



PAKISTAN PROCUREMENT CODE

3rd Edition

PPRA ORDINANCE 2002

PUBLIC PROCUREMENT RULES 2004

PUBLIC PROCUREMENT REGULATIONS 2008

Consultancy Services Regulations 2010

PPRA Guidelines

FAQ's

PUBLIC PROCUREMENT REGULATORY AUTHORITY

Government of Pakistan

URL : www.ppra.org.pk

Third Edition

FOREWORD

This third edition is proof of the fact that new procurement regime has taken root in the public and private sectors. The demand for printed document has with every effort, beaten our willing supply although soft copy is also available on our website www.ppra.org.pk. This time we have consultancy regulations as part of the Code along with policy directions spread over the intervening period. Keen interest of the private sector including non-governmental organizations and civil society in the procurement rules and capacity building must also be underlined as strong drivers of ensuing change.

Hafeez ur Rehman
Managing Director
Public Procurement Regulatory Authority
Islamabad, Pakistan
May 2011

TABLE OF CONTENTS

PPRA ORDINANCE 2002

CHAPTER 1 PRELIMINARY

<u>Section No.</u>		<u>Page No.</u>
1.	Short title, extent and commencement	3
2.	Definitions	3-4

CHAPTER II ESTABLISHMENT OF AUTHORITY

3.	Establishment of Authority	5
4.	Power of the Federal Government to issue directives	5
5.	Functions and powers of the Authority	5-6

CHAPTER III MANAGEMENT AND ADMINISTRATION OF THE AUTHORITY

6.	Board	6
7.	Meeting of the Board	7
8.	Managing Director	7-8

CHAPTER IV FINANCIAL PROVISIONS

9.	Fund	8
10.	Expenditure to be charged on the Fund	8-9
11.	Power to obtain finances and receive grants	9
12.	Investment	9
13.	Budget and Accounts	9
14.	Maintenance of Accounts	9
15.	Audit	9

CHAPTER V
REGULATORY AND OTHER PROVISIONS

<u>Section No.</u>		<u>Page No.</u>
16.	Information	10
17.	Annual report	10

CHAPTER VI
MISCELLANEOUS

18.	Appointment of officers and staff, etc	10
19.	Members, officers etc. to be public servants	10
20.	Delegation	11
21.	Power to exempt	11
21-A	Ordinance not to apply to certain bodies corporate etc.	11
22.	Validity of proceedings	11
23.	Indemnity	11
24.	Common seal	12
25.	Winding up	12
26.	Power of the Federal Government to make rules	12
27.	Power of the Authority to make regulations	12

PUBLIC PROCUREMENT RULES, 2004

Rule No.

01.	Short title and commencement	14
-----	------------------------------	----

GENERAL PROVISION

02.	Definitions	14
03.	Scope and applicability	16
04.	Principles of procurements	16
05.	International & Inter-governmental commitments of the Federal Government	16
06.	Language	16
07.	Integrity Pact	17

PROCUREMENT PLANNING

08.	Procurement Planning	17
09.	Limitation on splitting or regrouping of proposed procurement	17
10.	Specifications	17
11.	Approval mechanism	17

PROCUREMENT ADVERTISEMENTS

Rule No.		Page No.
12.	Methods of advertisement	18
13.	Response time	18
14.	Exceptions	19

PRE-QUALIFICATION, QUALIFICATION AND DIS-QUALIFICATION OF SUPPLIERS AND CONTRACTORS

15.	Pre-qualification of suppliers and contractors	19
16.	Pre-qualification process	20
17.	Qualification of suppliers and contractors	20
18.	Disqualification of suppliers and contractors	20
19.	Blacklisting of suppliers and contractors	21

METHODS OF PROCUREMENT

20.	Principal method of procurement	21
21.	Open competitive bidding	21
22.	Submission of bids	21
23.	Bidding documents	21
24.	Reservations and preference	23
25.	Bid security	23
26.	Bid validity	23
27.	Extension of time for submission of bids	24

OPENING, EVALUATION AND REJECTION OF BIDS

28.	Opening of bids	24
29.	Evaluation criteria	24
30.	Evaluation of bids	24
31.	Clarification of bids	24
32.	Discriminatory and difficult conditions	25
33.	Rejection of bids	25
34.	Re-bidding	25
35.	Announcement of evaluation	25
36.	Procedures of open competitive bidding	25
37.	Conditions for use of single stage two envelope, two stage and two stage two envelope bidding procedures	29

**ACCEPTANCE OF BIDS
AND
AWARD OF PROCUREMENT CONTRACTS**

<u>Rule No.</u>		Page No.
38.	Acceptance of bids	30
39.	Performance guarantee	30
40.	Limitation on negotiations	30
41.	Confidentiality	30
42.	Alternative methods of procurements	30
43.	On account payments	33
44.	Entry into force of the procurement contract	33
45.	Closing of contract	34

**MAINTENANCE OF RECORD
AND
FREEDOM OF INFORMATION**

46.	Record of procurement proceedings	34
47.	Public access and transparency	34

**REDRESSAL OF GRIEVANCES
AND
SETTLEMENT OF DISPUTES**

48.	Redressal of grievances by the procuring agency	35
49.	Arbitration	35
50.	Mis-procurement	35
51.	Overriding effect	35

Regulation No. **PUBLIC PROCUREMENT REGULATIONS 2008**

01.	Short title and commencement	45
02.	Definitions	45
03.	Bidding documents	45
04.	Record to be kept	45
05.	Obtaining the record	46
06.	No liability to suppliers etc.	47
07.	Posting of contract awards on PPRA's website	47

PROCUREMENT OF CONSULTANCY SERVICES REGULATIONS, 2010

Regulation. No.		Page No.
1	Short title and commencement	54
2	Definitions	54
3	Methods for Selection of Consultants	55
3(A) (i)	Quality based selection	55
3 (A) (ii)	Procedures for selection under the quality based selection	56
3 (B) (i)	Quality and cost based selection	56
3 (B) (ii)	Procedures for selection under the quality and cost based selection	56
3 (C) (i)	Least Cost	
3 (C) (ii)	Procedures for selection under least cost selection	57
3 (D) (i)	Single source selection or direct selection	57
3 (D) (ii)	Procedures for selection under single source selection	58
3 (E) (i)	Fixed budget	58
3 (E) (ii)	Procedures for selection under fixed budget	58
4	Criteria for eligibility of consultants	59
5	Expression of interest	59
6	Criteria for short-listing of consultants	
7	Criteria for prequalification of consultants	60
8	Request for proposals	60
8 (a)	Letter of invitation	60
8 (b)	Instruction to consultants	60
8 (c)	Terms of reference	60
8 (d)	Evaluation criteria	60
8 (e)	Type of contract	61
8 (f)	Proposed contract format	61
8 (g)	Special provisions	61
9	Selection committee	61
10	Extent of negotiations or discussions	62
11	Professional Liability of consultants	62
12	Inconsistency	63

