



30th March 2022

TL22/0330/1B

Lt Gen Muzammil Hussain (Retd)
Chairman WAPDA,
WAPDA House,
Lahore

Subject: Complaint on the allegation of approximately Rs 50 Billion unsolicited award of supply of 84 inches diameter steel pipe contract, in violation of PPRA Rules 2004, for K-IV Water Supply Project

Dear Sir,

Transparency International Pakistan has received a complaint on the allegation of approximately Rs 50 Billion unsolicited award of supply of 84 inches diameter steel pipe contract, in violation of PPRA Rules 2004, for K-IV Water Supply Project

The complainant has made the following allegations.

That;

1. WAPDA has invited 2 separate tenders for Pressurizes Water Transmission MS Pipeline & Allied Works, which were to be submitted on 30 March 2022.
2. On 21 March 2022, an online news reported that a company has bagged Steel Pipe Order from K-IV Project in Karachi. <https://mettisglobal.news/crescent-steel-may-add-one-more-furnace-to-increase-melting-capacity>.
3. 30 Bidders are participating in the Bidding of 2 separate tenders for Pressurizes Water Transmission MS Pipeline & Allied Works, including supply of about Rs 50 Billion Steel Pipe, but the announcement of award of Rs 50 Billion Pipe Supply Contract for KIV, has created a doubt on the tendering process in violation of PPRA Rules 2004, adopted by WAPDA for K-IV Project and asked WAPDA may clarifications on supply of pipe, oversized MS Pipe for very high pressure used in Gas and Oil work, handing over the possession of site with signing of contract etc. **Annex-A**
4. The bidders also requested WPADA to extend the tender submission date to 30 April 2022 due to volatile international fluctuating cost of steel, as well as extra ordinary high shipping rates, and rapid devaluation of Pak Rupee, by 4% in last 10 days, but Wapda has not agreed and has directed the bidders to submit bids by 8 April 2022.

Following are the Observations of TI Pakistan.

1. TI Pakistan has already informed the Chief Minister vide letter number TL21/06/08/1A dated 8th June, 2021, about efforts of introducing Steel Pipe in K-IV (**Annex-B**).
2. If the complaint is correct, WAPDA must clarify how and under which rules steel pipe contract worth Rs 50 billion was awarded, when the bids including the supply of 84 inches dia. M S Pipe, are yet to be submitted by 30 bidders?

TI Pakistan Recommendations.



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

Continuation Sheet No.....

a) PPRA Rules 2004 must be adhered to by WAPDA in this nationally important project , specially PPRA Rule No. 4, Principles of procurements. Rule No. 9. Limitation on splitting or regrouping of proposed procurement and Rule No. 32. Discriminatory and difficult conditions .

b) Transparency International Pakistan requests the Chairman WAPDA to examine the above allegations in the light of TI Pakistan observations, and in view of the current situation, extend the Tender submission date by 30 days, after the various issues pointed out by bidders are resolved.

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

With Regards,

Ms. Yasmeen Lari

Sitara-e-Imtiaz, Hilal-i-Imtiaz

Chairperson

Transparency International Pakistan

Jus R Nasira Iqbal

Sitar-e-Imtiaz

Vice Chair

Transparency International Pakistan

Encl: Annexes. .

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

1. PSPM, PM House, Islamabad,
2. Commander 5 Corps, Shara-e-Faisal, Karachi
3. Chairman, National Accountability Bureau (NAB) ,Islamabd
4. Mr. Asad Umar, Minister for Planning, Development & Special Initiative, Islamabad
5. Auditor General of Pakistan, Islamabad
6. Registrar, Supreme Court of Pakistan, Islamabad
7. MD, PPRA, Islamabad.



PAKISTAN

WATER AND POWER DEVELOPMENT AUTHORITY

Phone No. 021-34181184
Email cepdkiv@yahoo.com

OFFICE OF THE
CHIEF ENGINEER / PD,
K-IV PROJECT, WAPDA,
KARSAZ ROAD, KARACHI.

