shall be given to the organisation to represent its view point.

### What are benefits of PCP Certification?

There are various benefits that certified organisations can enjoy. Certification is one of the requirements for obtaining tax benefits including approval, tax credit and exemption from Commissioner Inland Revenue, Government of Pakistan. In addition to tax benefits, certification leads to increase in credibility. PCP certified organisations are included in PCP's annual directory which is widely circulated among donor community and other key stakeholders including Government. Moreover, in the light of Government's recently introduced registration policies, donors and INGOs have increasingly required local NPOs to seek PCP Certification to access funds.