



7th May, 2018

TL18/0705/3A

Chief Minister,
Baluchistan,
Quetta

Sub: Complaint of allegation of Corruption in Sangar housing project, which is a Government of Baluchistan project

Dear Sir,

Transparency International Pakistan received a complaint of allegation of Corruption in Sangar housing project, which is a Government of Baluchistan project.

The complainant has made following allegations;

That;

1. Sangar housing project, is a Government of Baluchistan project, in execution since last 25 years.
2. However, this project is cause of billions of rupee corruption, by award of management contract and construction contracts to two companies, without inviting public tenders, for the benefits the two companies at the cost of exchequer.
3. According to law, for Project Management Contract DC DCO Gwadar should have invited open tenders, with proper Scope of Services, for the selection of Engineering Firm registered with Pakistan Engineering Counsel, for award of Contract for a specific period, to the lowest responsive evaluated Engineering Firm. But DCO has hired a firm Consultants Group, without following rules, and that too for an unlimited period, and to perform all activities to be performed by Sangar housing Society, that too from Karachi.
4. The Consultants Group (CG) has been commissioned to carry out documentation of plots allotments and transfers.
 - The allotment is ordered by the Project Director and papers are prepared by CG in accordance with the documents forwarded by the PD.
 - The transfers are the responsibility of the PD followed by actual documentation executed by CG.
 - The detail of any plot can verified from Project as well as Consultant's Office.
 - Special Facility has been given to the owners for Transfer at Karachi.
5. The illegal activities of Sangar housing project are available on the website <http://www.gwadarcorner.com/index.php/sangar-res-comm-project/>.



6. Similarly, the same allegedly illegal Management Firm has been awarding all the Construction Contracts for development works, roads, water supply, electricity, sewerage, drainage etc to one M/S SECO based at Karachi.
7. DCO Gwadar has not complied with Baluchistan Public Procurement Rules 2015, Rule 10. 10. Transparency. — The Procuring Agency shall, immediately upon award of contract, make the evaluation report of the bid, and the contract agreement public through uploading it on the Authority's website as well as on Procuring Agency's website, if the Procuring Agency has such a website.
8. According to NAB 1999, copies of all Contracts of Rs 50 million and above, along with Evaluations Form A and B shall also be sent to NAB.
9. DCO Gawadar has also not followed following Rule 15 of BPPR 2015.
Rule 15. Methods of Notification and Advertisement. — (1) Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority's website. These Procurement opportunities may also be advertised in print media in the manner and format as prescribed in these rules, if deemed necessary by the Procuring Agency. (2) All procurements opportunities over one million rupees shall be advertised on the Authority's website as well as in the newspapers as prescribed in these rules. (3) The advertisement in the newspapers shall be published in at least two widely circulated leading dailies of English and Urdu languages. (4) The notice inviting tender shall at minimum contain the following information:- (a) name, postal address, telephone number(s), fax number, e-mail address (if available) of the Procuring Agency; (b) purpose and scope of the project; (c) broad qualification and eligibility criteria; (d) schedule of availability of bidding documents, submission and opening of bids, mentioning place from where bidding documents would be issued, submitted and would be opened; (e) amount and manner of payment of tender fee and bid security; and (f) any other information that the Procuring Agency may deem appropriate to disseminate at this stage.
10. According to Baluchistan Public Procurement Rules, 2014, these both contracts are mis procurement under Rule 57.

Transparency International Pakistan has examined the complain. If the allegations are correct, and Baluchistan Public Procurement Rules 2015 are not followed, and unsolicited contracts were awarded to companies who are not registered with Pakistan Engineering Council, prima facie these contracts are voids ab-intio.

TI Pakistan requests the Chief Minister Baluchistan to examine the allegations of the complainant, and if these allegations are found correct, take action against the officers responsible along with the private parties who are the beneficiaries of the billion of rupee, of the nations at the cost of exchequers.

Article 19-A makes the right to Transparency International Pakistan access of information pertaining to a public authority a fundamental right and to hold them answerable.

LHC Justice Syed Mansoor Ali Shah (now a Supreme Court Judge) landmark judgment in case of Ataullah Malik v. Federation of Pakistan includes following Comments :



“ Right to information is another corrective tool which allows public access to the working and decision making of the public authorities. It opens the working of public administration to public scrutiny. This necessitates transparent and structured exercise of discretion by the public functionaries. Article 19-A empowers the civil society of this country to seek information from public institutions and hold them answerable. PLD 2010 Lahore 605.”

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

Regards

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

Copy forwarded for necessary action as per rules to,

1. Secretary to the Prime Minister , Islamabad
2. Chairman, NAB, Islamabad
3. Registrar, Supreme Court of Pakistan, Islamabad