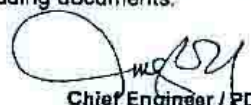
No. CE/PD/K-IV/2022- 983

Dated: 28th March 2022

- | | | |
|--|--|---|
| 1. China International Water & Electric Corp. Pakistan House No. 12, St. 87, G-6/1, Islamabad
4. China Harbour Engineering Company Ltd. Plot No. 21-A, Street No. 16, off, Khayaban-e-Tanzeem, Phase-V, DHA, Karachi
7. China State Construction Engr. Corp. Lt (CSCEC). House No. 20 ST 22, F-6/2, Islamabad.
10. China Communications Construction Company Ltd. (Pakistan) House No. 2, Street No. 33, F-8/1, Islamabad
13. Matracon Pakistan (Pvt. Ltd. Regional Office: 2nd Floor, Plot No. 26-C, Lane-3, Main Rahat Commercial, phase-6, DHA Karachi
16. China Machinery Engineering Corporation House # 29, Army House, Phase 5, DHA, Karachi.
19. China Gezhouba Group Company Limited H.No.1, F-6/2, Hill Road, Islamabad.
22. Northwest Electric Power Design Institute Co. Ltd of China Power Engineering Consulting Group, M/s/ Tiangin Group House. No. 434, Street No. 12, X-Block, DHA Phase-II, Lahore
25. GASCO Engineering (Pvt) Limited 501, Amber State Building, Shakra-e-Faisal, Karachi
28. Sardar Mohammad Ashraf D. Baluch (Pvt.) Ltd Suit No. 405, 4th floor, Panorama Center, Building No.2, Raja Ghazanfar Ali Khan Road, Karachi. | 2. Technomen Kinetics (Pvt) Ltd B-60, KDA Scheme 1, Karsaz Road, Karachi.
5. Saadullah Khan & Brothers (SKB) C-40, Lane # 7, Block-2, Clifton, Karachi.
8. CCECC-MEFA Joint Venture House No. 18, St 35, F-7/1, Islamabad.
11. Techno Engineering Services (Pvt.) Limited Flat No. 15 & 16, 4 th Floor, Malik Complex, 80 East Jinnah Avenue, Blue Area, Islamabad.
14. Jaffer Brothers (Private) Limited Citi Tower, 33-A, Block 8, P.E.C.H.S, Shahrah-e-Faisal, Karachi.
17. Agha Brothers Construction Company 2nd Floor, Plot No. 48-C, Lane No. 1, Bukhari Commercial, Phase 6, D.H.A, Karachi.
20. SKB Engineers & construction 10-A/3, Gulberg III, Lahore.
23. Sultan Mahmood & Company Engineers & Contractors. Bangalow E/451, Janan House, Jail Road, Post Office Zhob, Sheikhhan, Tehsil/Zhob, Balochistan, Pakistan
26. Ghulam Rasool & Company Pvt. Ltd. 195/1-D, Model Town, Lahore.
29. NPI Construction and Engineering Old MPA Hostel, Sir Hidayatullah Road, Behind Coast Guard Mess Saddar Karachi | 3. Sinohydro Corporation Limited House No. 18, Street # 56, F-7-4, Islamabad.
6. Ramzan & Sons (Pvt.) Ltd. Office No. 3, 2nd floor, Dean Arcade, Khy-e-Iqbal, Clifton Block 8, Karachi.
9. Noor Ul Haq & Brothers Plot No. 8C, 21st Commercial Street, DHA Phase-2, Karachi
12. Zahir Khan & Brothers H.No. A-14/2, Street No. 05, Gulshan-e-Faisal, Bath Island Clifton, Karachi.
15. National Logistic Cell (NLC). HQ Proj Dte NLC Sindh New Haji Camp, Sultanabad, Karachi.
18. Habib Rafiq (Pvt.) Limited. DHA City Karachi (DCK) Main Superhighway, 55KM towards Karachi.
21. Descon Engineering Ltd I 8-Km, ferozpur road, Lahore.
24. China Power Engineering Consulting Group International Engineering Co. Ltd. World Trade Center, Tower A, 10 Khayaban-e-Roomi, Block 5 Clifton, Karachi
27. Bahria Foundation 6 th floor, Bahria Complex-II, M.T Khan Road, Karachi.
30. EDDCO Construction (Pvt.) Limited 102-B, OFF Housing Scheme Phase-I, Lahore. |
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Subject: Pressurized Water Transmission MS Pipelines & Allied Works from RD 64+200 to 111+700 Contract Package No. KIV-PL2 -3rd Set of Response to the bidders Clarification Request

