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26th April, 2023

TIP23/2604/1A

Mr. Ghulam Muhammad Memon, Secretary, Ministry of Science & Technology, Government of Pakistan, Islamabad.

<u>Sub: Violation by Ministry of Science & Technology in the Publication of the Contract Agreements on PPRA Website under Public Procurement Rules, 2004, Rule 47, Mis-Procurement Rule 50.</u>

Dear Sir.

Transparency International Pakistan has been monitoring implementation of PPRA Rule 2004, and noted non-compliance of Rule 47 by various departments. PPRA Rule 47 requires all procuring agencies to upload all contract award agreements/documents along with rates/prices quoted/BOQ on the PPRA website. In this regard, TI Pakistan letter TL2022/0803/1C dated 3<sup>rd</sup> August 2022 to Ministry of Science & Technology is enclosed (Annex-A)

47. Public access and transparency. - As soon as a contract has been awarded the procuring agency shall make all documents related to the evaluation of the bid and award of contract public:

While examining the Public Procurement Regulatory Authority (PPRA) website, it is observed that Ministry of Science & Technology is in non-compliance with PPRA Rule 47 in the award of contracts (Annex-B).

TI Pakistan refers to the mandatory requirement of Pakistan Public Procurement Regulatory Authority (PPRA) that the Standard Bidding Document (SBD) of Pakistan Engineering Council (PEC) be used by all Procuring Agencies, which includes in the Invitation of Tender, Bills of Quantity (BOQ) in case of Works and Goods Contract, and in case of Consultancy Services, in the Request of Proposal, requires the breakdown of rates for Form 1, 2, 3, 4, 5 and 6. These six forms are enclosed (Annex-C).

The requirement of disclosing the quoted rates and prices by all bidders shall be posted on PPRA website, for public access, in compliance with PPRA Rule 47.

The Secretary, Ministry of Science & Technology is requested to issue directives to all the following departments to follow PPRA Rules 47, provide PPRA the requisite documents pertaining to all procurements so that the same may be uploaded on the PPRA Authority's website to ensure public access and transparency.

- 1. National University of Sciences and Technology, Pakistan(NUST)
- 2. Council for Work and Housing Research(CWHR)
- 3. CUI-Comsats University Islamabad
- 4. National Energy Efficiency & Conservation Authority (NEECA)
- 5. National Institute of Electronics (Pakistan) (NIE)
- 6. National Institute of Oceanography (Pakistan)(NIO)
- 7. National University of Technology (NUTECH)
- 8. National Physical & Standards Laboratory (NPSL)
- 9. Pakistan Council for Renewable Energy Technologies (PCRET)

Donations exempted from tax U/S 2 (36) (c) of I. Tax Ordinance 2001



- 10. Pakistan Council of Research in Water Resources (PCRWR)
- 11. Pakistan Council for Science and Technology (PCST)
- 12. Pakistan Council of Scientific and Industrial Research (PCSIR)
- 13. Pakistan Engineering Council (PEC)
- 14. Pakistan National Accreditation Council (PNAC)
- 15. Pakistan Science Foundation (PSF)
- 16. Pakistan Museum of Natural History (PMNH)
- 17. Pakistan Scientific and Technological Information Center (PASTIC)
- 18. Pakistan Standards and Quality Control Authority (PSQCA)
- 19. Pakistan Halal Authority (PHA)
- 20. STEDEC Technology Commercialization Corporation of Pakistan (Private) limited

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption, and achieve against Zero tolerance against corruption

With Regards,

(Advocate Daniyal Muzaffar)

Trustee Legal Advisor

Transparency International Pakistan

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

- 1. PSPM, Prime Minister House, Islamabad
- 2. Chairman Public Accounts Committee, National Assembly, Islamabad
- 3. Chairman, NAB, Islamabad
- 4. Chairman, PMIC, Islamabad
- 5. Registrar Supreme Court of Pakistan, Islamabad
- Heads of NUST, CWHR, NIE, NIO, NUTECH, PCRET, PCRWR, PCST, PCSIR, PEC, PNAC, PSF, PMNH, PASTIC, PSQCA, PHA and STEDEC Technology Commercialization Corporation of Pakistan (Private) limited
- 7. MD PPRA, PPRA, Islamabad

#### Note:

This is to clarify that Transparency International Pakistan is not a complainant, it acts as a whistleblower and operate under Article 19-A, of the Constitution of Pakistan which gives the right to public to know how government is being run by public officers. Article 19-A makes the right to access of information pertaining to a public authority a fundamental right, Justice Syed Mansoor Ali Shah in his landmark judgment in case of Ataullah Malik v. Federation of Pakistan includes following order.