PPRA GUIDELINES

Guideline No.		Page No.
1.	Declaration of fees, Commissions and brokerage etc. payable by the suppliers of goods, services and works	65
2.	Integrity Pact	67
3.	Applicability of Public Procurement Rules, 2004 on Public Private Partnership (PPP)	68
4.	Monitoring implementation of Public Procurement Rules, 2004	69
5.	Implementation of Public Procurement Rules, 2004	70
6.	Frequent violation of Public Procurement Rules-2004	71
7.	Exemption from operation of Public Procurement Rules-2004 and condonation of violations of these rules	72
8.	Implementation of Public Procurement Rules- 2004	73
9.	Publication of Tenders on PPRA website	74
10.	Procurement Report for FY 2008-09	75
11.	Meeting of the senate standing committee on Cabinet Secretariat held on 28 th September, 2009 in committee room No.4, parliament house, Islamabad.	76
12.	Procurement advertisement fee on PPRA website	77
13.	Redressal of grievances by the Procuring Agency	78
14.	Grievances redressal and Principal Accounting officers	79
15.	Access and transparency	80
16.	Award of contracts and Public Procurement Regulatory Authority	81
17.	Tender notice on PPRA website and its proof for audit and record	82
18.	Annual procurement planning report	83
19.	Registration of firms and charging of registration/ processing Fees etc.	84
20.	Frequently asked questions	85



PPRA Ordinance 2002

M - 302
REGISTERED No.
L.7646

The Gazette  **of Pakistan**

**EXTRAORDINARY
PUBLISHED BY AUTHORITY**

ISLAMABAD, WEDNESDAY, MAY 15, 2002

PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN

**MINISTRY OF LAW, JUSTICE AND HUMAN RIGHTS AND
PARLIAMENTARY AFFAIRS**

(Law, Justice and Human Rights Division)

Islamabad, the 15th May, 2002

F.No.2(1)/2002-Pub:- The following Ordinance promulgated by the President is hereby published for General information:-

ORDINANCE NO XXII OF 2002

AN ORDINANCE

to provide for the establishment of Public Procurement Regulatory Authority for regulating public procurement of goods, services and works in the public sector; WHEREAS it is expedient to provide for the establishment of a Public Procurement Regulatory Authority for regulating procurement of goods, services and works in the public sector and for matters connected therewith or ancillary thereto; AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action; NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No.1 of 1999, read with the Provisional Constitution (Amendment) Order No.9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:-

CHAPTER I.-PRELIMINARY

1. Short title, extent and commencement.-

1. This Ordinance may be called the Public Procurement Regulatory Authority Ordinance, 2002.
2. It extends to the whole of Pakistan.
3. It shall come into force at once.

2. Definitions.

In this Ordinance, unless there is anything repugnant in the subject or context,-

- (a) "Authority" means the Public Procurement Regulatory Authority established under section 3;
- (b) "Board" means the Board constituted under section 6;
- (c) "Chairperson" means the Chairperson of the Board;
- (d) "Fund" means the fund established under section 9;
- (e) "goods" means articles and objects of every kind and description including raw materials, products, equipment, machinery, spares and commodities in any form and includes services incidental to installation, transport, maintenance and similar obligations related to the supply of goods if the value of these services does not exceed the value of such goods;
- (f) "Managing Director" means the Managing Director appointed under section 8;
- (g) "member" means a member of the Authority;
- (h) "misprocurement" means public procurement in contravention of any provision of this Ordinance, any rules, regulations, orders or instructions made there under or any other law in respect of, or relating to, public procurement;

- (i) "prescribed" means prescribed by rules made under this Ordinance;
- (j) "procuring agency" means-
 - i. any Ministry, Division, Department or any Office of the Federal Government;
 - ii. any authority, corporation, body or organization established by or under a Federal law or which is owned or controlled by the Federal Government;
- (k) "Public Fund" means the Federal Consolidated Fund and the Public Account of the Federation and includes funds of enterprises which are owned or controlled by the Federal Government;
- (l) "public procurement" means acquisition of goods, services or construction of any works financed wholly or partly out of the Public Fund, unless excluded otherwise by the Federal Government;
- (m) "regulations" means regulations made under this Ordinance;
- (n) "rules" means rules made under this Ordinance;
- (o) "service" means any object of procurement other than goods or works; and
- (p) "works" means any construction work consisting of erection, assembly, repair, renovation or demolition of a building or structure or part thereof, such as site preparation, excavation, installation of equipment or materials and decoration, finishing and includes incidental services such as drilling, mapping, satellite photography, seismic investigations and similar activities, if the value of those services does not exceed that of the works themselves.

CHAPTER II.-ESTABLISHMENT OF AUTHORITY

3. **Establishment of Authority.** (1) There is hereby established an Authority to be called the Public Procurement Regulatory Authority for carrying out the purposes of this Ordinance.
2. The Authority shall be a body corporate, having perpetual succession and a common seal, with powers subject to the provisions of this Ordinance, to acquire and hold property, both moveable and immovable, and, sue and be sued by the name assigned to it by sub-section (1).
3. The headquarters of the authority shall be at Islamabad and it may establish its offices at such other place or places in Pakistan as it may consider appropriate.

4. **Power of the Federal Government to issue directives**

The Federal Government may, as and when it considers necessary, issue directives to the Authority on matters of policy, and such directives shall be binding on the Authority.

5. **Functions and powers of the Authority.-**

1. Subject to other provisions of this Ordinance, the authority may take such measures and exercise such powers as may be necessary for improving governance, management, transparency, accountability and quality of public procurement of goods, services and works in the public sector.
2. Without prejudice to the generality or the powers conferred by sub-section (1), the Authority may
- (a) monitor application of the laws, rules, regulations, policies and procedures in respect of, or relating to, procurement;
 - (b) monitor the implementation of and evaluate laws, rules, regulations, policies and procedures in respect of, or relating to, inspection or quality of goods, services and works and recommend reformulation thereof or revisions therein as it deems necessary;
 - (c) recommend to the Federal Government revisions in or formulation of new laws, rules and policies in respect of or related to public procurement;
 - (d) make regulations and lay down codes of ethics and procedures for public procurement, inspection or quality of goods, services and works;
 - (e) monitor public procurement practices and make recommendations to improve governance, transparency, accountability and quality of public procurement;

- (f) monitor overall performance of procuring agencies and make recommendations for improvements in their institutional set up;
- (g) provide and coordinate assistance to procuring agencies for developing and improving their institutional framework and public procurement activities;
- (h) submit reports to the Government in respect of public procurement activities of procuring agencies;
- (i) call any functionary of procuring agencies to provide assistance in its functions and call for any information from such agencies in pursuance of its objectives and functions; and
- (j) perform any other function assigned to it by the Federal Government or that is incidental or consequential to any of the aforesaid functions

CHAPTER III.-MANAGEMENT AND ADMINISTRATION OF THE AUTHORITY

6. **Board.** (1) General Directions and administration of the Authority and its affairs shall vest in a Board which may exercise all powers, perform all functions and do all acts and things which may be exercised, performed or done by the Authority.