Kindly find enclosed herewith 3rd Set of Response to the bidders Clarification Request pursuant to clause IB-8 of volume -1 in respect of subject bidding documents.


 Chief Engineer / PD
 K-IV Project WAPDA, Karachi

Copy to:-

1. General Manager (C&M) Water, WAPDA, Wapda House, Lahore.
2. General Manager (Projects) South, WAPDA Hyderabad
3. Project Manager/TL K-IV Project TCI-MMP-ILF Austria (JV), Karachi.
4. SO to Member (Water), WAPDA, WAPDA, House, Lahore

3rd Set of Clarification for Contract Package KIV-PL2 for "Construction of Pressurized Water Transmission Pipelines & Allied Works From RD 64+200 to 110+700".

Sr. No.	Query	Reply
1	We may sincerely expect you to consider and grant our humble request regarding extension of the Tender Submission Deadline for one month (30 days), so as to allow comprehensive and abundant bidding offers, for the sake of the Project of the national interest.	The deadline for bid submission has been extended upto 8 th April 2022 and an addendum in this regard will be issued.
2	After completing extensive review of the bidding documents by our technical and financial experts, two clarifications were sent to your good side on 18 th March and 22 nd March, but we are still waiting for your kind response to those. Moreover, according to the Addendum No.1 and reply to clarification No.1 on 19 th March the documents including the Geotechnical Data and the Drawing showing tentative location of constructor's camp and construction plants are also awaited. We sincerely hope that you understand that those information and documents are very important for us to prepare the Bid.	This data is already shared with all the Bidders.
3	In addition, according to our working we believe it is difficult for local manufacturers to supply enough MS pipe which is crucial to the project, so we need more time to inquire from international manufacturers. In view of above reasons, we hereby request you to kindly extend the bid submission date for at least fifteen (15) days.	The deadline for bid submission has been extended upto 8 th April 2022 and an addendum in this regard will be issued.
4	<u>Date of submission of Bid</u> Keeping in view the quantum of the work to prepare the bid which includes the involvement of imported basic raw material and getting their proper quotations from the foreign principals is a time taking exercise. The time for submission of bid i.e. 30 th March 2022 is very short. In view of above it is requested that bid submission time may please be extended for at least two (02) weeks in order to facilitate the bidders prepare & submit the proper competitive bid to the Employer.	The deadline for bid submission has been extended upto 8 th April 2022 and an addendum in this regard will be issued.
5	<u>Performance Security in shape of insurance bond issued by AA rated insurance companies</u> According to instruction of Bidders Clause IB-32.1 and GCC clause 4.2 performance security of 10% has been demanded from the successful bidder in shape of Bank Guarantee. As you are well aware that Contractor will already be under severe cash flow constraint due to non-provision of secure advance clause in the Contract when Contractor has paid 100% to import Hot rolled Coil (MS sheet for manufacture of M.S. pipe), which is almost 65% - 70% of his total bid price. It is therefore requested that in order to give a relief to the bidder from severe cash flow constraint, Performance Security may also be accepted in shape insurance bond issued by AA rated insurance companies as already approved as an available option in STANDARD FORM OF BIDDING DOCUMENT issue by PAKISTAN ENGINEERING COUNCIL (PEC), approved by ENCEC and notified by PLANNING COMMISSION vide notification No. 8(60)WR/PC/2008 dated 12 th February, 2008 stating it is mandatory for all engineering Organizations and department at Federal and Provincial level and District governments to use this document for procurement of Civil works funded locally and / or through donor agencies. You are therefore requested to consider our above mentioned requests and issue an addendum in this regard for healthy and competitive bidding.	The given project provisions will be followed.