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.

## Annex-A



Plot 72-F/2, 1st Floor, 9th Street, Jami Commercial, Phase VII, Defence Housing Authority, Karachi

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TL2022/0803/1C

3rd August 2022

Mr. Ghulam Muhammad Memon, Federal Secretary, Ministry of Science & Technology, Government of Pakistan, Islamabad

Sub: Violation by Ministry of Science & Technology in the Publication of the Contract Agreements on PPRA Website under Public Procurement Rules, 2004, Rule 47, Mis-Procurement Rule 50

Dear Sir,

Transparency International Pakistan has been monitoring the implementation of PPRA Rules 2004, and noted non-compliance of Rule 47 by all departments. PPRA Rule 47 requires all procuring agencies to upload all contract award agreements/documents along with rates/prices quoted/BOQ on the PPRA website.

47. Public access and transparency. - As soon as a contract has been awarded the procuring agency shall make all documents related to the evaluation of the bid and award of contract public:

On the report of TI Pakistan, the Managing Director PPRA vide letter F. No. 1(5)/M&E/PPRA/2018 dated 11th November 2021 issued following directives to all **Procuring Agencies** to provide requisite documents pertaining to all procurements along with duly filled proformas, in compliance with Rule 47 (Annex-A).

#### Quote

"The Authority vide letter of even No. dated July 01, 2021, (copy attached) required all procuring agencies to submit documents related to the evaluation of the bid and award of the contract \* without any reference to the contract amount) for uploading on the PPRA website, as enshrined under Rule 47 of Public Procurement Rules, 2004 and Regulation (2) of Public Procurement Regulations, 2009. However, it has been observed that procuring agencies are in partial compliance of the said requirement by submitting the requisite documents related to few procurements.

You are once again requested to issue instructions to all procuring agencies under the administrative control of your Ministry/Division to provide requisite documents pertaining to all procurements along with duly filled proformas attached with the above referred letter, (which includes the requirement of a copy of the agreement to be attached) so that the same may be uploaded on the Authority's website to ensure public access and transparency".

### Unquote

On 7th June 2022, TI Pakistan vide letter No. TL 2022/0607/1A requested the Prime Minister to issue orders for the compliance of PPRA Rule 47 by Ministry of Communications and all other Ministries to publish a) Contract Evaluation Report; b) Form of Contract and Letter of Award; and (c) Bill of Quantities or Schedule of Requirement along with contracts on PPRA website (Annex-B).

On the orders from the Prime Minister House in response to TI Pakistan 7<sup>th</sup> June 20022 letter No. TL 2022/0607/1A, PPRA has issued the following instructions vide letter No. 01(23)/M&E/PPRA/2018/51 to the Ministry of Communication to comply with PPRA Rule No 47, as stated below (Annex-C).

#### Quote

"In terms of the Rule 47 of the Public Procurement Rules 2004, as soon as the contract has been awarded the procuring agency shall make all documents related to the evaluation of bid and award of contract public. It is clarified that documents related to evaluation of bid also include bill of quantities or schedule of



requirement, whereas the documents related to award of contract include form of contract and letter of award.

In view of the above, you are hereby required to upload all the documents related to evaluation of bid including bill of quantities or schedule of requirement, and documents related to award of contract including form of contract and letter of award on the Authority Website to ensure public access and transparency in accordance with Rule 47 of the public Procurement Rule, 2004".