(2) The Board shall consist of the following Members, namely:-

(1) Secretary, Finance Division	Chairperson
(2) Secretary, Ministry of Industries and Production	Member
(3) Secretary, Defence Production Division	Member
(4) Secretary Ministry of Water and Power	Member
(5) Secretary, Ministry of Housing and works	Member
(6) Secretary, Ministry of Communications	Member
(7) Three Members from private sector to be nominated by the Federal Government	Member
(8) Managing Director	Member

(3) The Managing Director shall act as Secretary to the Board.

(4) A member appointed from the private sector shall hold office for a period of three years and shall be entitled to such terms and conditions as the Federal Government may determine.

(5) A member from the private sector may, by writing in his hand addressed to the Federal Government, resign his office.

(6) A casual vacancy in the office of a private sector member shall be filled by appointment of another member from the private sector for the residue of the terms of his predecessor.

7. **Meeting of the Board**
 1. The meeting of the Board shall be presided over by the Chairperson or, in his absence the member elected by the members, shall preside at the meeting of the Board.
 2. Five members shall constitute a quorum for a meeting of the Board requiring a decision by the Board.
 3. The meeting of the Board shall be held at such times, places and in such manner as may be prescribed by regulation.
 4. The members shall have reasonable notice of the time and place of the meeting and matters on which a decision by the Board shall be taken in such meeting.
 5. The decision of the Board shall be taken by the majority of its members present and, in case of a tie, the member presiding a meeting shall have a casting vote.
 6. All orders, determination and decision of the Board shall be taken in writing and shall be signed by the Managing Director.
8. **Managing Director** ____ (1). The Federal Government shall select and appoint a whole-time Managing Director to serve as member of the Board and shall be responsible for day to day administration of the Authority for such period and on such terms and conditions as the Federal Government may, determine.
 2. The Managing Director shall be appointed for three years and he shall be eligible for re-appointment but his total tenure shall in no case exceed six years.
 3. No person shall be appointed or continue as Managing Director, if he-
 - a. has been convicted of an offence involving moral turpitude;
 - b. has been removed from service for misconduct;
 - c. has been adjudicated as insolvent;
 - d. is incapable of discharging his duties by reasons of physical or mental incapacity and has been so declared by a Medical Board appointed by the Federal Government; or
 - e. fail to disclose any conflict of interest at or within the time provided for such disclosure by or under this Ordinance or contravene any of the provisions of this Ordinance.
 4. The Managing Director may, at any time, resign his office by writing under his hand addressed to the Federal Government.
 5. The Managing Director shall be paid such salary and allowances as the Federal Government may determine but his salary and allowances shall not be varied to his disadvantage during his term of office.
 6. The Managing Director shall not, during the term of his office, engage himself to any other service, business, vocation or employment nor shall he before the expiration of one year thereof enter into employment or accept any advisory or consult relationship with any person engaged in public procurement activity:

Provided that where the Managing Director is a Government servant there shall be no such restrictions on his employment after he has retired or transferred from the post of Managing Director and where he is from private sector he shall not have any direct or indirect financial interest or have any connection with any company engaged in public procurement activity for so long as he holds office and for a period of one year thereafter.

7. The Managing Director shall have power and responsibility to-
 - a. exercise administrative control over the personnel of the Authority;
 - b. exercise, in respect of the Authority, such other management, administrative and financial powers as deemed appropriate by the Authority;
 - c. submit the annual budget proposals of the Authority to the Board;
 - d. prepare the annual report of the Authority for the Board and the Federal Government;
 - e. exercise such powers as the Board may delegate to him; and
 - f. act on behalf of the Authority, in any emergency, subject to the obligation to report such action to the Board at its next meeting and to seek the Board's ratification of any action so taken.

CHAPTER IV.-FINANCIAL PROVISIONS

9. **Fund**__ (1) There is hereby established a Fund to be known as the Public Procurement Regulatory Authority Fund which shall vest in Authority and shall be utilized by the Authority to meet the charges in connection with its functions under this Ordinance.
 1. Procurement Regulatory Authority Fund which shall vest in Authority and shall be utilized by the Authority to meet the charges in connection with its functions under this Ordinance.
 2. To the credit of the Public Procurement Authority, a fund shall be placed comprising-
 - a. Such sums as the Federal Government may, from time to time, allocate to it in the annual budget;
 - b. Grants;
 - c. income from investment by the Authority; and
 - d. All other sums or properties which may in any manner become payable to, or vest in, the Authority in respect of any matter.
 3. The Authority, while performing its functions and exercising its powers under the Ordinance, shall exercise highest sense of prudence as far as expenditures are concerned.

Expenditure to be charged on the Fund

10. The Fund shall be expended for the purpose of-
 1. paying any expenditure lawfully incurred by the Authority, relating to remuneration of its members, employees, advisers, and consultants of the Authority, including provident fund contributions,

- superannuating allowances or gratuities, legal fees and costs as well as other fees and costs;
- b. paying any other expenses, costs or expenditure properly incurred or accepted by the Authority in the performance of its functions or the exercise of its powers under this Ordinance;
 - c. purchasing or hiring equipment, machinery and any other work and undertakings in the performance of its functions or the exercise of its powers under this Ordinance;
 - d. repaying any financial accommodation received; and
 - e. generally, paying any expenses for carrying into effect the provisions of this Ordinance.

11. Power to obtain finances and receive grants

The Authority may, from time to time and with the approval of the Federal Government, accept grants from entities both domestic and international, including multilateral agencies for meeting any of its obligations or performing of any of its functions.

12. Investment

The Authority may invest its surplus funds in accordance with the instructions of the Federal Government.