S. No.	Reference of Volume, Section & Clause	Query	Replies
6	VOLUME - I, Form of Bid and Appendices to Bid, Appendix B to Bid, Bill of Quantities	Please add in the BOQ the quantities of: 1. Temporary works (including construction camps, construction facilities (plants, workshops), temporary construction roads, diversion and interception works, etc.) 2. New road along the pressure pipeline.	1.No measurement for payment will be made for Temporary works identified by bidders in his Query. 2. Earthen graded Access track / Road along the proposed alignment of pressurized pipe lines will be constructed as specified in Sub Clause 10.40 (SG1-27) of Special Provision. 3. No Separate payment shall be made for such works and the cost thereof shall deemed to be included in Contract Price.
7	VOLUME - I, General Conditions of Contract, 2.1 Right of Access to the Site: "The Employer shall give the Contractor right of access to, and possession of, all parts of the Site within the time (or times) states in the Contract Data."	We request the Employer to kindly consider to give the Contractor right of access to and possession of all parts of the Site prior to the Commencement Date.	The contractor will be given right of access to and possession of site as per the construction requirements.
8	VOLUME - I, Particular Conditions of Contract, 18.1 General Requirements for Insurances: "The cost of all insurances under clause 18 shall be borne by the contractor."	We request the Employer to kindly provide more specific details in respect of types of insurance, amount insured and deductibles per occurrence.	We understand the provisions under clause 18 are already explicitly mentioned in the bidding document. Kindly refer the Contract Data in Particular Conditions of Contract.

S. No.	Reference of Volume, Section & Clause	Query	Replies
9	VOLUME - I, Particular Conditions of Contract, Part A - Contract Data, 14.2: "15% of the Accepted Contract Amount excluding Provisional Sum shall be paid by the Employer to the Contractor within 14 days after signing of the Contract Agreement against Bank guarantee issued by scheduled Bank in Pakistan acceptable to the Employer."	We understand that advance payment shall be paid by Employer prior to the Commencement Date. Please clarify and confirm.	It is clearly mentioned that the advance payment shall be paid by the Employer to the Contractor within 14 days after signing of the Contract Agreement against Bank guarantee issued by scheduled Bank in Pakistan acceptable to the Employer.
10	VOLUME - I, Appendix A to Bid, PRICE ADJUSTMENT UNDER SUB-CLAUSE 13.8 OF CONDITIONS OF CONTRACT: "Notes: For item (vi), the Base Rate and Current rate if other than Indices shall be converted in PKR. For rate of exchange into PKR, the source will be the State Bank of Pakistan."	For item (vi), we understand that the rate of exchange as referred to herein is exchange rate from State Bank of Pakistan on the last day of the period to which the particular Payment Certificate relates. Please clarify and confirm.	It is already mentioned in the Appendix A to bid under the Notes. Kindly refer.
11	VOLUME - III, Tender Drawing	The tender drawings as re just related Civil engineering drawings, please kindly provide the other detailed professional drawings, such as cathodic protection system drawing.	Scope of Work for Cathodic Protection is well defined in Specifications and BOQ Item description (BOQ SNO 230 & 231). The Successful Bidder shall submit detailed drawings with all calculations as per requirement for review and Approval of the Engineer Prior installation of CP Systems for MS Pipe lines.

