



TRANSPARENCY INTERNATIONAL-PAKISTAN

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Advisory Committee

31st January 2012

Chairman,
Port Qasim Authority,
Port Qasim,
Karachi.

REMINDER 1

Subject: Complaint received on the alleged collusion in appointment of foreign consultant for FSRU LNG Terminal at PQA- TI-P Letter dated 10th December 2011.

Dear Sir,

Please find attached copy of TI Pakistan's letter dated 10th December 2011, which had been sent to you earlier. As of date we have not received any reply.

Through its letter of 01st December 2011, TI-P had forwarded a complaint on the alleged collusion in appointment of foreign consultant for FSRU LNG terminal at PQA to favor Lloyd Register, Karachi/London who are not Engineering and Management Consultant but is known for Ship Certification Service.

It is well known that Lloyd's Register have carried out the Qualitative Risk Analysis or/and Quantitative Risk Analysis (QRA) Studies in PQA which includes the viability of the location of the earmarked site and Terminal Design recommendations for Global Energy and Engro Vopak Terminal Ltd, (the proponent LNG Sponsors at Port Qasim) and reports were submitted accordingly. Bearing in mind that Lloyd's Register, who have not associated any local Consultancy firm in the Bid submission, is selected as Consultant on LNG by Port Qasim, the Scrutiny and Evaluation / vetting of QRA reports, etc. would be entrusted to the same firm who has already done the QRA. This is in conflict of interest and is open contravention to the criterion laid down in the Pakistan Engineering Council (PEC) regulations.

TI-Pakistan also informed PQA about Section 4-1(b) which was inserted in the RFP jointly prepared by TI-P and PQA, and has been amended by PQA to allow such firms, which is a violation of PPRA Regulations 2008.

TI-Pakistan requests you to kindly reply to our letter and cancel the tenders, if the allegations are correct, and re-invite in accordance with the Public Procurement Rules 2004.

With Regards,

Syed Adil Gilani
Adviser

Copies forwarded for the information of:

1. Chairman, Public Accounts Committee, Islamabad.
2. Chairman, NAB, Islamabad.
3. Secretary, Ports and Shipping, Islamabad.
4. Registrar, Supreme Court.
5. Auditor General, Islamabad.
6. Managing Director, PPRA, Islamabad.