



"One of the biggest curses from which India is suffering... I do not say that other countries are free from it, but I think our condition is much worse - is bribery and corruption. That really is a poison. We must put that down with an iron hand and I hope that you will take adequate measures as soon as it is possible for this Assembly to do so." Address of Quaid-i-Azam Mohammad Ali Jinnah to the Constituent Assembly of Pakistan on his election as President of Pakistan (11th August 1947)

30th September 2009

Mr. Hussain Haqqani,
Ambassador,
Pakistan,
3517 International Ct NW
Washington, DC 20008-3023
USA

Subj: Selection of Lobbyists in USA Procurement Watch- Transparency International Pakistan

Dear Sir,

The publication of the news in the NEWS International dated 30th September 2009 on the appointment of a number of Lobbyists in USA costing millions of dollars, is enclosed herewith.

Beside previous selections, the news reveals that the procurement of services of another almost a million-dollar lobbyist Cassidy & Associates has been made by Pakistan in Washington, which Robin Raphael, the newly appointed coordinator of all aid to Pakistan, was a key partner until she got her new job recently.

Transparency International Pakistan request you to kindly confirm the reliability of the news on appointments of so many lobbyists in USA. In case the news is true, kindly provide the Evaluation Reports and Contract Agreement of all these lobbyist, which TI Pakistan is requesting under the provision of Public Procurement Rules 2004, Rule No 47.

47. Public access and transparency.-

As soon as a contract has been awarded the procuring agency shall make all documents related to the evaluation of the bid and award of contract public:

Kindly note that all procurement are to be made according to Public Procurement Rules 2004 in accordance with SRO S.R.O. 432(I)/2004 issued on 9th June 2004, and their applicability is described in Rule No 3

3. Scope and applicability.-

Save as otherwise provided, these rules shall apply to all procurements made by all procuring agencies of the Federal Government whether within or outside Pakistan.



The reported appointment connection of newly appointed coordinator of all aid to Pakistan, Robin Raphael being ex partner in the lobbyist Cassidy & Associates, comes under the Conflict of Interest, not allowed in the Public Procurement Regulations prescribed by PPRA, Standard Bidding Documents of Pakistan Engineering Council.

Such acts may also come under the definition of "corrupt and fraudulent practices" described in Rule 2 (g), as includes the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official or the supplier or contractor in the procurement process or in contract execution to the detriment of the procuring agencies; or misrepresentation of facts in order to influence a procurement process or the execution of a contract, collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the procuring agencies of the benefits of free and open competition and any request for, or solicitation of anything of value by any public official in the course of the exercise of his duty;

Kindly note that all Contracts above Rs 10 million (US \$ 120,000) shall have anti bribery pacts " Integrity Pact" signed by the lobbyist as part of the Contract Agreement.

The above information is required to check that the compliance of rules have been observed in the process of these procurements, as any violation of Public Procurement Rules 2004 amounts to declare the procurement as mis-procurement charge under Rule No 50,

With regards,

Syed Adil Gilani,
Chairman,

Copy forwarded for the information of;

1. Chairman, PAC, Islamabad
2. Chairman National Accountability Bureau Islamabad
3. Auditor General Pakistan, Islamabad
4. Managing Director PPRA , Islamabad

INTERNATIONAL
THE NEWS

New lobbyist hired in DC as Kerry-Lugar row rages

Wednesday, September 30, 2009

By Shaheen Sehbai

WASHINGTON: While a furious debate is raging in Pakistan on the Kerry-Lugar bill, focusing on who was responsible for this disaster, another almost a million-dollar lobbyist has been hired by Pakistan in Washington, though it is unclear how effective the move will be at this stage of the bill.

The new company hired is Cassidy & Associates, one of the biggest lobbying firms in Washington in which Robin Raphael, the newly appointed coordinator of all aid to Pakistan, was a key partner until she got her new job recently.

Analysts say the hiring of another big-cost lobbying firm was a clear indication that Pakistani authorities were not satisfied with the current lobbyist, Mark A Siegel, who had been a personal friend of Benazir Bhutto and co-authored her book which was published after her assassination.

An official of Cassidy told The News that the firm had been hired by the Pakistan Embassy for \$700,000 a year plus expenses which can run into thousands of dollars, as seen in the past.

Cassidy & Associates registered itself as a Pakistan lobbyist with the US Department of Justice on July 14, 2009 and has declared its main task in these words: "(The company will) assess Pakistan's standing among key US decision makers in the public and private sector, convey Pakistan's goals and interests to key executive and legislative branch officials and promote US policy in favour of those goals and interests. Identify potential private sector industrial partners for Pakistan, monitor federal policy and funding environment on issues of interest and importance to Pakistan."

The declared objective of the new lobbyist is also to "engage in efforts to improve Pak-US relations and promote the development of US policy beneficial to Pakistan's goals and interests."

The induction of Cassidy at a time when the Kerry-Lugar bill was passing through the mill and grill of the US Senate and the House of representatives will add to the Pakistan's lobbying bill substantially but it is not yet clear what results have been delivered by these lobbyists so far.

The existing lobbyist Mark Siegel claims that the Kerry-Lugar bill is a "historic breakthrough" for Pakistan. In July he had told The News, on record, the following about the Kerry Lugar Bill: (The company) assisted in passage of the Kerry-Lugar bill in the Senate that triples non-military aid to Pakistan to \$7.5 billion dollars over five years. This legislation will help foster a stable and prosperous Pakistan for its 170 million citizens. Have also worked to fend off stringent conditions proposed by some members of Congress with the backing of India's lobby, that would effectively "tie Pakistan's hands" in attempting to defend itself and countering the propaganda campaign launched by adversaries of Pakistan and the United States. Furthermore, assisted in the passage of the similar House bill (PEACE Act) that included provisions for health and girl's education programmes."

