



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

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14th April 2011,

Chairman,
Securities and Exchange Commission of Pakistan,
National Insurance Corporation Building,
Jinnah Avenue,
Islamabad-44000,

Fax No. (92-51) 9205692, 9204915

Sub; Violation of Public Procurement Rules, 2004 by SECP

Dear Sir,

Transparency International Pakistan has noted that SECP Tender Notice for procurement of IBM website software, published in Dawn of 14-04-2011, is violating Rule No 13 of Public Procurement Rules 2004, and is as against the minimum period of tendering of 15 days, only 11 days are being allowed by SECP. Rule 13 is quoted below for ready reference;

13. Response time.-

**(1) The procuring agency may decide the response time for receipt of bids or proposals (including proposals for pre-qualification) from the date of publication of an advertisement or notice, keeping in view the individual procurement's complexity, availability and urgency.*

Second violation is that the Tender Documents are stated by SECP in the Tender Notice as being available on SECP website, <http://www.secp.gov.pk/procurement.asp>, but they are not available till 2 p.m. today.

SECP is a Regulatory Authority for all registered private companies, and shall be a roll model to follow Public Procurement Rules 2004 which applicable on SECP, so that it may regulate the private sector more forcefully. We expect SECP to make these rules also applicable on public listed companies. In this regard, we refer to PPRA letter No 2(21) /DD-II/PPRA/SECP/04 dated 26-01-2008 sent to SECP, which confirms that PPRA Ordinance 2004 and Public Procurement Rules 2004 are applicable.

The above information is forwarded for the purpose to avoid the mis-procurement charge under Rule No 50, and to re- invite the tender which shall be based on the procedures prescribed by Public Procurement Rules, 2004

With regards,

Saad Rashid,
Executive Director,

Copy forwarded for the information of

1. Chairman Public Accounts Committee, Islamabad
2. Chairman, NAB, Islamabad
3. Auditor General Pakistan, Islamabad
4. Registrar, UPREMEME Court of Pakistan, Islamabad
5. Managing Director PPRA, Islamabad

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No.2(21)/DD-III/PPRA/SECP/04
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)

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Islamabad the 28th January, 2008

From: **Mr. Asif Khan**
Deputy Director -I,
Ph: 051-9203314

To: **Mr. Waseem Irshad,**
Director (Administration),
Securities & Exchange Commission of Pakistan,
63-NIC Building, Blue Area,
Islamabad

Subject: **APPLICATION OF PUBLIC PROCUREMENT RULES, 2004 TO
SECURITIES & EXCHANGE COMMISSION OF PAKISTAN**

Kindly refer to endorsement of SECP's letter No.7(32)ADMN-SECP-2004 dated 14th September, 2007 addressed to Transparency International Pakistan on the above noted subject.

2 In this regard, it is pointed out that as the Commission has been established under an Act of the Federal Government and is owned and controlled by the Federal Government, therefore, PPRA Ordinance, 2002 and Public Procurement Rules, 2004 are applicable on the Commission. A copy of the reply on the same issue dated 1st June, 2006 sent to the Commission is enclosed for ready reference.

3. The issue was also forwarded to Finance Division for status of applicability of PPRA Ordinance, 2002 and Public Procurement Rules, 2004 on SECP in the light of SECP Act 1997. Finance Division has also confirmed that PPRA Ordinance, 2002 and Public Procurement Rules, 2004 are applicable on SECP. A copy of the Finance Division's U.O No.3(30)-Inv.V/2007-40 dated 21.01.2008 is enclosed.

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4 In view of the above position SECP is advised to follow Public Procurement Rules, 2004 in letter and spirit in all the cases of procurement.


(ASIF KHAN)

CC:

✓ Syed Adil Gilani, Chairman, Transparency International Pakistan,
5-C, 2nd Floor, Khayabane-e-Ittehad, Phase-VII, Defence Housing
Authority, Karachi