



TRANSPARENCY INTERNATIONAL-PAKISTAN

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18th February, 2010

Gwadar Port Authority,
GPA Complex,
Gwadar,
Fax 0864-210075

Sub: Complaints on Corrupt Practices in Gwadar Port Authority(GPA)
Reminder

Dear Sir,

Transparency International Pakistan on 1st February 2010 sent a complaint from M/s Port Protection Forum, Gwadar, regarding allegations of corruption in award of purchase of navigational channel buoys and dredging contract for maintenance of navigation channel at cost of Rs 350 million. Copies of the complaint have also been sent to the PAC, Federal Secretary Ministry of Ports and Shipping, Managing Director PPRA and Auditor General. The complaint notes that GPA has ordered installation of 17 new channel buoys at an exorbitant cost of Rs 67 million. The cost of each buoy comes to Rs 3.94 million as against the market price of Rs 1.65m (inclusive of solar light).

PPRA has directed all procuring agencies to form Redressal Grievances Committee under PPRA Rules to address complaints. PPRA has also directed you to sent a comprehensive report to them on our complaint vide their letter No. F.1 (21)/DD-II/PPRA/2010 dated 01-02-2010. PPRA has also directed all procuring agencies vide their letter dated 10th February 2010, (copy enclosed) to send the findings of the Redressal Grievances Committee to the Principal Accounting Officer, (in your case Secretary Ports & Shipping, Islamabad), to conduct an administrative review on the finding of complaint and take action in accordance with conduct rules in the event of unfair and non-transparent procurement process., and the decision of the administrative decision shall be communicated to the PPA.

Transparency International Pakistan request response of GPA within one week a the complaint has been made 18 days ago.

With Regards,


Syed Adil Gilani
Chairman

Copy forwarded for the information and necessary actions to

1. Chairman, PAC, Islamabad
2. Federal Secretary, Ministry of Ports & Shipping, Islamabad
3. Mr. Tanwir Ali Agha, Auditor General Pakistan, Islamabad
4. Managing Director, PPRA, Islamabad.



F. No. 3(5)/DD-II/PPRA/2009
 Government of Pakistan
 (Public Procurement Regulatory Authority)
 (Cabinet Division)
 Federal Bank for Cooperatives Building, Sector G-5/2

Hafeez ur Rehman
 Managing Director
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Islamabad the February 10, 2010

Subject:- GRIEVANCES REDRESSAL AND PRINCIPAL ACCOUNTING OFFICERS

My dear Secretary,


Pivotal position of Principal Accounting Officer in our system of governance needs no underscoring nor can the importance of transparency in procurement process be minimized. Part and parcel of transparency is the mechanism to redress grievance.

PPRA has sufficiently brought out the rule position of grievance handling along with the requirement to form Grievance Redressal Committees. This request did not meet a resounding response; the result can be viewed at www.ppra.org.pk where Committees stand uploaded for the benefit of aggrieved bidders and the public to meet the tenets of transparency.

To strengthen the mechanism as provided under Rule 48 of Public Procurement Rules 2004, the Principal Accounting Officer as a next logical step should conduct an **administrative review** on the findings of complaint and take action in accordance with conduct rules in the event of unfair and non-transparent procurement process. **The decision of administrative review shall be communicated to PPRA, the aggrieved bidder and the procuring entity prior to the award of contract without retarding the procurement process.**

The intent is to complete the first tier grievance redressal mechanism. The second tier is under active deliberation.

Yours sincerely,


 (HAFEEZ UR REHMAN)
 X / 2
 2010

Secretary,
 Cabinet Division,
 Government of Pakistan,
Islamabad