S. No.	Reference of Volume, Section & Clause	Query	Replies
15		Please refer to the project K IV – PL1 & PL2 (construction of pressurized water transmission pipelines) It is kindly requested that the project requires detailed working for which the given time of submission of tender documents i.e. 30th March 2022 is not sufficient enough for the same due to the prevailing political uncertainty and resultantly the high volatility of the prices in the commodity market. It is kindly requested the bid submission date shall be extended by at least 15 more days.	The date for submission/opening of bids is extended to 08.04.2022. Corrigendum and Addendum will be issued accordingly.
16		Technical Issue regarding MS pipes: Project specification mention pipes manufacturing as per API 5L PSL2 specifications. Since API 5L PSL2 is an International Standard that requirement for the manufacture of welded steel pipes for subsequent use in pipeline transportation system in the petroleum and natural gas industries, involving higher pressure and higher sensitives. It is generally not recommended for the water transportation systems because: (A) Significantly higher cost and higher pipe processing time and (B) There are significantly lesser suppliers of PSL2 HRC material than PSL1 HRC raw materials. So, the substitution of X42 PSL2 HRC material with X42 PSL1 HRC material is recommended.	The given Contract Provision will prevail
17		Our Suggestions as possible solution for the above issue We suggest that mill HT (Hydro-testing) be substituted with RT (Radiographic Testing), UT (Ultrasonic Testing) & BT (Burst Testing), as per international standard, because: (A) As per clause 5.2 of AWWA C200 standard, in lieu of HT, other NDT (Non-Destructive Testing) such	The given contract Provision will prevail.

S. No.	Reference of Volume, Section & Clause	Query	Replies
12	VOLUME – III, Tender Drawing, KIV-PL1/PL-0201: PIPE ENCASEMENT / TRENCH SECTIONS TYPICAL CROSS SECTIONS OF PIPE TRENCH. VOLUME – I, Form of Bid and Appendices to Bid, Appendix B to Bid, Bill of Quantities.	The material of varies backfilling area are not see in the Volume – I BILL NO-2: PRESSURIZED WATER TRANSMISSION PIPELINES, please clarify it.	The material for backfill in Pipe lines shall be selected Excavated material as specified in Sub Clause 4.53.2 (SP4-47) of Part II Particular Specification. And the Backfilling with selected excavated material is included in BOQ item of Excavation.
13	As per the Clause 4.1 A of section III of Volume I of Bid documents of KIV Pipeline project	“Experience under construction contract in the role of prime contract, JV member or sub contract for at least the last 15 years, starting 1st Jan 2006. Certificate of incorporation be attached as a proof.” In this regard we want to know two things, (1) we think that the project is scheduled for 30th March, 2022, therefore this clause should be modified as “starting from 1st April,2017” or delete the inaccurate date. (2) what does incorporation means, as we know there are more than two types of companies. Some local companies are registered and incorporated in SECP which are Private limited companies. Some local companies are registered with provincial department.	The contractor is required to submit General Construction Experience starting from 1 st Jan 2006. We understand that there is no harm if the contractor submits General Construction Experience for one additional year. Certificate of Incorporation pertains to the proof of establishment of your company/firm Addendum will be issued.
14		According to the “Addendum No. 1 and 1st set of response to the bidder’s clarification request” which shared by you on 19th March, you will provide The Geotechnical Date and The Drawing showing tentative location of constructor’s comp and construction plants,	The requested data is provided with these clarifications. Link: https://drive.google.com/drive/folders/1RsoZNqVJVtSq3FHp0PmDlxY_Dx7ZY_QP?usp=sharing



TRANSPARENCY INTERNATIONAL - PAKISTAN

Annex-B

Plot 72-F/2, 1st Floor, 9th Street, Jami Commercial,
Phase VII, Defence Housing Authority, Karachi
Phone: +92-21-35390408, 35311898
Fax: +92-21-35390410
Email: ti.pakistan@gmail.com
Website: www.transparency.org.pk

