



29th, April 2010

Supreme Court Judgment

Supreme Court Judgment has confirmed Transparency International Pakistan stand on PPRA and Public Procurement Rules 2004.

"We also find from the documents made available that there is price slope averaging from 0.145 to 0.155, which needs to be kept in view. Here we may observe that it is the duty of the court to ensure that the Public Procurement Regulatory Authority Ordinance 2002 read with the Public Procurement Rules 2004 are adhered strictly to exhibit transparency."

Mr. Qabool Ahmed Shaikh,
Secretary,
Sindh Katchi Abadi Authority,
J-193, Block-2,
PECHS Karachi.

Subject: Violation of SPPRA Public Procurement Rules 2010 in Tenders

Dear Sir,

Transparency International Pakistan has received complaint from Karachi Contractors Association on April 21st, 2010 (copy enclosed). Your department involved in the process of tenders in the violation of SPPRA Public Procurement Rules 2010. Kindly examine the complaint and confirm to TI-Pakistan about the allegation of violation of SPPRA Public Procurement Rules 2010 in these tenders.

SPPRA Public Procurement Rules 2010 have eliminated all discretions in the procurement process and avenues of corrupt practices in tendering, by making the following transparent steps mandatory to eliminate manipulation in tendering:

- **27. Pre-qualification of Suppliers and Contractors**
 - (1) A procuring agency, may engage in pre-qualification of bidders only in the following cases:
 - (a) In case of contracts for large and complex works and services related to, in which there are high costs of preparing detailed bids;
 - (b) In the contracts to be let under turnkey, design and build, or management contract;
 - (c) In case of expensive and technically complex equipment and works with a view to ensuring that invitations to bid are extended only to those who have adequate capabilities, competence and resources.



- Signing of Integrity Pact (no bribery pact and declaration of Agent's Agreement).
- Evaluation report to be provided to bidders 15 days before award for filing objections
- Bidders shall be issued tenders on the date of tender notice is published, and allow minimum 15 days for submission of tenders.
- Rights of bidders for complaint on evaluation report and reply by department.
- Declaration of contract and evaluation report on the website after the award on contract.
- Contract for supply, work and consultant to be awarded only to the lowest responsive evaluated bidder.
- No changes allowed in the specification and evaluation criteria after opening the tenders.

These rules do not allow any discretion nor allow pre-qualification for works advertised by you and ensure that no collusive practices occurs among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non competitive levels which deprived the CDGK of the benefit of free and open competition. Please clarify the allegations.

With Regards,

Syed Agha Orani
Chairman

- Copy forwarded for the information of,
1. Director General NAB, Sindh, Karachi.
 2. Managing Director Sindh PPRA, Karachi.