13. Budget and accounts

The Authority shall cause its accounts to be maintained properly and in respect of each financial year submit for approval of the Federal Government by such date and in such form as may be specified by the Federal Government a statement showing the estimated receipts and current expenditure and the sums to be required from the Government during the next financial year.

14. Maintenance of accounts

The Authority shall cause proper accounts to be kept and shall after the end of each financial year cause to be prepared for that financial year a statement of accounts of the Authority which shall include a balance sheet and an account of receipt and expenditure.

15. Audit

The accounts of the Authority, shall be audited every year by the Auditor-General of Pakistan.

Chapter V:- REGULATORY AND OTHER PROVISION.

16. Information

1. The Authority may call for any information required by it for carrying out the purposes of this Ordinance, from any person or any institution in public procurement activities and any such person or institution shall provide the required information called by the Authority.
2. The Authority shall furnish to the Federal Government such information with respect to the policies and procedures it is pursuing or proposes to pursue in the performance of any of its functions under this Ordinance as the Federal Government may, from time to time, require.

17. Annual report

Within one hundred and twenty days from the end of each financial year, the Authority shall cause a report to be prepared on its activities including inquiries and investigations made by the Authority under this Ordinance during that financial year and release to the public after it has been seen by the Cabinet.

CHAPTER VI.-MISCELLANEOUS

18. Appointment of officers and staff, etc.

1. The Authority may, from time to time and within its resources, appoint such officers, servants, advisers, consultants and experts as it may consider necessary for performance of its functions.
2. The Authority shall by regulations prescribe the procedure for appointment of its officers, servants, advisers, consultants and experts and the terms and conditions of their service.

19. Members, officers, etc. to be public servants

The Chairperson, members, Director-General, officers, servants, advisers, consultants and experts of the Authority shall, when acting or purporting to act in pursuance of any of the provisions of this Ordinance or the rules and regulations made thereunder, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code (Act XLV of 1860).

20. Delegation

The Authority may, by such conditions and limitations as it may deem fit to impose, delegate any of its functions or powers to the Managing Director, or one or more members or any of its officers except the power to-

- (a) approve audited accounts;
- (b) recommend exemption under section 21; and
- (c) make or repeal regulation made under this Ordinance.

21. Power to exempt

The Authority may, for reasons to be recorded in writing, recommend to the Federal Government that the procurement of an object or class of objects in the national interest be exempted from the operation of this Ordinance or any rule or regulation made thereunder or any other law regulating public procurement and the Federal Government on such recommendations shall exempt the aforesaid objects or class of objects from the operation of the laws and rules and regulations made thereunder.

21A. Ordinance not to apply to certain bodies corporate etc.-

- (1) Notwithstanding anything contained in this Ordinance the provisions thereof shall not apply to a body corporate, company, institution undertaking or establishment specified in the Schedule to this Ordinance, which has been privatized pursuant to the Privatization Commission Ordinance, 2000 (LII of 2000).
- (2) The Federal Government may, by notification in the official Gazette, amend the Schedule so as to add any entry thereto, modify or omit any entry therein.

22. Validity of proceedings

No act or proceedings of the Authority or the Board, shall be invalid by reason only of the existence of a vacancy in, or defect in the constitution of, the Authority or the Board.

23. Indemnity

No suit, prosecution, or other legal proceedings shall lie against the Authority, the Board, the Chairperson or any member, officer, servants, advisers or consultants of the Authority in respect of anything in good faith done or intended to be done under this Ordinance or the rules and regulations made thereunder.

24. Common seal

1. The Authority shall have a common seal and such seal shall be kept by the Managing Director or such other person as the Chairperson may authorise.
2. The seal shall be authenticated in the same manner as may be prescribed by regulation and any document purported to be sealed with the seal so authenticated shall be receivable as evidence of the particular stated in the document.

25. Winding up

No provision of law relating to winding up of bodies corporate shall apply to the Authority and the Authority shall not be wound up except by the orders of the Federal Government in the same manner as the Federal Government may direct.

26. Power of the Federal Government to make rules

The Federal Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Ordinance.

27. Power of the Authority to make regulations

The Authority may make regulations, not inconsistent with the provisions of this Ordinance and the rules made thereunder, for carrying out the purposes of this Ordinance.

Sd-
GENERAL PERVEZ MUSHARRAF
PRESIDENT

THE SCHEDULE
[See Section 21A]

1. The Pakistan Telecommunication Company Limited.

Public Procurement Rules



2004

As amended up to September 23, 2008



M - 302
REGISTERED No .
L.7646

The Gazette of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, WEDNESDAY, JUNE 9, 2004

PART II

Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN

FINANCE DIVISION
(Admn. And Coord. Wing)

NOTIFICATION

Islamabad, the June 9, 2004

S.R.O. 432(I)/2004.-- In exercise of the powers conferred by section 26 of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), the Federal Government is pleased to make the following rules, namely:-

1. Short title and commencement.- These rules may be called the Public Procurement Rules, 2004.

(2) They shall come into force at once.

GENERAL PROVISION

2. Definitions.- (1) In these rules, unless there is anything repugnant in the subject or context,-

- (a) "bid" means a tender, or an offer, in response to an invitation, by a person, consultant, firm, company or an organization expressing his or its willingness to undertake a specified task at a price;
- (b) "bidder" means a person who submits a bid;
- (c) "competitive bidding" means a procedure leading to the award of a contract whereby all the interested persons, firms, companies or organizations may bid for the contract and includes both national competitive bidding and international competitive bidding;
- (d) "contractor" means a person, consultant, firm, company or an organization who undertakes to supply goods, services or works;
- (e) "contract" means an agreement enforceable by law;
- (f) "corrupt and fraudulent practices" includes the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official or the supplier or contractor in the procurement process or in contract execution to the detriment of the procuring agencies; or misrepresentation of facts in order to influence a procurement process or the execution of a contract, collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the procuring agencies of the benefits of free and open competition and any request for, or solicitation of anything of value by any public official in the course of the exercise of his duty;
- (g) "emergency" means natural calamities, disasters, accidents, war and operational emergency which may give rise to abnormal situation requiring prompt and immediate action to limit or avoid damage to person, property or the environment;
- (h) "lowest evaluated bid" means,-
 - (i) a bid most closely conforming to evaluation criteria and other conditions specified in the bidding document; and
 - (ii) having lowest evaluated cost;
- (i) "Ordinance" means the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002);

- (j) "repeat orders" means procurement of the same commodity from the same source without competition and includes enhancement of contracts;
 - (k) "supplier" means a person, consultant, firm, company or an organization who undertakes to supply goods, services or works; and
 - (l) "value for money" means best returns for each rupee spent in terms of quality, timeliness, reliability, after sales service, up-grade ability, price, source, and the combination of whole-life cost and quality to meet the procuring agency's requirements.
- (2) The expressions used but not defined in these rules shall have the same meanings as are assigned to them in the Ordinance.

