



16th May, 2018

TL18/1605/8A

Chairman,
Water and Power Development Authority,
703 WAPDA House,
Lahore.

Sub: Allegation of Corruption in Mangla Refurbishment Project Package VI & VIII
Financed by USAID.

Dear Sir,

Transparency International Pakistan has received a complaint on the allegation of Corruption in Mangla Refurbishment Project Package VI & VIII financed by USAID. Copy of the complaint is attached.

The complainant M/s Multipower Hydroelectric Development Corporation has made following allegations;

That;

1. Bid of the complainant is evaluated as non-responsive on the basis of major commercial deviations.
2. Complainant has included few commercial clarifications with their bid, which is made the basis of major commercial deviations.
3. The commercial clarifications does not amount to major commercial deviations, as according evaluation criteria and procedure defined in the tender documents, as they are not part of the tender submitted, complying with all requirements of WPADA, including fully compliant specifications.
4. The commercial clarifications does not alter the tendered conditions, and are only clarifying few issues, and could also be withdrawn if the evaluators had asked them as per procedure defined in the tender evaluation procedure.
5. The other bidder is not supplying Current Limiter & MV Switchgear from the qualified manufacturers, and this bid shall be declared non-responsive.

The complaint has been examined by Transparency International Pakistan, and issues mentioned above are studied under following tendered clause.

IB.25 Clarification of Bids.

25.1 To assist in the examination, evaluation and comparison of bids, the Employer may, at his discretion, ask any bidder for clarification of his bid, including breakdowns of unit rates. The request for clarification and the response shall be in writing but no change in the price or substance of the bid shall be sought, offered or permitted except as required to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the bids in accordance with Clause IB.28.



Normally in most tenders, bidders include some clarifications, which may or may not be acceptable by client. The commercial clarifications, if were submitted with the explicit intention that the bid prices are subject the acceptance of the commercial clarifications by client, and if these clarifications has any financial impact, the financial impact could be added to the price of the bid. Or the Client can evaluate the Bids with stating that the commercial clarifications are not considered.

If the Bid of any bidder is not complying with specifications, such as non-compliant supply from manufacturer of Current Limiter & MV Switchgear, such bid can not be made responsive by allowing the bidder to change the supplier.

Transparency International Pakistan requests the Chairman to take immediate action and direct the department to follow PPRA Rules, and if both bids are non-responsive as per evaluation criteria, discharge the bids and re-invite the bids again.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With Regards,

Justice Zia Perwez
Former Judge of Supreme Court of Pakistan and High Court of Sindh
Trustee- TI-Pakistan

Copies forwarded for the information with request to take action under their mandate to:

1. Secretary to Prime Minister, Islamabad.
2. Chairman, NAB, Islamabad,
3. Registrar, Supreme Court of Pakistan, Islamabad.
4. Managing Director, PPRA, Islamabad.