



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, Karachi.
Tel: (92-21)-35390408, 35390409, Fax: 35390410
E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

21st October 2010

Mr. Imtiaz Lodhi, ,
Actg. CEO,
Pakistan Steel Mills Corporation Limited
Karachi

Sub: Advice to approach Insurance Companies other than National Insurance Company

Dear Sir,

TI Pakistan has received the letter from Commercial Directorate Pakistan Steel No. APO (Commercial)/2010 dated 20th October 2010, for the provision of insurance according to the Public Procurement Rules 2004, as under an MOU Pakistan Steel is taking/allowing Insurance policies only from National Insurance Company.

According to Public Procurement Regulations, 2008, notified by PPRA vide S. R. O. 805(1)/2008 dated 11th July, 2008 www.ppra.org.pk, PEC Standard Bidding Document for Procurement of Works are mandatory on Pakistan Steel as well as all federal procuring agencies in Pakistan. Standard Form of Bidding Documents (Electrical & Mechanical) issued by PEC Under the Notification No. 8(60)WR/PC/2008 Dated 12th February, 2008. The document is available on <http://www.ppra.org.pk/doc/pec/em.pdf>

Under Clause 5.2, (b) Insurance & Shipping. (i), Insurance, *"The prices for transportation/marine insurance cover shall be quoted on the basis of insurance through insurers from any country(ies) of the world acceptable to the Employer"*.

Also under Clause 5 (g) Insurance of Local Goods, it is *"The cost of insurance shall be quoted on the basis of insurance through National Insurance Company (NIC) of Pakistan or any other insurance company operating in Pakistan and acceptable to the Employer."*

Kindly also note that under Clause 5 2 (ii) Shipping *" The prices for shipping/marine transportation shall be quoted for shipment through reputed shipping lines including Pakistan National Shipping Corporation (PNSC).*

This confirms that shipment orders can not be given to PNSC, without them participating in open tenders.

With regards


Syed Adil Gilani,
Chairman

Public Procurement Regulations 2008



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Islamabad, the 11th July, 2008

NOTIFICATION

S. R. O. 805(I)/2008. - In exercise of the powers conferred by section 27 of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), the Authority is pleased to make the following regulations, namely:-

1. Short title and commencement.- (1) These regulations may be called the Public Procurement Regulations, 2008.

(2) They shall come into force at once.

2. Definitions.- (1) In these regulations, unless there is any thing repugnant in the subject of context, -

(a) "Ordinance" means the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002); and

(b) "rules" means the Public Procurement Rules, 2004.

(2) The expression used but not defined herein shall have the same meaning as are assigned to them in Ordinance and rules.

3. Bidding documents.- A Procuring agency when engaged in procurement of works, shall use the standard form of bidding documents prescribed by the Pakistan Engineering Council constituted under the Pakistan Engineering Council Act, 1975 (V of 1976).

4. Record to be kept.- A Procuring agency shall keep the following record of the procurement proceedings for at least five years from the date of completion of procurement of contract or rejection of all bids under rules 33 of the rules, namely:-

(a) a brief description of the goods or works to be procured or of the procurement need for which the procuring agency requested proposal or offers;

(b) the names and addresses of suppliers or contractors that submitted bids, proposals, offers or quotations and name and address of supplier or contractor with whom the procurement contract is entered into and the contract price;