3. Scope and applicability.- Save as otherwise provided, these rules shall apply to all procurements made by all procuring agencies of the Federal Government whether within or outside Pakistan.

4. Principles of procurements.- Procuring agencies, while engaging in procurements, shall ensure that the procurements are conducted in a fair and transparent manner, the object of procurement brings value for money to the agency and the procurement process is efficient and economical.

5. International and inter-governmental commitments of the Federal Government.- Whenever these rules are in conflict with an obligation or commitment of the Federal Government arising out of an international treaty or an agreement with a State or States, or any international financial institution the provisions of such international treaty or agreement shall prevail to the extent of such conflict.

6. Language.- (1) All communications and documentation related to procurements of the Federal Government shall either be in Urdu or English or both. Except where a procuring agency is situated outside the territories of Pakistan and procurements are to be made locally, the procuring agency may use the local language in addition to Urdu or English.

(2) Where the use of local language is found essential, the original documentation shall be in Urdu or English, which shall be retained on record; for all other purposes their translations in local language shall be used:

Provided that such use of local language ensures maximum economy and efficiency in the procurement.

(3) In case of the dispute reference shall be made to the original documentation retained on record.

7. **Integrity pact.-** Procurements exceeding the prescribed limit shall be subject to an integrity pact, as specified by regulation with approval of the Federal Government, between the procuring agency and the suppliers or contractors.

PROCUREMENT PLANNING

8. **Procurement planning.-** Within one year of commencement of these rules, all procuring agencies shall devise a mechanism, for planning in detail for all proposed procurements with the object of realistically determining the requirements of the procuring agency, within its available resources, delivery time or completion date and benefits that are likely to accrue to the procuring agency in future.

9. **Limitation on splitting or regrouping of proposed procurement.-** Save as otherwise provided and subject to the regulation made by the Authority, with the prior approval of the Federal Government, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The annual requirements thus determined would be advertised in advance on the Authority's website as well as on the website of the procuring agency in case the procuring agency has its own website.

10. ***Specifications.-** Specifications shall allow the widest possible competition and shall not favour any single contractor or supplier nor put others at a disadvantage. Specifications shall be generic and shall not include references to brand names, model numbers, catalogue numbers or similar classifications. However if the procuring agency is convinced that the use of or a reference to a brand name or a catalogue number is essential to complete an otherwise incomplete specification, such use or reference shall be qualified with the words "or equivalent".

*Provided that this rule shall not apply to procurement made by public sector commercial concerns on the demand of private sector client specifying, in writing, a particular brand, model or classification of equipment, machinery or other objects.

11. **Approval mechanism.-** All procuring agencies shall provide clear authorization and delegation of powers for different categories of procurement

* Amended vide Cabinet Division No.5/37/2005-M-III/Admn(PPRA), dated 23-09-2008

and shall only initiate procurements once approval of the competent authorities concerned has been accorded.

PROCUREMENT ADVERTISEMENTS

12. Methods of advertisement.-*(1) Procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the Authority's website in the manner and format specified by regulation by the Authority from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency:

*Provided that the lower financial limit for advertisement on Authority's website for open competitive bidding shall be the prescribed financial limit for request for quotations under clause (b) of rule 42.

*(2) All procurement opportunities over two million rupees should be advertised on the Authority's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

(3) In cases where the procuring agency has its own website it may also post all advertisements concerning procurement on that website as well.

(4) A procuring agency utilizing electronic media shall ensure that the information posted on the website is complete for the purposes for which it has been posted, and such information shall remain available on that website until the closing date for the submission of bids.

13. Response time.-*(1) The procuring agency may decide the response time for receipt of bids or proposals (including proposals for pre-qualification) from the date of publication of an advertisement or notice, keeping in view the individual procurement's complexity, availability and urgency. However, under no circumstances the response time shall be less than fifteen days for national competitive bidding and thirty days for international competitive bidding from the date of publication of advertisement or notice.

All advertisements or notices shall expressly mention the response time allowed for that particular procurement along with the information for collection of bid documents which shall be issued till a given date, allowing sufficient time to complete and submit the bid by the closing date:

Provided that no time limit shall be applicable in case of emergency.

* Amended vide Cabinet Division No.5/37/2005-M-III/Admn(PPRA), dated 13-12-2006

(2) The response time shall be calculated from the date of first publication of the advertisement in a newspaper or posting on the web site, as the case may be.

(3) In situations where publication of such advertisements or notices has occurred in both electronic and print media, the response time shall be calculated from the day of its first publication in the newspapers.

14. Exceptions.- *It shall be mandatory for all procuring agencies to advertise all procurement requirements exceeding prescribed financial limit which is applicable under sub-clause (i) of clause (b) of rule 42. However under following circumstances deviation from the requirement is permissible with the prior approval of the Authority:-

(a) the proposed procurement is related to national security and its publication could jeopardize national security objectives; and

(b) the proposed procurement advertisement or notice or publication of it, in any manner, relates to disclosure of information, which is proprietary in nature or falls within the definition of intellectual property which is available from a single source.

PRE-QUALIFICATION, QUALIFICATION AND DIS-QUALIFICATION OF SUPPLIERS AND CONTRACTORS

15. Pre-qualification of suppliers and contractors.- (1) A procuring agency, prior to the floating of tenders, invitation to proposals or offers in procurement proceedings, may engage in pre-qualification of bidders in case of services, civil works, turnkey projects and in case of procurement of expensive and technically complex equipment to ensure that only technically and financially capable firms having adequate managerial capability are invited to submit bids. Such pre-qualification shall solely be based upon the ability of the interested parties to perform that particular work satisfactorily.

(2) A procuring agency while engaging in pre-qualification may take into consideration the following factors, namely:-

- (a) relevant experience and past performance;
- (b) capabilities with respect to personnel, equipment, and plant;
- (c) financial position;

* Amended vide Cabinet Division No.5/37/2005-M-III/Admn(PPRA), dated 13-12-2006

- (d) appropriate managerial capability; and
- (e) any other factor that a procuring agency may deem relevant, not inconsistent with these rules.

16. Pre-qualification process.- (1) The procuring agency engaging in pre-qualification shall announce, in the pre-qualification documents, all information required for pre-qualification including instructions for preparation and submission of the pre-qualification documents, evaluation criteria, list of documentary evidence required by suppliers or contractors to demonstrate their respective qualifications and any other information that the procuring agency deems necessary for pre-qualification.

