

20 August 2021

Chief Minister Government of Khyber Pakhtunkhwa, Chief Minister House, Peshawar Plot 72-F/2, 1st Floor, 9th Street, Jami Commercial, Phase VII, Defence Housing Authority, Karachi

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TL2021/08/20/1E

(Reminder 05)

Sub: <u>Publication of COVID-19 Procurement Contracts on PPRA website under Khyber Pakhtunkhwa</u>
Public Procurement of Goods, Works and Services Rules 2014, Rule 46(2) and Rule 53

Dear Sir,

This is the fifth reminder that Transparency International Pakistan is writing to your office to seek your attention regarding the publication of Covid-19 related spending contracts on Khyber Pakhtunkhwa Public Procurement Regulatory Authority website: http://www.kppra.gov.pk/kppra/

TI Pakistan has informed through its earlier four letters (first letter No.TL2020/05/21/1C dated 21st May 2020 is attached as **Annex-A**), that none of the department of government of KP is following the KP Public Procurement Rules 2014 Rules No. 46(2) and Rule 53, which raises serious concerns regarding the transparency in the utilization of Covid-related funds.

It may be pointed out that KP PPRA Rules No. 46(2) and Rule 53 makes it mandatory on all the procuring agencies to publish awarded contracts information, along with BOQ rates on the website of the Punjab Procurement Regulatory Authority.

The Supreme Court of Pakistan in **S.M.C. 01/2020 on 21 July 2020** has also raised serious questions over the failure to ensure transparency in expenditures pertaining to the coronavirus pandemic. The Supreme Court of Pakistan in the order dated 05.05.2021 has reported that billions of rupees have been paid in cash for the purchase of Covid-related supplies from China such as machines, equipment and the rent of aeroplane which is against the PPRA Rules and financial regulations of the Government of Pakistan.

The International Monetary Fund (IMF) has also added the requirement to publish all awarded Covid spending Contracts as a mandatory requirement in its 11 new structural benchmarks for Pakistan in April 2021.

The Chief Minister KP is again requested to issue directives for the compliance of KP PPRA Rules No. 46(2) and Rule 53 and the disclosure of contract information along with BOQ rates for all Covid-19 spending to ensure transparency in the procurement of Covid related supplies.

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,

Justice (R) Nasira Iqbal,

Vice-Chairperson

Transparency International Pakistan

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

- 1. Chief, National Command Operation Centre, Isalambad
- 2. Health Minister, Health Department Khyber Pakhtunkhwa, Peshawar
- 3. Managing Director, Khyber Pakhtunkhwa Procurement Regulatory Authority, Peshawar
- 4. Director General, National Accountability Bureau (NAB), Quetta
- 5. Registrar, Khyber Pakhtunkhwa High Court, Quetta



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

21st May 2020

TL2020/0521/1C

Mahmood Khan Sahib, Chief Minister, Government of Khyber Pakhtunkhwa, Chief Minister House, Peshawar.

Sub: Publication of the Contracts awarded without Tender, as Direct Contract, on PPRA
Website under Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules,
2014 Page 21 and Page 22

Dear Sir.

Transparency International Pakistan has noted that procurement are being made by Ministries and Department of the Federal Government and Provincial Governments based on Emergency, using Direct Contracting, under the Public Procurement Rules. 2004 for Fed Govt. and respective Public Procurement Rules by the four provinces.

No time can be wasted in public tendering, and rules are made that in such situation, when Emergency is declared, direct contracting is permissible under emergency as defined in these rules and procurement specified under sub-rule 3(2)(a) and 3(2)(b), of Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014.

However, there is no exemption allowed to any procuring agency, from Rule Approval of Contract Award Page 21, and Public Access and Transparency Page 22, (quoted below). This Rule has been incorporated in order that the rates and prices are known to public, whereby public can scrutinize any overpriced rate/purchase by comparing prices for similar procurements by different departments.

Rule Page 21 Approval of contract award

(2) All contract awards shall be made public through publication on Authority website.

Rule Page 22 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:

It is noted that all departments of Khuber Pakhtunkhwa government are violating these Rules, and no contract awarded under rules as direct contract is uploaded on the website of PPRA.

As a result of TI Pakistan's advocacy, the provincial government of Sindh has issued the notification to all the procuring agencies in Sindh who are selecting "alternative methods of procurement – Direct Contracting" advising to hoist the contract award information of all the contracts award on the Authority's website. The notification also requires the procuring agencies that in future the contract award information be hoisted on PMSSPPRA website: https://ppms.pprasindh.gov.pk/PPMS/public/portal/contract_list

Transparency International Pakistan request the Chief Minister to direct the Managing Director of PPRA Pakhtunkhwa to issue Notifications that all the procuring agencies in Balochistan who are selecting "alternative methods of procurement – Direct Contracting" to also host the contract award information of all the contracts award on the Authority's website, for past and future contracts.



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,

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Chairman

Transparency International Pakistan

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

- 1.PSPM, PM House, Islamabad.
- 2. Chief Secreatry Pakhtunkhwa, Pesawar...
- 3. Chairman NAB, Islamabad.
- 4.MD, Pakhtunkhwa Public Procurement Regularity Authority, Peshawar .
- 5. Registrar, Peshawar High Court, Peshawar.