



NATIONAL HIGHWAY AUTHORITY

Finance Wing
28-Mauve Area G-9/1, Islamabad

No.1 (02)/BK&C/NHA/Adver/2011- 211

Islamabad the October 25, 2011

Mr. Naeem Ahmed
Deputy Director-II
Public Procurement Regulatory Authority
Islamabad

Subject: Voilation of Public Procurement Rules 2004, National Highway Authority, General Manager (Finance), Expression of Interest for Hiring of Services for Evaluation of Fixed Assets

I am directed to refer to Public Procurement Regulatory Authority letter No. F.1 (16)/DD-II/PPRA/2011 dated September 23, 2011 on the subject.

2. As desired the comments of NHA on observations of Transparency International Pakistan on NHA's advertisement dated September 23, 2011 conveyed vide letter dated 21-09-2011 are enclosed please.

(Taimoor Hasan)
Deputy Director (Finance)

Copy for Information to:

→ Syed Adil Gilani Advisor Transparency International Pakistan 5-C. 2nd Floor,
Khayaban-e-Ittehad, Phase VII, Defence Housing Authority, Karachi.

Annexure-A

S. No	Objections by Transparency International	Comments of NHA
1.	Bidding should be done according to Rule 21 of the Public Procurement Rules 2001.	The Rule 21 'Open Competitive Bidding' says that "....the procuring agencies shall engage in open competitive bidding if the cost of the object to be procured is more than forty thousand rupees". Accordingly NHA floated the advertisement in National dailies as per PPRA rules.
2.	NHA can ask for experts in civil engineering and finance, instead of limiting the competition to firms that are only on the panel of Pakistan Banks Association. The criteria is collusive practice to restrict competition and amounts to introduction of discriminatory and difficult condition as defined by Rule 32 of the PPRA Rules 2004	While procuring a particular kind of services the Expressions of Interest are invited accordingly. The "Valuer Firm" is typical in its role since it has to assign value to the land, bridges etc on current market rate and thus cannot be compared or substituted with a Civil Engineer Firm. Moreover Pakistan Banks Association working under the State Bank of Pakistan has developed guidelines and minimum eligibility criteria for placement of valuers and is also maintaining an approved list of valuer firms on its panel pursuant to clause 2.00 "Regulatory Framework sub clause 2.01 SBP regulations". Therefore Valuer firms on the panel of PBA were invited for open competition.
3.	NHA has not mentioned anything about the pre-qualification documents to be collected by bidders its advertisement which is again violation of PPRA rules.	The requirements for pre-qualification are already mentioned in the advertisement. Once the EoIs are submitted by the parties as per the said advertisement the same will be considered by the pre-qualification committee according to the evaluation criteria approved the said committee. Later the pre-qualified firms will be asked to submit financial proposals.