(2) The procuring agency shall provide a set of pre-qualification documents to any supplier or contractor, on request and subject to payment of price, if any.

Explanation.- For the purposes of this sub-rule price means the cost of printing and providing the documents only.

(3) The procuring agency shall promptly notify each supplier or contractor submitting an application to pre-qualify whether or not it has been pre-qualified and shall make available to any person directly involved in the pre-qualification process, upon request, the names of all suppliers or contractors who have been pre-qualified. Only suppliers or contractors who have been pre-qualified shall be entitled to participate further in the procurement proceedings.

(4) The procuring agency shall communicate to those suppliers or contractors who have not been pre-qualified the reasons for not pre-qualifying them.

17. Qualification of suppliers and contractors.- A procuring agency, at any stage of the procurement proceedings, having credible reasons for or prima facie evidence of any defect in supplier's or contractor's capacities, may require the suppliers or contractors to provide information concerning their professional, technical, financial, legal or managerial competence whether already pre-qualified or not:

Provided that such qualification shall only be laid down after recording reasons therefor in writing. They shall form part of the records of that procurement proceeding.

18. Disqualification of suppliers and contractors.- The procuring agency shall disqualify a supplier or contractor if it finds, at any time, that the

information submitted by him concerning his qualification as supplier or contractor was false and materially inaccurate or incomplete.

19. Blacklisting of suppliers and contractors.- The procuring agencies shall specify a mechanism and manner to permanently or temporarily bar, from participating in their respective procurement proceedings, suppliers and contractors who either consistently fail to provide satisfactory performances or are found to be indulging in corrupt or fraudulent practices. Such barring action shall be duly publicized and communicated to the Authority:

Provided that any supplier or contractor who is to be blacklisted shall be accorded adequate opportunity of being heard.

METHODS OF PROCUREMENT

20. Principal method of procurement.- Save as otherwise provided hereinafter, the procuring agencies shall use open competitive bidding as the principal method of procurement for the procurement of goods, services and works.

21. Open competitive bidding.- *Subject to the provisions of rules 22 to 37 the procuring agencies shall engage in open competitive bidding if the cost of the object to be procured is more than the prescribed financial limit which is applicable under sub-clause (i) of clause (b) of rule 42.

22. Submission of bids.- (1) The bids shall be submitted in a sealed package or packages in such manner that the contents are fully enclosed and cannot be known until duly opened.

(2) A procuring agency shall specify the manner and method of submission and receipt of bids in an unambiguous and clear manner in the bidding documents.

23. Bidding documents.- (1) Procuring agencies shall formulate precise and unambiguous bidding documents that shall be made available to the bidders immediately after the publication of the invitation to bid.

(2) For competitive bidding, whether open or limited, the bidding documents shall include the following, namely:-

- (a) invitation to bid;
- (b) instructions to bidders;

* Amended vide Cabinet Division No.5/37/2005-M-III/Admn(PPRA), dated 13-12-2006

- (c) form of bid;
- (d) form of contract;
- (e) general or special conditions of contract;
- (f) specifications and drawings or performance criteria (where applicable);
- (g) list of goods or bill of quantities (where applicable);
- (h) delivery time or completion schedule;
- (i) qualification criteria (where applicable);
- (j) bid evaluation criteria;
- (k) format of all securities required (where applicable);
- (l) details of standards (if any) that are to be used in assessing the quality of goods, works or services specified; and
- (m) any other detail not inconsistent with these rules that the procuring agency may deem necessary.

(3) Any information, that becomes necessary for bidding or for bid evaluation, after the invitation to bid or issue of the bidding documents to the prospective bidders, shall be provided in a timely manner and on equal opportunity basis. Where notification of such change, addition, modification or deletion becomes essential, such notification shall be made in a manner similar to the original advertisement.

(4) Procuring agencies shall use standard bidding documents as and when notified by regulation by the Authority:

Provided that bidding documents already in use of procuring agencies may be retained in their respective usage to the extent they are not inconsistent with these rules, and till such time that the standard bidding documents are specified by regulations.

(5) The procuring agency shall provide a set of bidding documents to any supplier or contractor, on request and subject to payment of price, if any.

Explanation.- For the purpose of this sub-rule price means the cost of printing and providing the documents only.

24. Reservations and preference.- (1) Procuring agencies shall allow all prospective bidders to participate in procuring procedure without regard to nationality, except in cases in which any procuring agency decides to limit such participation to national bidders only or prohibit participation of bidders of some nationalities, in accordance with the policy of Federal Government.

(2) Procuring agencies shall allow for a preference to domestic or national suppliers or contractors in accordance with the policies of the Federal Government. The magnitude of price preference to be accorded shall be clearly mentioned in the bidding documents under the bid evaluation criteria.

25. Bid security.- The procuring agency may require the bidders to furnish a bid security not exceeding five per cent of the bid price.

26. Bid validity.-(1) A procuring agency, keeping in view the nature of the procurement, shall subject the bid to a bid validity period.

(2) Bids shall be valid for the period of time specified in the bidding document.

(3) The procuring agency shall ordinarily be under an obligation to process and evaluate the bid within the stipulated bid validity period. However under exceptional circumstances and for reason to be recorded in writing, if an extension is considered necessary, all those who have submitted their bids shall be asked to extend their respective bid validity period. Such extension shall be for not more than the period equal to the period of the original bid validity.

(4) Bidders who:-

- (a) agree to extension of their bid validity period shall also extend the validity of the bid bond or security for the extended period of the bid validity;
- (b) agree to the procuring agency's request for extension of bid validity period shall not be permitted to change the substance of their bids; and
- (c) do not agree to an extension of the bid validity period shall be allowed to withdraw their bids without forfeiture of their bid bonds or securities.

27. Extension of time for submission of bids.- Where a procuring agency has already prescribed a deadline for the submission of bids and due to any reason the procuring agency finds it necessary to extend such deadline, it shall do so only after recording its reasons in writing and in an equal opportunity manner. Advertisement of such extension in time shall be done in a manner similar to the original advertisement.

OPENING, EVALUATION AND REJECTION OF BIDS

28. Opening of bids.- (1) The date for opening of bids and the last date for the submission of bids shall be the same. Bids shall be opened at the time specified in the bidding documents. The bids shall be opened at least thirty minutes after the deadline for submission of bids.

(2) All bids shall be opened publicly in the presence of the bidders or their representatives who may choose to be present, at the time and place announced prior to the bidding. The procuring agency shall read aloud the unit price as well as the bid amount and shall record the minutes of the bid opening. All bidders in attendance shall sign an attendance sheet. All bids submitted after the time prescribed shall be rejected and returned without being opened.

