



TRANSPARENCY INTERNATIONAL-PAKISTAN

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2nd December 2010
Chairman,
Port Qasim Authority,
Port Qasim,
Karachi.

Sub: Channel Maintenance Dredging Works 2010-2011 and Capital Dredging Works for Turning Basin-Complaint of Manipulation the

Dear Sir,

Transparency International Pakistan has been associated for vetting the tender documents to ensure compliance of Public Procurement Rules 2004, with the procurement of Capital Dredging Works since last three years, and with this particular tender Channel Maintenance Dredging Works 2010-2011 and Capital Dredging Works for Turning Basin since beginning.

TIP has received complaint that there is a proposal sent by one of the bidders to divide the works into two, and award two contracts separately.

We would like to inform PQA that under Rule No 31 (1), such post tender changes are forbidden, and if made, shall amount to mis-procurement under Rule No. 50.

30. Evaluation of bids.-

(1) All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding documents. Save as provided for in sub-clause (iv) of clause (c) of rule 36 no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents.

This also to inform PQA that no bidder is allowed to offer any change in submitted bid, as per Rule No 23 (1).

31. (1) No bidder shall be allowed to alter or modify his bid after the bids have been opened. However the procuring agency may seek and accept clarifications to the bid that do not change the substance of the bid.

Kindly also note that PPRA Notification 2008 also makes it mandatory on all federal government procuring agencies to use Standard form of Bidding Documents for Procurement of Works (electrical & mechanical) Harmonized with PPRA Rules available on PPRA and PEC websites. Condition IB.12 also prohibits splitting a contract.

IB.12 Bid Prices



- 12.1 *Unless stated otherwise in the Bidding Documents, the Contract shall be for the whole of the Works as described in Sub-Clause 1.1 hereof, based on the unit rates and / or prices submitted by the bidder.*

Second issue is why the bidder who requested PQA to divide the tender approached PQA in presence of following restrictive condition. And why PQA has not rejected bid of such bidder immediately, as per requirement of the rule on IB 24, *Any effort by a bidder to influence the Employer's processing of bids or award decisions may result in the rejection of such bidder's bid.*

IB.24 Process to be Confidential

- 24.1 *Information relating to the examination, clarification, evaluation and comparison of bid and recommendations for the award of a contract shall not be disclosed to bidders or any other person not officially concerned with such process before the announcement of bid evaluation report which shall be done at least ten (10) days prior to issue of Letter of Acceptance. The announcement to all Bidders will include table(s) comprising read out prices, discounted prices, price adjustments made, final evaluated prices and recommendations against all the bids evaluated. Any effort by a bidder to influence the Employer's processing of bids or award decisions may result in the rejection of such bidder's bid. Whereas any bidder feeling aggrieved may lodge a written complaint not later than fifteen (15) days after the announcement of the bid evaluation report; however mere fact of lodging a complaint shall not warrant suspension of the procurement process.*

If the complaint is correct, and one bidder has violated PPRA Rules as well as Harmonized PEC Rules, actions according to Public Procurement Rules 2004 may be taken.

TI Pakistan would like to inform PQA that the Supreme Court of Pakistan, in the NICL Suo Moto Case No 10 of 2010, is treating violation of Public Procurement Rules 2004 as a Federal Crime. On 12 September 2010, ordered the Secretary Commerce to Lodge Criminal Complaint with FIA against Chairman and all concerned, including directors for violations of Public Procurement Rules 2004 in procurement, causing loss of billions of rupees to exchequer.

Yours Sincerely,



Syed Adil Gilani
Chairman

Copy forwarded to the Secretary Ports & Shipping for information.