



1st July 2011

Vice Admiral (R) Muhammad Shafi
Chairman,
Port Qasim Authority,
Port Qasim,
Karachi.

Sub: Complaint on procurement of Navigation Buoys costing over Rs 7 crores and
Tender Invitation in Dawn of 1-7-2011 violating Public Procurement Rule 2004

Dear Sir,

Transparency International Pakistan has not received reply to its letter dated on the complaint with regards to procurement buoy through selected bidders, in violation of Public Procurement Rule 2004.

However, PQA has advertised the procurement in Dawn of 1st July 2011, in compliance with the requirements of PPRA Ordinance 2002. But some the conditions of the tender as advertised is press are in violation of Rules, and also limits the supply within 45 days, as if these are available off the shelf in Pakistan.

Violations are quoted below.

1. 45 days Period of contract for manufacture, shipment from factory to PQA, and installation/placement of the 14 buoys in sea can not be sufficient, as Skirt Keel Steel light channel buoys, overall diameter 3.0 Meters and 2.5 Meter swill have to be fabrication in factory/workshop. This condition amounts to discriminates between bidders or that is considered to be met with difficulty, and under Rule 32, such conditions are not allowed.

In case these are already available with one supplier (as has been alleged by a complainant), these specifications are not allowed under Rule No. 10, which states that the specifications shall allow the widest possible competition and shall not favour any single contractor or supplier nor put others at a disadvantage.

2. The Tender documents are only made available till 5th July 2011, i.e. 5 days only. According to Rule No. 13 minimum 15 days are mandatory on PQA to receive the Bids. This means that in case a firm come to know about the tender on 14th day, it shall also be able to participate. PQA has never imposed this restrictions in all its previous procurements in last 5 years. The reason why this condition is imposed requires to be probed by PQA.

3. The Bids security/Earnest money of Rs 400,000 is restricted only as Pay Order, whereas according to PPRA Regulations 2008, it shall be form of either



(a) bank guarantee from any Scheduled Bank in Pakistan or (b) bank guarantee from a bank located outside Pakistan duly counter-guaranteed by a Scheduled Bank in Pakistan or an insurance company having at least AA rating from PACRA/JCR.

TI Pakistan request the Chairman to kindly look into these violations, and issue a proper complaint Tender Notice, and also respond to the TIP letter Date 29th June 2011.

Transparency International Pakistan is striving for the Rule of Law in Pakistan.

Yours sincerely,


Syed Adil Gilani
Chairman
Advisory Committee

Copy forwarded for the information of;

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