Unquote

The Secretary Ministry of Science & Technology is requested to issue directives to all the following departments to follow PPRA Rules 47, provide PPRA the requisite documents pertaining to all procurements along with duly filled proformas attached with the above referred letter, (which includes the requirement of a copy of the agreement to be attached) so that the same may be uploaded on the PPRA Authority's website to ensure public access and transparency.

- 1. National University of Sciences and Technology, Pakistan(NUST)
- 2. Council for Work and Housing Research(CWHR)
- 3. National Institute of Electronics (Pakistan) (NIE)
- 4. National Institute of Oceanography (Pakistan) (NIO)
- 5. National University of Technology (NUTECH)
- 6. Pakistan Council for Renewable Energy Technologies (PCRET)
- 7. Pakistan Council of Research in Water Resources (PCRWR)
- 8. Pakistan Council for Science and Technology (PCST)
- 9. Pakistan Council of Scientific and Industrial Research (PCSIR)
- 10. Pakistan Engineering Council (PEC)
- 11. Pakistan National Accreditation Council (PNAC)
- 12. Pakistan Science Foundation (PSF)
- 13. Pakistan Museum of Natural History (PMNH)
- 14. Pakistan Scientific and Technological Information Center (PASTIC)
- 15. Pakistan Standards and Quality Control Authority (PSQCA)
- 16. Pakistan Halal Authority (PHA)
- 17. STEDEC Technology Commercialization Corporation of Pakistan (Private) limited

TI Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption and achieve zero tolerance against Corruption.

With Regards,

Sitara-e-Imtiaz, Hilal-e-Imtiaz,

Fukuoka & Jane Drew Prize Laureate,

Chairperson

Transparency International Pakistan

Justice (R) Nasira Iqual
Vice Chair, Sitara-e-Imtiaz

Transparency International Pakistan

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

- 1. PSPM, Prime Minister House, Islamabad
- 2. Chairman Public Accounts Committee, National Assembly, Islamabad
- 3. Chairman, NAB, Islamabad
- 4. Chairman, PMIC, Islamabad
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- 7. MD PPRA, PPRA, Islamabad



F.No. 1(5)/M&E/PPRA/2018
PUBLIC PROCUREMENT REGULATORY AUTHORITY
CABINET DIVISION
GOVERNMENT OF PAKISTAN

Islamabad, the 11th November, 2021.

Subject:

PUBLICATION OF CONTRACT AWARDS ON PPRA'S WEBSITE WITHOUT ANY REFERENCE TO THE AMOUNT OF CONTRACT

The Authority vide letter of even No. dated July 01, 2021, (copy attached) required all procuring agencies to submit documents related to the evaluation of the bid and award of the contract (without any reference to the contract amount) for uploading on the PPRA's website, as enshrined under Rule 47 of Public Procurement Rules, 2004 and Regulation (2) of Public Procurement Regulations, 2009. However, it has been observed that procuring agencies are in partial compliance of the said requirement by submitting the requisite documents related to few procurements.

2. You are once again requested to issue instructions to all procuring agencies under the administrative control of your Ministry/Division to provide requisite documents pertaining to all procurements along with duly filled proformas attached with the above referred letter, so that the same may be uploaded on the Authority's website to ensure public access and transparency.

Encl: as above

(Rizwan Malik)

All the Federal Secretaries / Heads of the Organizations

CC:

**Director (MIS), PPRA** with the direction to upload the same on the Authority's website for compliance.



4-C, Mezzanine Floor, Khayaban-e-Ittehad, Phase VII, Defence Housing Authority, Karachi. Tel: (92-21) 35390408, 35311897-8,

Fax: (92-21) 35390410 E-mail: ti.pakistan@gmail.com Website: www.transparency.org.pk

June 7th, 2022

TL2022/0607/1A

Syed Tauqir Shah Sahib, Principal Secretary to the Prime Minister of Pakistan, Prime Minister House, Islamabad

Sub: <u>Violation by Ministry of Communication in the Publication of the Contract Agreements on PPRA Website under Public Procurement Rules</u>, 2004, Rule 47, Mis-Procurement Rule 50

Dear Sir,

Transparency International Pakistan monitors implementation of PPRA Rule 47 (quoted below) which requires all procuring agencies to upload contract award agreements along with rates/prices quoted/BOQ on the PPRA website.

