



TRANSPARENCY INTERNATIONAL-PAKISTAN

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TL18/1001/6A

Mr. Shahbaz Sharif,
Chief Minister Punjab,
Government of Punjab,
Chief Minister House,
Lahore.

**Sub: Urgent Clarification of Punjab Public Procurement Regulatory Act 2009-
Definition of "Services".**

Dear Sir,

Transparency International Pakistan has received a complaint, that the procurement/selection of Media Agencies for electronic as well as print media is not conducted through open tendering in Punjab Government. Billions of rupees are spent annually in non transparent manner.

According to PPPR Act 2009, all services are defined in Rule No 2 (q).

The Rule 2(Q) defines "services" as;

- a) physical,
- b) maintenance,
- c) **professional**,
- d) intellectual,
- e) consultancy or
- e) advisory services.

There are few exclusions, which are explicitly defined in Rule 2(Q) , which are following five items only,

- a) appointment of an individual to a post or office,
- b) advertisement,
- c) arbitration,
- d) conciliation or mediation services,
- e) services of an advocate in a court case,
- f) or any other services specifically excluded under the rules.

The exclusion of "services for advertisement" from tendering is not allowed in Rule 2(q), and is being mis-used for appointment of media agencies, who are selected by Punjab government department without tendering. These agents gets approximately 12% of the advertisement cost on electronic/ print media advertisement.

The exclusion of "Advertisement" in the **Act is only meant for giving the advertisement directly to newspapers or TV channels without involvement of a third party**, such as agents, media agencies etc.



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In case a third party is involved in giving of advertisements in print or electronic media, the tendering is required to be done for the selection of media agencies for merit.

Media agencies come under the definition of services Rule 2 (q), “**professional**”, and cannot be excluded from open tendering under Punjab PPRA Act.

Chief Minister Punjab is requested to immediately direct the Punjab PPRA authorities to issue clarification on not to award to media agencies without involving open tendering.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With Regards,

Sohail Muzaffar,
Chairman

Copies forwarded for the information with request to take action under their mandate to:

1. Chief Justice of Pakistan, Supreme Court of Pakistan, Islamabad.
2. Chief Secretary, Government of Punjab, Lahore.
3. Director General, NAB, Lahore.
4. Registrar, Lahore High Court, Lahore.
5. Managing Director, Punjab PRA, Lahore.