8th June, 2021

TL21/06/08/1A

Syed Murad Ali Shah
Chief Minister
Government of Sindh
CM House
Karachi

Subject: Allegation of loss of Rs. 55 Billion to the exchequer.
Delay in Completion of Karachi 260 MGD K-IV Water Supply Project, and design change by WAPDA by introducing GRP/Steel to benefit pipe suppliers, resulting in increase in cost from Rs. 45 billion to over Rs.100 billion

Dear Sir,

Transparency International Pakistan has received a complaint on the allegation of undue delay in the completion of 260 MGD K-IV Water Supply Project, which has been stopped since January 2018, along with changes in design by WAPDA by introducing GRP/Steel pipe in the duct of already constructed open channel, resulting in a change in the Project Scope to increase the cost from Rs. 45 billion to over Rs.100 billion under pressure of pipe mafia, which is likely to cause a loss of Rs. 55 billion to the exchequer

The complainant has made the various allegations, which are attached as **Appendix**.

Important allegations are,

That;

1. Karachi is suffering from 260 MGD water shortage. Initially K-IV Water Supply Project from Sep 2018 to March 2020 went through 30 months delay because of M/s KWSB and M/s NESPAK, as well as due to undue interference of M/s CGGC & M/s China Energy Engineering Group Planning & Engineering Co. Ltd. and their unfounded objection on the design of the K-IV.
2. However, since October 2020, WAPDA, having taken over the K-IV Project, is responsible for an additional 7 months delay, along with further 2-3 years delay as a result of changes in design of K-IV Water Supply Project, which were carried out without an engineering study by new consultant/contractors. We are of the view that Government of Sindh should not allow WAPDA to further delay the implementation of Karachi Water K-IV Project, which, we believe, can be completed in only 18 months i.e. by December 2022 by organizations such as M/s FWO.
3. On 30th October 2019, GoS, in consultation with Corps 5 HQ, constituted a Technical Committee & Sub-Committee of Technical Committee to examine the K-IV Design Review Reports of M/s NESPAK & M/s OCL, , and recommend way forward based on technically viable solution for GoS. The Technical Committee consisted of more than 10 eminent engineers drawn from E-in-C Branch GHQ, 5 Corps HQ, vice chancellors of NED and Mehran Universities, GOS, KW&SB and FWO. The Committee on 30 March 2020 cleared the Water Conveyance System by Canal based on engineering reports of M/s NESPAK/ M/s Dettare, M/s OCL, & M/s Techno Consult. Through its act of pressure pipe system design, WAPDA has challenged professional competence of M/s NESPAK/ M/s Dettare, M/s OCL, & M/s Techno Consult as well as other members of the GoS Technical Committee.



4. It is pertinent to note that WAPDA has been unable to complete its projects in contracted time. The most recent case is the US \$ 4.2 Billion, 4,320 MW DASU DAM contract, that was awarded to CGGC in March 2017 when Lt. Gen (R) Muzammil Hussain, chairman WAPDA announced that 1st Phase of 2,160 MW will become operational in **2021**. However, after 3 years, on 25.2.2020, chairman WAPDA erroneously declared that 2,160 MW of 4,320MW Dasu hydropower **is on schedule** to begin generation in **2025**. It means that the project of Dasu Dam which has already been delayed by 4 years is now further delayed by another 4 years (while only 20% work was so far completed). The cost of the project has already increased by 100% and AGP in annual Audit Report has also made several allegations of financial irregularities that have been committed in this Project.
5. Since WAPDA is unable to comply with completion schedules of projects, we apprehend that and if K-IV remains in the hands WAPDA, it is likely to become a replication of Neelum Jhelum Project with its delays and manifold increase in cost.
6. The Auditor General has made serious allegations on WAPDA's performance as can be noted in para 7 of the below report which indicates incompetency /non professionalism of WAPDA, awarding work to favourite contractors and consultants, which AGP has declared to be a violation of PPRA Rules, such as PPRA Rule No. 2(f) (Corruption), and is likely to attract action under NAB Section 9, reference page Nos. 8, 11, 16, 17, 19, 22, 23, 25, 27 and 48:
<https://www.agp.gov.pk/AuditReports> .
7. It is clear that there is an urgency for the completion of K-IV as soon as possible within next 18 months, in order that an extra 260 MGD water becomes available to citizens of Karachi who are currently suffering from severe water shortage.