47. Public access and transparency. - As soon as a contract has been awarded the procuring agency shall make all documents related to the evaluation of the bid and award of contract public:

On 22<sup>nd</sup> October 2021, Section Officer Ministry of Communication vide letter No. 6(3)/2020-Road-I addressed to Chair and Vice Chair Transparency International Pakistan stated the following quoted below and enclosed as (Annex-A):

#### Quote

"However, it is pertinent to highlight that PPRA has circulated two proforms as Attachment-I and Attachment II (enclosed) for uploading the information regarding contract award in compliance of Rule 7 of Notification S.R.0.805 (I)/2008 of PPRA. PPPRA Rule 47 does not require uploading of BOQs rather it demands uploading the information i.e. tender cost, awarded cost and other details of bids" Unquote

SPPRA Rule 51 and BPPRA Rule 56 are quoted below for your reference:

SPPRA Rule 50. Publication of the Award of Contract - Within fifteen (15) days of signing of contract, procuring agency shall publish on the website of the Authority and on its own website, if such a website exists, the results of the bidding process, identifying the bid through procurement identifying number, if any, and the following information:

- (1) Contract Evaluation Report:
- (2) Form of Contract and Letter of Award;
- (3) Bill of Quantities or Schedule of Requirement.

BPPRA Rule 49. Publication of the Award of Contract - Within forty-five (45) days of the award of contract, Procuring Agency shall publish on the website of the Authority and on its own website, if such a website exists, the results of the bidding process, identifying the bid through procurement identifying number, if any, and the following information:

(a) Contract Evaluation Report;



- (b) Form of Contract and Letter of Award; and
- (c) Bill of Quantities or Schedule of Requirement.

TI Pakistan has consistently informed Ministry of Communications that PPRA Rule 47, SPPRA Rule 50 and BPPRA Rule 49 have been incorporated with a view that the rates, prices and monthly remuneration of consultants/experts are to be known to the public, whereby public can scrutinize any overpriced rate/purchase by comparing prices for similar procurements by different departments. It may also be noted that such attempts are the efforts by Ministry of Communication to hide the rates (BOQ rates) of the contracts awarded, and in accordance with PPRA Rule 50, non-compliance of any of PPRA Rules amount to mis-procurement.

The Managing Director PPRA vide letter F. No. 1(5)/M&E/PPRA/2018 dated 11<sup>th</sup> November 2021 has again issued following directives to all Procuring Agencies to provide requisite documents pertaining to all procurements along with duly filled proformas, in compliance with Rule 47 (Annex-B).

"The Authority vide letter of even No. dated July 01, 2021, (copy attached) required all procuring agencies to submit documents related to the evaluation of the bid and award of the contract \* without any reference to the contract amount) for uploading on the PPRA website, as enshrined under Rule 47 of Public Procurement Rules, 2004 and Regulation (2) of Public Procurement Regulations, 2009. However, it has been observed that procuring agencies are in partial compliance of the said requirement by submitting the requisite documents related to few procurements.

You are once again requested to issue instructions to all procuring agencies under the administrative control of your Ministry/Division to provide requisite documents pertaining to all procurements along with duly filled proformas attached with the above referred letter, (which includes the requirement of a copy of the agreement to be attached) so that the same may be uploaded on the Authority's website to ensure public access and transparency".

However, the contracts award information along with BOQ rates of Ministry of Communications are still not uploaded under the "Procurement Contracts" section on the PPRA website.

TI Pakistan requests the honorable Prime Minister to issue orders for the compliance of PPRA Rule 47 by Ministry of Communications and all other Ministries to publish a) Contract Evaluation Report; (b) Form of Contract and Letter of Award; and (c) Bill of Quantities or Schedule of Requirement along with contracts on PPRA website.

TI Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption and achieve zero tolerance against Corruption.