29. Evaluation criteria.- Procuring agencies shall formulate an appropriate evaluation criterion listing all the relevant information against which a bid is to be evaluated. Such evaluation criteria shall form an integral part of the bidding documents. Failure to provide for an unambiguous evaluation criteria in the bidding documents shall amount to mis-procurement.

30. Evaluation of bids.- (1) All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding documents. Save as provided for in sub-clause (iv) of clause (c) of rule 36 no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents.

(2) For the purposes of comparison of bids quoted in different currencies, the price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate, prevailing on the date of opening of bids specified in the bidding documents, as notified by the State Bank of Pakistan on that day.

(3) A bid once opened in accordance with the prescribed procedure shall be subject to only those rules, regulations and policies that are in force at the time of issue of notice for invitation of bids.

31. Clarification of bids.- (1) No bidder shall be allowed to alter or modify his bid after the bids have been opened. However the procuring agency may seek and accept clarifications to the bid that do not change the substance of the bid.

(2) Any request for clarification in the bid, made by the procuring agency shall invariably be in writing. The response to such request shall also be in writing.

32. Discriminatory and difficult conditions.- Save as otherwise provided, no procuring agency shall introduce any condition, which discriminates between bidders or that is considered to be met with difficulty. In ascertaining the discriminatory or difficult nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing, construction business or service to which that particular procurement is related.

33. Rejection of bids.- (1) The procuring agency may reject all bids or proposals at any time prior to the acceptance of a bid or proposal. The procuring agency shall upon request communicate to any supplier or contractor who submitted a bid or proposal, the grounds for its rejection of all bids or proposals, but is not required to justify those grounds.

(2) The procuring agency shall incur no liability, solely by virtue of its invoking sub-rule (1) towards suppliers or contractors who have submitted bids or proposals.

(3) Notice of the rejection of all bids or proposals shall be given promptly to all suppliers or contractors that submitted bids or proposals.

34. Re-bidding.- (1) If the procuring agency has rejected all bids under rule 33 it may call for a re-bidding.

(2) The procuring agency before invitation for re-bidding shall assess the reasons for rejection and may revise specifications, evaluation criteria or any other condition for bidders as it may deem necessary.

35. Announcement of evaluation reports.- Procuring agencies shall announce the results of bid evaluation in the form of a report giving justification for acceptance or rejection of bids at least ten days prior to the award of procurement contract.

36. Procedures of open competitive bidding.- Save as otherwise provided in these rules the following procedures shall be permissible for open competitive bidding, namely:-

- (a) *Single stage – one envelope procedure:-* Each bid shall comprise one single envelope containing, separately, financial proposal and

technical proposal (if any). All bids received shall be opened and evaluated in the manner prescribed in the bidding document.

- (b) Single stage – two envelope procedure:-
- (i) The bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
 - (ii) the envelopes shall be marked as “FINANCIAL PROPOSAL” and “TECHNICAL PROPOSAL” in bold and legible letters to avoid confusion;
 - (iii) initially, only the envelope marked “TECHNICAL PROPOSAL” shall be opened;
 - (iv) the envelope marked as “FINANCIAL PROPOSAL” shall be retained in the custody of the procuring agency without being opened;
 - (v) the procuring agency shall evaluate the technical proposal in a manner prescribed in advance, without reference to the price and reject any proposal which does not conform to the specified requirements;
 - (vi) during the technical evaluation no amendments in the technical proposal shall be permitted;
 - (vii) the financial proposals of bids shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance;
 - (viii) after the evaluation and approval of the technical proposal the procuring agency, shall at a time within the bid validity period, publicly open the financial proposals of the technically accepted bids only. The financial proposal of bids found technically non-responsive shall be returned un-opened to the respective bidders; and
 - (ix) the bid found to be the lowest evaluated bid shall be accepted.

(c) *Two stage bidding procedure:-*

First stage

- (i) the bidders shall first submit, according to the required specifications, a technical proposal without price;
- (ii) the technical proposal shall be evaluated in accordance with the specified evaluation criteria and may be discussed with the bidders regarding any deficiencies and unsatisfactory technical features;
- (iii) after such discussions, all the bidders shall be permitted to revise their respective technical proposals to meet the requirements of the procuring agency;
- (iv) the procuring agency may revise, delete, modify or add any aspect of the technical requirements or evaluation criteria, or it may add new requirements or criteria not inconsistent with these rules:

Provided that such revisions, deletions, modifications or additions are communicated to all the bidders equally at the time of invitation to submit final bids, and that sufficient time is allowed to the bidders to prepare their revised bids:

Provided further that such allowance of time shall not be less than fifteen days in the case of national competitive bidding and thirty days in the case of international competitive bidding;

- (v) those bidders not willing to conform their respective bids to the procuring agency's technical requirements may be allowed to withdraw from the bidding without forfeiture of their bid security;

Second stage

- (vi) the bidders, whose technical proposals or bids have not been rejected and who are willing to conform their bids to the revised technical requirements of the procuring agency, shall be invited to submit a revised technical proposal along with the financial proposal;

- (vii) the revised technical proposal and the financial proposal shall be opened at a time, date and venue announced and communicated to the bidders in advance; and
- (viii) the revised technical proposal and the financial proposal shall be evaluated in the manner prescribed above. The bid found to be the lowest evaluated bid shall be accepted:

Provided that in setting the date for the submission of the revised technical proposal and financial proposal a procuring agency shall allow sufficient time to the bidders to incorporate the agreed upon changes in the technical proposal and prepare their financial proposals accordingly.

- (d) *Two stage - two envelope bidding procedure:-*

First stage

- (i) the bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
- (ii) the envelopes shall be marked as "FINANCIAL PROPOSAL" and "TECHNICAL PROPOSAL" in bold and legible letters to avoid confusion;
- (iii) initially, only the envelope marked "TECHNICAL PROPOSAL" shall be opened;
- (iv) the envelope marked as "FINANCIAL PROPOSAL" shall be retained in the custody of the procuring agency without being opened;
- (v) the technical proposal shall be discussed with the bidders with reference to the procuring agency's technical requirements;
- (vi) those bidders willing to meet the requirements of the procuring agency shall be allowed to revise their technical proposals following these discussions;

- (vii) bidders not willing to conform their technical proposal to the revised requirements of the procuring agency shall be allowed to withdraw their respective bids without forfeiture of their bid security;

Second stage

- (Viii) after agreement between the procuring agency and the bidders on the technical requirements, bidders who are willing to conform to the revised technical specifications and whose bids have not already been rejected shall submit a revised technical proposal and supplementary financial proposal, according to the technical requirement;
- (ix) the revised technical proposal along with the original financial proposal and supplementary financial proposal shall be opened at a date, time and venue announced in advance by the procuring agency:

Provided that in setting the date for the submission of the revised technical proposal and supplementary price proposal a procuring agency shall allow sufficient time to the bidders to incorporate the agreed upon changes in the technical proposal and to prepare the required supplementary financial proposal; and

- (x) the procuring agency shall evaluate the whole proposal in accordance with the evaluation criteria and the bid found to be the lowest evaluated bid shall be accepted.