Following are the Observations of TI Pakistan.

1. In the interest of completing K-IV Water Supply Project to provide 260 MGD extra water for Karachi, along with 100% saving of additional cost, TI-P strongly believes that the GoS Technical Committee recommendations of **March 2020**, developed as a result of deliberations on the NESPAK Design Review Report, should be adopted without delay.
2. Government of Sindh needs to maintain the existing route / alignment for K-IV Project and allow the resumption of works on ground once the rectification / modification suggested by the Technical Committee are finalized by M/s. OCL along with submission of revised PC-I by KW&SB to the competent forum for approval.
3. Government of Sindh needs to approve implementation of 260 MGD of K-IV Project as envisaged and planned earlier, preferably adopting **Option-I**, referred in March 2020 report, in view of its advantages & early completion of the Project .
4. Corresponding augmentation works of Phase-I of K-IV Project need to be taken up for implementation as a priority project under World Bank / AIIB funded KWSSIP Project.
5. Wherever required along the alignment of the Project, Government of Sindh needs to facilitate K-IV Project Authority in early acquisition of land.
6. Subject to the approval of Government of Sindh, M/s. OCL needs to carry out detailed redesigning accordingly and submit complete and comprehensive Modified Design Report, incorporating all the technical issues discussed hereinabove.
7. M/s OCL needs to subsequently provide the precise cost estimation of the approved option in light of the modified design with due diligence and professionalism. M/s OCL will also prepare revised



PC-I of Phase-I K-IV to be submitted to KW&SB for onward submission to competent authority for approval.

8. It is clear that, Pakistan's economy cannot bear a loss of Rs. 55 billion, just because, as alleged by the complainant, WAPDA unilaterally decided to change the design of K-IV.

9. It is also clear that prima facie WAPDA has committed violation of PPRA Rule No. 30, (no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents) by qualifying M/s Techno Consult JV, against condition of Conflict of Interest Condition in the RFP.

10. WAPDA's negative past performance needs to be noted which resulted in 9 years delay, with changes in design, and cost increase from Rs. 90 Billion to Rs. 500 Billion, as highlighted in Auditor General Pakistan, Performance Audit Report on Neelum Jhelum Hydropower 2016-17, http://www.na.gov.pk/uploads/documents/1596523006_305.pdf.

11. Based on WAPDA's past record, K-IV project completion is likely to be further delayed by 4/5 years, while the cost is likely to increase from Rs. 45 billion to over Rs. 100 billion. record, which should not be allowed.

TI Pakistan Recommendations.

- a) Transparency International Pakistan requests the Chief Minister Sindh to examine the above allegations in the light of TI Pakistan observations.
- b) Government of Sindh should consider reconvening the Technical Committee constituted on 30th October 2019, to examine WAPDA proposal of K-IV Project, and review the design change due to which cost of K-IV 260 MGD is likely to increase by 100%, as a result of change of contractor & consultants by WAPDA.
- c) It is the responsibility of Sindh Government to ensure that Karachi gets additional 260 MGD water by end of 2022.

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

With Regards,

Ms. Yasmeen Lari
Sitara-e-Imtiaz, Hilal-i-Imtiaz
Chairperson
Transparency International Pakistan

Encl: Appendix.

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

1. PSPM, PM House, Islamabad,
2. Commander 5 Corps, Shara-e-Faisal, Karachi
3. Chairman, National Accountability Bureau (NAB), Islamabad
4. Mr. Asad Umar, Minister for Planning, Development & Special Initiative, Islamabad
5. Auditor General of Pakistan, Islamabad
6. Registrar, Supreme Court of Pakistan, Islamabad
7. MD, PPRA, Islamabad.