



24th September, 2009

Hafeez ur Rehman
Managing Director
PPRA,
Islamabad

Sub: Implementation of Public Procurement Rules, 2004 in DHA, Islamabad
Ref: DHA Secretary letter No DHA1/211/16/Legal dated 12 September 2009.

Dear Sir,

Kindly refer to DHA Secretary letter dated 8 June 2009 stating that PPRA Ordinance is not applicable on DHA, and TI Pakistan reply dated 11 June 2009, PPRA letter No. F.1(90)DD-II PPRA 2009 dated 2nd September 2009, and to DHA Secretary letter No DHA1/211/16/Legal dated 12 September 2009.

Transparency International Pakistan would like to refer to the PPRA Ordinance, which makes DHA Islamabad, Lahore and Karachi, a procuring agency, and accordingly Public Procurement Rules 2004 are applicable on them.

According to Article 2 (j) & (k) PPRA Ordinance 2002, a procuring agency is defines as:

jj. "procuring agency" means-

i. any Ministry, Division, Department or any Office of the Federal Government;

ii. any authority, corporation, body or organization established by or under a Federal law or which is owned or controlled by the Federal Government;

k. "Public Fund" means the Federal Consolidated Fund and the Public Account of the Federation and includes funds of enterprises which are owned or controlled by the Federal Government;

This is also to be highlighted that under the DHA Ordinances, employees of DHA shall be deemed to be public servants within the meaning of section 21 of the Pakistan penal Code 1860, and according to NAB Ordinance, Article 5 (m), employees of DHA are also "Holder of public office.

The NAB Ordinance preamble states

AND WHEREAS there is a grave and urgent need for the recovery of state money and other assets from those persons who have misappropriated or removed such [money or] assets through corruption, corrupt practices and misuse of power or authority;

Corrupt Practices under NAB Ordinance 1999 includes, [if he misuses his authority so as to gain any benefit or favour for himself or any other person,



or [renders or attempts to render] [or willfully fails to exercise his authority to prevent the grant, or rendition of any undue benefit or favour which he could have prevented by exercising his authority]; and (vii) if he has issued any directive, policy, or any SRO (Statutory Regulatory Order) or any other order which grants or [attempts to grant] any [undue] concession or benefit in any taxation matter or law or otherwise so as to benefit himself or any relative or associate or a benamidar [or any other person]

In view of the above quoted statutory requirements, all DHAs are authorities established under Federal law by the Federal Government, and all Board members of DHA Islamabad, Lahore and Karachi are Holder of public office, and, accountable under laws of Pakistan, and PPRA Ordinance 2002 is applicable on all DHAs.

Yours sincerely,

Syed Asif Gilani,
Chairman,
Transparency International Pakistan