



11<sup>th</sup> February, 2014

Mr. Muhammad Ali Gardezi,  
Secretary Aviation/Chairman, Civil Aviation Authority,  
HQ, Civil Aviation Authority,  
Terminal No. 1,  
Jinnah International Airport,  
Karachi

Sub: Allegation of Award of Gwadar Airport Contract at Rs 680 million to M/s  
FWO, by CAA without Tendering in violation of PPRA Rules

Dear Sir,

Transparency International Pakistan refers to new report that CAA has awarded Gwadar Airport Contract at Rs 650 million to M/s FWO, by CAA without Tendering in violation of PPRA Rules. **Annex-A**

This is to point out that if the such proposal of the contract to be awarded to M/s FWO, without tendering is accepted by the Principal Accounting Officer, the Secretary Aviation, the approval will be against the Supreme Court Orders, and all the Public office Holders, declared as guilty by the Supreme Court of Pakistan of violation of PPRA Rules in RPP Case, EOBI, NICL, PIA, Pakistan Steel, BB Airport CAA, CDA, Safe City, Pakistan Railways Cases, will get opportunity to take protection of your forthcoming illegal act, on false security risk/emergency basis.

Kindly also note that three ex Ministers, 2 Secretaries, and one PM are now facing corruption charges in NAB Accountability Courts, only due to the contracts awarded on the unsolicited basis. The Supreme Court of Pakistan in its Judgment in Case No HRC 7734 G/ 2009 announced on 30 March 2012, while declaring all RPPs contracts nul and void, also stated following principles and international judgments in para no. 17, which are legally binding on the government in all procurements.

#### **TRANSPARENCY OF CONTRACTS**

*17. It is important to note that all the executive authorities are bound to enter into contracts for supplies at the least expense to the public exchequer. Most significant consideration for every department of the Government must be the best economical mode of meeting the public needs. Agreements for pecuniary considerations are against public policy, as such, are void. Reference in this behalf may be made to the case of Tool Company v. Norris [69 U.S. (2 Wall.) 45 (1864)], wherein the Supreme Court of United States, as back as in 1864, has held that all contracts for supplies should be made with those, and with those only, who will execute them most faithfully, and at the least expense to*




*the government. Considerations as to the most efficient and economical mode of meeting the public wants should alone control, in this respect, the action of every department of the government. No other consideration can lawfully enter into the transaction, so far as the government is concerned. Such is the rule of public policy, and whatever tends to introduce any other elements into the transaction is against public policy. That agreements, like the one under consideration, have this tendency is manifest. They tend to introduce personal solicitation and personal influence as elements in the procurement of contracts, and thus directly lead to inefficiency in the public service and to unnecessary expenditures of the public funds. ... .. it is sufficient to observe generally that all agreements for pecuniary considerations to control the business operations of the government, or the regular administration of justice, or the appointments to public offices, or the ordinary course of legislation, are void as against public policy, without reference to the question, whether improper means are contemplated or used in their execution. The law looks to the general tendency of such agreements, and it closes the door to temptation, by refusing them recognition in any of the courts of the country. Every action taken by the Government must be in public interest and its action would be liable to be invalidated on the touchstone of reasonableness and public interest and if it fails to satisfy either test, it would be unconstitutional and invalid.*

In view of above, Transparency International Pakistan request the Chairman, to conduct an inquiry, , and if the news report is correct, TI Pakistan request the Chairman, who is also the Principal Accounting Officer to immediately take action against this alleged illegal act of this unsolicited awarded contract. Public money is to be spent in transparent manner, and in accordance with rules, by pubic servants.

TI Pakistan is striving to have transparency in procedures and Rule of Law in Pakistan, which is the only way to eliminate corruption and have good governance in country.

Regards,

  
Sohial Muzaffar  
Chairman

Copies forwarded for information and appropriate action under the mandate vested, to,

1. Secretary to the Prime Minister, for information of the Prime Minister, Islamabad.
2. Chairman, Public Accounts Committee, Islamabad,
3. Chairman, NAB, Islamabad.
4. Minister of Interior, Islamabad
5. Registrar, Supreme Court Pakistan.
6. Managing Director PPRA, Islamabad.



## نیوگورڈریس رپورٹ کا 68 کروڑ کا ٹھیکہ بغیر ٹینڈر ایف ڈی بلو او کو دیا گیا

سول ایوی ایشن اتھارٹی نے پیپرا قوانین کے خلاف ٹھیکہ محض ایک بریفنگ کے بعد ایف ڈی بلو او کو دیا امن اومان کی صورتحال کے باعث ٹینڈر مشتہر نہیں کیا، اتھارٹی نے وفاقی حکومت کو تحریری آگاہ کر دیا اسلام آباد (نمائندہ خصوصی) سول ایوی ایشن اتھارٹی نے پیپرا روڈ کی خلاف ورزی کرتے ہوئے نیوگورڈریس رپورٹ کے ایک تعمیراتی منصوبے کے لئے 68 کروڑ کا ٹھیکہ ٹینڈر طلب کئے بغیر ایف ڈی بلو او کو جاری کر دیا جبکہ سول ایوی ایشن اتھارٹی کا کہنا ہے کہ گوارڈ میں امن اومان کی خراب صورتحال کے باعث اتھارٹی نے ٹھیکہ ایف ڈی بلو او کو جاری کیا۔ باخبر ذرائع نے بتایا کہ پیپرا روڈ میں واضح طور پر کہا گیا ہے کہ کوئی بھی سرکاری یا نیم سرکاری ادارہ 20 لاکھ روپے سے زیادہ لاگت کے منصوبے کے لئے قومی اخبارات میں اشتہار دینے کا پابند ہے تاہم سول ایوی ایشن اتھارٹی نے وفاقی حکومت سے منظوری لیے بغیر 68 کروڑ روپے کا ٹھیکہ ایف ڈی بلو او کو محض ایک بریفنگ کے بعد جاری کیا ہے۔ اس حوالے سے سول ایوی ایشن نے وفاقی حکومت کو تحریری طور پر آگاہ کیا ہے کہ کیونکہ گوارڈ میں امن اومان کی صورتحال اتھارٹی خراب ہے اس لئے اخبارات میں اشتہار نہیں دیا گیا۔