



## TRANSPARENCY INTERNATIONAL-PAKISTAN

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,  
Defence Housing Authority, Karachi.  
Tel: (92-21)-35390408, 35390409, Fax: 35390410  
E-mail: ti.pakistan@gmail.com  
Website: www.transparency.org.pk

29<sup>th</sup> June 2010

Mr. Ejaz Butt,  
Chairman,  
Pakistan Cricket Board,  
National Stadium,  
Karachi

**Subj: Violation of Public Procurement Rules, 2004-Prequalification of Contractors/Firms for Garhi Khuda Bakhsh Cricket Stadium and Garhi Khuda Bakhsh Academy, at Noudaro**

Dear Sir,

The Prequalification notices published in Daily Jang of 29 June 2010 Prequalification of Contractors/Firms for Garhi Khuda Bakhsh Cricket Stadium and Garhi Khuda Bakhsh Academy, at Noudaro, is lacking Transparency and violating the Ministry of Finance S.R.O.432 (I)/ 2004 on 8<sup>th</sup> June 2004, notifying "Public Procurement Rules, 2004". The Rules are available on the PPRa website [www.ppra.org.pk](http://www.ppra.org.pk) and [www.transparency.org.pk](http://www.transparency.org.pk).

These procedures, made mandatory by the Government of Pakistan and overrides all other procedures, are taken from the Transparent Procurement Procedures recommended by Transparency International Pakistan.

In violation of Rules no. 16, Pakistan Cricket Board, has not provided to applicants set of prequalification document, which shall include specifications and above all Evaluation Criteria. The ambiguous requirements asked for 12 Railway Stations without defining the basis of selection criteria is a complete discretionary process, not permitted to Pakistan Railways. TI Pakistan would like to point out that Public Funds are to be spent according to rules and in transparent manner.

Public Procurement Rules, 2004 have eliminated all discretions in procurement process, and the Rule No. 16 has made it mandatory to provide Prequalification Documents to applicants and minimum 15 days time for submission of applications. Bypassing these requirement amounts to misprocurement under rules no. 50.

The essential procedures which are to be used by SMEDA for all procurements of above Rs 1 million as defined in the PPR 2004 are quoted below;

***Rule 16. Pre-qualification process-***

- (1) The procuring agency engaging in pre-qualification shall announce, in the pre-qualification documents, all information required for pre-qualification including instructions for preparation and submission of the pre-qualification documents, evaluation criteria, list of documentary evidence required by suppliers or contractors to demonstrate their respective qualifications and any other information that the procuring agency deems necessary for prequalification.*
- (2) The procuring agency shall provide a set of pre-qualification documents to any supplier or contractor, on request and subject to payment of price, if any.*



The act of Pakistan Cricket Board of not to comply with the above mandatory requirements under Rules 15 & 16, is the most common collusive practice, described in Rule 2.

*Bidders may secretly collude with each other to share the market (a cartel), and get competitors eliminated in the prequalification process by colluding with client. This normally entails the bidders agreeing that each one of them will win a certain number of procurements, or a certain amount of turnover, in a particular sector. In respect of each procurement, a winning bidder will be pre-selected secretly by all the bidders, and the other bidders will put in tenders at a price which is higher than that of the pre-selected bidder.*

Pakistan Cricket Board is required to make detailed evaluation criteria for prequalification for all or every railway station, so that financial capacity of the applicants are properly evaluated. The process adopted by PR is non-transparent and does not provide mandatory information and criteria.

Transparency International Pakistan request PCB to apply Public Procurement Rules 2004 to all its procurement and re-invite the expression of interest and provide prequalification documents.

With regards,

~~Syed Adil Gilani,~~  
Chairman,  
Transparency International Pakistan

1. Chairman Public Accounts Committee, Islamabad
2. Chairman, NAB, Islamabad
3. Registrar, Supreme Court of Pakistan, Islamabad
4. Auditor General Pakistan, Islamabad
5. Managing Director PPRA, Islamabad

روزنامہ جنگ کراچی منگل 29 جون 2010ء



## Firms & Contractors for Civil Work

Document No: PCB/A-194/2010

Pakistan Cricket Board (PCB) is undertaking construction work of Garhi Khuda Bakhsh Cricket Stadium and Cricket Academy at Garhi Khuda Bakhsh, Noudero.

All applications will be kept in confidence and must be accompanied with the following information and supporting details:

- Name with location of Head Office and Branch Offices of firm along with postal addresses, telephone numbers, fax numbers, email, etc.
- Memorandum and Article of Association of Firm/Partnership Deed.
- Organizational setup with the list of technical staff, which will be available for this project.
- Valid registration with Pakistan Engineering Council in Category C-1 / C-2.
- Certified Income Tax return of the last 3 years with NTN.
- Performance Certificates from the clients as well as Architects/Consultants of minimum 5 projects completed during the last 5 years, 5"x7" size photographs of each project.
- Particulars of litigation/arbitration during the last 10 years along with their outcomes. In case there has been no litigation/arbitration, an affidavit must be attached.
- Experience of the above noted projects during the last 10 years; accompanying documents should give the complete details of the projects e.g. tendered and actual cost of each project, scheduled and actual date of completion, etc.
- Duly audited accounts including balance sheet(s) and profit and loss statement of the company for the last 3 years.
- List of machinery and equipments, workshop, etc.

Only those firms should apply who have executed minimum 3 similar nature projects each worth Rs. 200 million or more in the last 7 years.

Application complete in all respects must reach the office of *Manager Projects, Pakistan Cricket Board, National Stadium, Karachi*, latest by **July 14, 2010**.

Only the Firms and Contractors who will pre-qualify shall be entitled to participate further in the tender proceedings.

PCB will communicate to Firms and Contractors who will not pre-qualify the reasons on written request. PCB shall incur no liability.

**Pakistan Cricket Board**  
National Stadium, Karachi.  
Tel: (021) 99243369, 34821219

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