With Regards,

Sitara-e-Imtiaz, Hilal-e-Imtiaz, Fukuoka & Jane Drew

Prize Laureate,

Chairperson

Transparency International Pakistan

Alman Lan

Justice (R) Nasira Iqbal Vice Chair, Sitara-e-Imtiaz

Transparency International Pakistan

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

- 1. MD PPRA, PPRA, Islamabad
- 2. Registrar, Supreme Court of Pakistan



# Government of Pakistan Public Procurement Regulatory Authority (Monitoring & Evaluation Wing)

onitoring & Evaluati <><>>

No: 01(23)/M&E/PPRA/2018/5/

Islamabad, July 2), 2022

Subject:

VIOLATION BY MINISTRY OF COMMUNICATION IN THE PUBLICATION OF THE CONTRACT AGREEMENTS ON PPRA WEBSITE UNDER PUBLIC PROCUREMENT RULES, 2004, RULE 47, MIS-PROCUREMENT RULE 50

Reference is invited to Transparency International – Pakistan letter dated June 07, 2022, wherein TI-Pakistan requested Prime Minister to issue instruction to all the procuring agencies to publish contract evaluation report, bill of quantities, form of contract and letter of award along with contract details on PPRA website.

- 2. It is apprised that this Authority has already issued instructions vide letter dated July 01, 2021 and November 11, 2021 (**copy attached**), wherein all the procuring agencies were directed to provide requisite documents pertaining to all procurements along with duly filled proforma's attached with the above referred letter, so that the same may be uploaded on the Authority's website to ensure public access and transparency.
- 3. In terms of Rule 47 of the Public Procurement Rules, 2004, as soon as the contract has been awarded the procuring agency shall make all documents related to the **evaluation of bid and award of contract public**. It is clarified that documents related to evaluation of bid also include bill of quantities or schedule of requirement, whereas the documents related to award of contract include form of contract and letter of award.
- 4. In view of the above, you are hereby required to upload all the documents related to evaluation of bid including bill of quantities or schedule of requirement, and documents related to award of contract including form of contract and letter of award on the Authority Website to ensure public access and transparency in accordance with Rule 47 of the Public Procurement Rules, 2004.

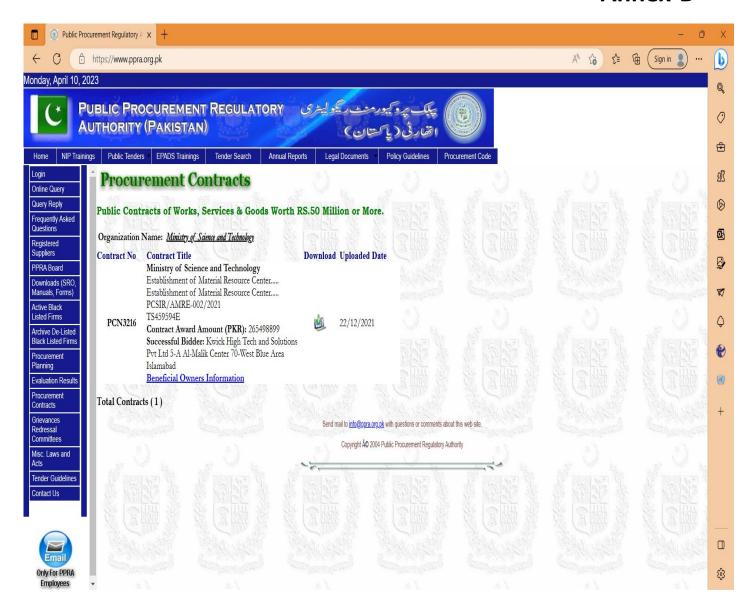
(Muhammad Ibrahim R. Khan) Deputy Director-III (M&E)

Section Officer (General / Admin)
Ministry of Communications
Islamabad.

Cc:

- √1. Ms. Yasmeen Lari, Chairperson, Transparency International Islamabad
  - 2. **PS to Managing Director**, Public Procurement Regulatory Authority, Islamabad.