This statement of Siegel in July was proven wrong when the Senate passed the bill this week and on examination the conditions put in it turned out to be more stringent than considered earlier. Thus, according to an expert, the lobbying effort of Siegel failed miserably. Likewise on Reconstruction Zones in Fata, Mark Siegel had stated the following in a statement to The News in July this year: "Despite strong opposition from some US labour organisations, (we) directly

intervened with the Congressional leaders to add the ROZ bill to the (Kerry-Lugar) PEACE Act before the House Rules Committee, which resulted in passage of the ROZ bill before the full House. This was considered a legislative procedural/coup."

According to Siegel: "This legislation seeks to establish Reconstruction Opportunity Zones (ROZs) along the border region of Afghanistan and Pakistan. Similar legislation (S 496) is pending in the US Senate by senators Cantwell (D-WA), Casey (D-PA) and Hatch (R-UT). ROZs would target these border areas by allowing Pakistan and Afghanistan to produce and export a wide range of textiles, handicrafts, carpets, gemstones and other products to the US duty free. This concept is consistent with similar, successful programmes for Jordan, Egypt and some other countries. The ROZ concept is predicated on economic viability building political stability. We are working with the Administration to expand ROZ to Balochistan."

What came out of the Senate was total elimination of the ROZs from the bill which means all the above stated claims of the lobbyist were baseless, what to talk of a historic breakthrough and an unprecedented commitment.

Against these tall but erroneous claims, the kind of money, which was paid to Siegel's firm, is mind boggling. His firm filed with the Department of Justice a detailed account of dollars received from its client and these amounts include thousands of dollars for arranging valet parking, buying flowers, moving furniture, buying expensive tickets for Pakistani diplomats etc. Details of these accounts are available on the official web site of the Department of Justice's foreign Agents Registration Act (FARA).

Giving his version of his performance, Mark Siegel told The News: "I can tell you that we have worked extremely closely with the government of Pakistan in both the 110th and 111th Congress to secure the best possible aid, both in quality and quantity, for Pakistan. Obviously legislation that is enacted into law reflects the views of the members and their staffs who wrote the legislation. We try to make the case for modifications that are in the best interest of, and consistent with the goals of our client.

"The reconciled Kerry-Lugar bill is the highest level of assistance in history. This is the first time that we have secured a multi-year commitment. This is historically unprecedented since the legislation does not require a presidential certification nor does it have threats of sanctions. And the thrust of the law, which will be passed by the House next week and then signed into law by President Obama, refines the bilateral relationship from a purely transaction military alliance into a sophisticated, nature and sustained military, political, economic and social partnership. Because of the client relationship and also because final action in the House is still pending, I cannot go into any further detail. It was a long and difficult process that resulted in an historic breakthrough. We were honoured to be able to assist the government of Pakistan in achieving this result."

When the spokesman of the Embassy of Pakistan was approached for his version, the following emailed reply was received on Tuesday: "You are welcome to come to the embassy at a mutually agreed time for a briefing covering all your questions. A senior officer of the embassy would be happy to answer all your questions and share with you any records etc that you might need to examine for your story."

The following lobbyists for Pakistan are shown as registered and on the US Justice Department official web site of FARA:

- Burson-Marsteller #2469, 1110 Vermont Avenue, NW, 12th Floor Washington, DC 20005-3544

Pakistan People's Party (t) 62

Nature of Services: Media Relations

Activities: None Reported

\$119,646.91 for the six month period ending October 31, 2008

- Dewey & LeBoeuf, LLP #5835, 1101 New York Avenue, NW Suite 1100 Washington, DC 20005-4213

Ministry of Commerce, Government of Pakistan, Embassy 62

Nature of Services: Legal and Other Services/Lobbying

The registrant provided services to the foreign principal, including developing action plans that advance Pakistan's commercial and trade objectives vis-a-vis the US government and the private sector.

\$300,000.00 for the six month period ending October 31, 2008

JWT Asiatic, a division of WPP Marketing Communications (Pvt.) Ltd. #5722

ABN Amro Bank Building 16 Abdullah Haroon Road Karachi, PAKISTAN

Government of Pakistan 62

Nature of Services: Advertising Activities: None Reported

Finances: None Reported

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Locke Lord Strategies, L.P. #5856

401 9th Street, NW Suite 400 South Washington, DC 20004

Pakistan International Airlines Corporation 62

Nature of Services: Legal and Other Services/Lobbying

The registrant will provide recommendations on government relations and communication strategies on the behalf of the foreign principal to obtain the proper clearance for a direct round-trip route from either Islamabad, Pakistan or Karachi, Pakistan into John F. Kennedy airport in New York, New York.

Finances: None Reported

-Locke Lord Strategies, L.P. #5856

401 9th Street, NW Suite 400 South Washington, DC 20004

Pakistan Peoples Party (PPP); Asif Ali Zardari, Co-Chairperson of the PPP 62

Nature of Services: Lobbying

The registrant assisted the foreign principal (pro bono) in the promotion and the support for the newly elected ruling party in Pakistan by contacting members of congressional staffs.

Finances: None Reported

Locke Lord Strategies, L.P. #5856

401 9th Street, NW Suite 400 South Washington, DC 20004

The Embassy of the Islamic Republic of Pakistan 62

Nature of Services: Lobbying

The registrant met with members of Congress, congressional staffers, and US government officials to promote legislation on behalf of the foreign principal.

\$160,166.63 for the six month period ending September 30, 2008