

No.F.1(131)/DD-II/PPRA/2010
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)

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Islamabad, the August 03, 2010.

From : Naeem Ahmed,
Deputy Director – II,

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

SUBJECT: CONSISTENT VIOLATION OF PUBLIC PROCUREMENT RULES, 2004.

Please refer to Transparency International-Pakistan's letter No. nil, dated 19th July, 2010 on the above subject.

2. Your complaint was forwarded to Pakistan Housing Authority for disposal under Rule-48 of Public Procurement Rules, 2004. Procuring Agency has given the comments on the complaint and the same is being enclosed for your kind perusal.



(NAEEM AHMED)

PAKISTAN HOUSING AUTHORITY
MINISTRY OF HOUSING & WORKS
GOVERNMENT OF PAKISTAN

No. PHA/DG(C&PM)/010/590
July 29, 2010

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

Subject: **CONSISTENT VIOLATION OF PUBLIC PROCUREMENT RULES, 2004**

Kindly refer to your letter No F.1(131)/DD-II/PPRA/2010 dated July 21, 2010 on above captioned subject.

2. Para wise comments as follows:

i. **Only those contractors are allowed who are already registered with PHA**

Pakistan Housing Authority (PHA) is a subsidiary of Ministry of Housing & Works, Govt. of Pakistan which runs on receipt from prospective allottees money being a non-budgetary organization. As such, PHA bears immense responsibility of safe guarding public interest coupled with the task of building good commercial reputation. This compels PHA to execute its projects through tried and tested contractors/ builders. However, it is pertinent to mention here that getting registered with PHA is an on going process without any definite timeline. Contractors can get themselves registered at any time and then participate in the process of project specific Pre-Qualification. Therefore, question of debaring any contractor from taking part in the pre-qualification process does not arise.

ii. **Firm shall never be black Listed**

In this connection it is stated that this is a general condition being applied by almost all public sector organizations whether Federal or Provincial. As already stated that PHA has not only to

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safeguard the public money/ interest but also to ensure consistency of its adorable commercial reputation. Therefore, no risk of employing black listed contractors could be taken specially keeping in view the bitter experiences of engineering community.

iii. **Firm shall never been involved in litigation**

In this connection, it is stated that this is a general condition being applied by almost all public sector organizations whether Federal & Provincial. As already stated that PHA has not only to safeguard the public money/ interest but also to ensure consisting of its adorable commercial reputation. Hence, no risk of employing black listed contractors could be taken specially keeping in view the bitter past experiences.

iv. **Pre-qualification will be under PEC guidelines**

Guidelines of PEC have to be followed since it is the only statutory body at national level for addressing all engineering issues. Besides, all requisite details are clearly mentioned in the advertisement and contractors can contact PHA for any further clarifications/ explanation.

3. This issues with approval of MD, PHA.


Director General
(C&PM)

Copy for information:

- i. PS to Managing Director, PHA, Islamabad
- ii. DG (Land/ASC), PHA, Islamabad
- iii. DG (F&A), PHA, Islamabad
- iv. Section File