## **Annex-B**



Standard Procedure for Evaluation of Proposals for Procurement of Engineering Services

## Form 1

## BREAKDOWN OF RATES FOR CONSULTANCY CONTRACT

Project	*			· ···	Firm	:			
Name	Position	Basic Salary per Cal. Month	Social Charges (%age of 1)	Overhead (%age of 1+2)	Sub- Total (1+2+3)	Fee (%age of 4)	Rate per Month for project Office	Field Allow. (%age of 1)	Rate per Month for Field Work
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
					<u> </u>	<u> </u>	<del> </del>		
		,							
	o. 1 Basi each	propose	d personne	el should be	submitted	l at the tir	ne of nego	tiations.	roll sheet for
Item N	aver	ocial charges shall include Client's contribution to social security, paid vacation, verage sick leave and other standard benefits paid by the company to the employee. I reakdown of proposed percentage charges should be submitted and supported (see							
	For	n 2).							
Item N	stafi	and busi	ness gettir	general adr ng expenses mitted and	, etc. Brea	kdown of	f proposed	and junior percentage	professional charges for
Item N	lo. 5 Fee bille	ee shall include company profit and share of salary of partners and directors (if not led individually for the project) or indicated in overhead costs of the Company.							
Item N	lo.7 Nor	mally pay	able only	in case of f	ield work	under har	d and ardu	ous conditi	ons.
						Full Nan	ne:	<u> </u>	

Title:\_\_\_\_

Form 2

## **BREAKDOWN OF SOCIAL CHARGES**

S.No.	Detailed Description	As a %age of Basic Salary
		41

Form 3

## BREAKDOWN OF OVERHEAD COSTS

S.No.	Detailed Description	As a %age of Basic Salary and Social Charges

Form 4 Page 1 of 2

ESTIMATED LOCAL CURRENCY SALARY COSTS/REMUNERATION

Total Estimated Amount (Rs.)					
		11	!		
Monthly Billing Rate					
Staff-Months					
Position					Sub-Total:
Name	Professional Staff				
S.No.	i				

Form 4 Page 2 of 2

ESTIMATED LOCAL CURRENCY SALARY COSTS/REMUNERATION

Total Estimated Amount (Rs.)					
Monthly Billing Rate					
Staff-Months					
Position					Sub-Total:
Name	Non-Technical Staff				
S.No.	II				

Standard Procedure for Evaluation of Proposals for Procurement of Engineering Services

Form 5 Page 1 of 2

DIRECT (NON-SALARY) COSTS

S.No.	Nomenclature	Unit	Quantity	Unit Price	Total Amount
1.	Rent for Office Accommodation				
2.	Office Utilities Costs				
3.	Cost/rental of Furniture/Furnishings				
4.	Cost of Office/Other Equipment				
	<ul> <li>i) Computers and accessories</li> <li>ii) Photo copy machines</li> <li>iii) Communication equipment</li> <li>iv) Drafting/Enginecring equipment</li> <li>v) Surveying instruments</li> <li>vi) Cost of Laboratory equipment</li> <li>vii) Transport Vehicles/Rentals</li> <li>viii)</li></ul>				
5.	Cost of non-technical support staff not covered under remuneration charges				
.9	Travelling Costs				

Standard Procedure for Evaluation of Proposals for Procurement of Engineering Services

Page 2 of 2

S.No. Nomenclature 7. Communication expenses 8. Cost for Survey/Investigations 9. Cost for Model Studies	ure	Unit	Quantity	Unit Price	Total Amount
			,		A DAME & ASSESSMENT
	Ons				
10. Cost for O&M of Labs/Testing of I	ting of Material				
11. Legal/Accounting/Software/Specia Consultants and other similar Costs	4/Special ar Costs				
12. Drafting/Reproduction of Reports	eports				
13. Professional liability cost					
14. Office/Drafting Supplies					
15. Similar other costs not covered und Heads	red under other				
		Total:			0

### Form 6

## SUMMARY OF COST OF CONSULTANT

S.No.	Description	Amount (Rs.)
1.	Salary Cost/Remuneration	
2.	Direct (Non-salary) Cost	
3.	Contingencies	
4.	Grand Total	