



TRANSPARENCY INTERNATIONAL-PAKISTAN

1st February, 2010

Vice Admiral M. Asad Qureshi, HI (M),
Chairman,
Port Qasim Authority,
Port Qasim,
Karachi.

Subject: Sub: Mis-Procurement by POA causing loss of Rs 87 Million
Channel Maintenance Dredging Works 2009-2010-Complaint

Reminder

Dear Sir,

TI Pakistan has sent you a letter on 30th January 2010, the alleged mis procurement Channel Maintenance Dredging Works 2009-2010, in which following comments in para no. 4 were made, which needs amendments.

The above statement of PQA Grievance Committee (illegal according to PQA Rules) headed by Mr. Farooq Hadi Rahimtolla, becomes doubtful when Director General (Technical) wrote a letter to M/s. Van Oord on 24 December 2009 in which PQA has asked them to confirm " You have put in certain qualifications with the tender proposal, which are in contradiction with the tender provisions. You are therefore advised to clarify that you agree with the provisions contained in the tender documents issue to you".

The un-authorized committee in fact decided to write to the third bidder, **M/s Jan De Nul**, for some clarifications as these clarifications related to financial implication, and the bidder was asked to accept all terms and conditions without qualification on 24th December 2009, and if no response comes, it would be assumed that they have accepted all PQA terms.

This process is not allowed under PPRA Rules and PEC SBDs, and PQA has no authority to accept any non conformity of a bidder with simply writing to them to withdraw the conditions by certain date, after which their non-response will be treated as acceptance of PQA terms. We quote rule of IB 26 of PEC SBD, on this issue

26.3 If a bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the non-conforming deviation or reservation.

The legal department of PQA should have examined this aspect of PQA Board members, and this is an illegal approach of PQA and can be challenged by the bidder in case their bid is lowest and they have not withdrawn the conditions in writing. **This acts amount to corruption under Public Procurement Rules 2004, Rule no. 2 [f] "corrupt and fraudulent practices".**

Transparency International Pakistan is for Rule of Law which shall be applied without discretion and discrimination.

Yours sincerely,

Syed Atif Ullah
Chairman

Copies forwarded for the information of;

1. Minister of Finance, Ministry of Finance, Islamabad
2. Chairman, Public Accounts Committee, National Assembly, Islamabad.
3. Auditor General Pakistan, Islamabad,
4. Chairman, NAB, Islamabad
5. Managing Director, PPRA, Islamabad