

INTERNATIONAL
THE NEWS

PPIB clarifies, TIP sticks to its stand

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ISLAMABAD: The Private Power and Infrastructure Board (PPIB) has clarified the news item published in Daily The News dated 5th October, 2011 captioned "TIP challenges move, new mega scandal brewing"

It said attributing the notion of 'Privatisation' to this case was entirely mistaken and misconceived. Quite to the contrary, the Expressions of Interests (EOIs) invited by PPIB are for outsourcing, Management, Operation, Maintenance and Rehabilitation of public sector power stations through International Competitive Bidding pursuant to PPRA Rules. Thus references to KESC privatisation in this case are irrelevant, misleading and uncalled for. The Government of Pakistan has decided to outsource the aforementioned functions to the private sector for a limited period in order to improve their efficiency, performance and revival in accordance with international customary practices.

Regarding cost of Pre-qualification Documents (PQDs) and Registration, it is clarified that the cost of PQDs and registration fee has been duly approved by the Government of Pakistan under Policy for Power Generation 2002 Projects. Keeping in view, the capital intensive requirements of power sector and in order to avoid frivolous parties and to promote healthy competition, such charges are not exorbitant and are in line with the letter and spirit of PPRA Rules. It is further clarified that the PQDs spell out the Evaluation Criteria for Prequalification without any ambiguity. With regards to the 1100 MW Kohala Power Project, the Ministry of Water & Power clarification in the matter was duly published in the daily The News on 27th August 2011 responding to each and every issue raised by the Transparency International Pakistan.

PPIB being cognizant of PPRA rules, the advertisements for inviting EOIs were published / released in the local and international press and were simultaneously placed on PPRA and PPIB websites.

Usman Manzoor adds: The story was based on the letter of Transparency International Pakistan written to Minister for Water and Power. The Advisor to TI-Pakistan Syed Adil Gilani stands by his letter saying outsourcing of a project is referred as privatisation because KESC has also been outsourced. He mentioned that the rules made in 2002 were superseded by PPRA 2004 rules and whenever there would be any procurement in the public sector it will be covered under PPRA Rules. He further stated that due to the wrong policies of PPIB and privatisation of KESC has caused the energy crisis in Pakistan because PPIB tried to avoid PPRA rules, which supersede other laws of Pakistan. He mentioned that PPIB did not place the tender on PPRA website until writing of the letter.