37. Conditions for use of single stage two envelope, two stage and two stage two envelope bidding procedures:- Single stage one envelope bidding procedure shall ordinarily be the main open competitive bidding procedure used for most of the procurement. Other appropriate procedures of open competitive bidding shall be selected in the following circumstances, namely:-

- (a) single stage two envelope bidding procedure shall be used where the bids are to be evaluated on technical and financial grounds and price is taken into account after technical evaluation;
- (b) two stage bidding procedure shall be adopted in large and complex contracts where technically unequal proposals are likely to be encountered or where the procuring

agency is aware of its options in the market but, for a given set of performance requirements, there are two or more equally acceptable technical solutions available to the procuring agency; and

- (c) two stage two envelope bidding method shall be used for procurement where alternative technical proposals are possible, such as certain type of machinery or equipment or manufacturing plant

ACCEPTANCE OF BIDS AND AWARD OF PROCUREMENT CONTRACTS

38. Acceptance of bids:- The bidder with the lowest evaluated bid, if not in conflict with any other law, rules, regulations or policy of the Federal Government, shall be awarded the procurement contract, within the original or extended period of bid validity.

39. Performance guarantee:- Where needed and clearly expressed in the bidding documents, the procuring agency shall require the successful bidder to furnish a performance guarantee which shall not exceed ten per cent of the contract amount.

40. Limitation on negotiations:- Save as otherwise provided there shall be no negotiations with the bidder having submitted the lowest evaluated bid or with any other bidder:

Provided that the extent of negotiation permissible shall be subject to the regulations issued by the Authority.

41. Confidentiality:- The procuring agency shall keep all information regarding the bid evaluation confidential until the time of the announcement of the evaluation report in accordance with the requirements of rule 35.

42. Alternative methods of procurements:- A procuring agency may utilize the following alternative methods of procurement of goods, services and works, namely:-

- (a) *petty purchases:-* Procuring agencies may provide for petty purchases where the object of the procurement is below the financial limit of twenty five thousand rupees. Such procurement shall be exempt from the requirements of bidding or quotation of prices:

Provided that the procuring agencies shall ensure that procurement of petty purchases is in conformity with the principles of procurement prescribed in rule 4:

Provided further that procuring agencies convinced of the inadequacy of the financial limit prescribed for petty purchases in undertaking their respective operations may approach the Federal Government for enhancement of the same with full and proper justifications.

(b) *request for quotations*:- A procuring agency shall engage in this method of procurement only if the following conditions exist, namely:-

(i) the cost of object of procurement is below the prescribed limit of *one hundred thousand rupees:

*Provided that the respective Boards of Autonomous bodies are authorized to fix an appropriate limit for request for quotations method of procurement subject to a maximum of rupees five hundred thousand which will become financial limit under this sub-rule:

(ii) the object of the procurement has standard specifications;

(iii) minimum of three quotations have been obtained; and

(iv) the object of the procurement is purchased from the supplier offering the lowest price:

Provided that procuring agencies convinced of the inadequacy of the financial limit prescribed for request for quotations in undertaking their respective operations may approach the Federal Government for enhancement of the same with full and proper justifications;

(c) *direct contracting*:- A procuring agency shall only engage in direct contracting if the following conditions exist, namely:-

(i) the procurement concerns the acquisition of spare parts or supplementary services from original manufacturer or supplier:

*Amended vide Cabinet Division No.5/37/2005-M-III/Admn(PPRA), dated 13-12-2006

Provided that the same are not available from alternative sources;

- (ii) only one manufacturer or supplier exists for the required procurement:

Provided that the procuring agencies shall specify the appropriate fora, which may authorize procurement of proprietary object after due diligence; and

- (iii) where a change of supplier would oblige the procuring agency to acquire material having different technical specifications or characteristics and would result in incompatibility or disproportionate technical difficulties in operation and maintenance:

Provided that the contract or contracts do not exceed three years in duration;

- (iv) repeat orders not exceeding fifteen per cent of the original procurement;

- (v) in case of an emergency:

Provided that the procuring agencies shall specify appropriate fora vested with necessary authority to declare an emergency;

- *(Vi) when the price of goods, services or works is fixed by the government or any other authority, agency or body duly authorized by the Government, on its behalf, and

- ** (vii) for purchase of motor ***vehicle from local original manufacturers or their authorized agents at manufacturer's price.

* Amended vide Cabinet Division No.5/37/2005-M-III/Admn(PPRA), dated 27-01-2006

** Amended vide Cabinet Division No.5/37/2005-M-III/Admn(PPRA), dated 13-12-2006

*** Further Amended vide Cabinet Division No.5/37/2005-M-III/Admn(PPRA), dated 23-09-2008

- (d) *negotiated tendering*.- A procuring agency may engage in negotiated tendering with one or more suppliers or contractors with or without prior publication of a procurement notification. This procedure shall only be used when,-
- (i) the supplies involved are manufactured purely for the purpose of supporting a specific piece of research or an experiment, a study or a particular development;
 - (ii) for technical or artistic reasons, or for reasons connected with protection of exclusive rights or intellectual property, the supplies may be manufactured or delivered only by a particular supplier;
 - (iii) for reasons of extreme urgency brought about by events unforeseeable by the procuring agency, the time limits laid down for open and limited bidding methods cannot be met. The circumstances invoked to justify extreme urgency must not be attributable to the procuring agency:

Provided that any procuring agency desirous of using negotiated tendering as a method of procurement shall record its reasons and justifications in writing for resorting to negotiated tendering and shall place the same on record.

43. On account payments:- All procuring agencies shall make prompt payments to suppliers and contractors against their invoices or running bills within the time given in the conditions of the contract, which shall not exceed thirty days.

44. Entry into force of the procurement contract:- A procurement contract shall come into force,-

- (a) where no formal signing of a contract is required, from the date the notice of the acceptance of the bid or purchase order has been given to the bidder whose bid has been accepted. Such notice of acceptance or purchase order shall be issued within a reasonable time; or

- (b) where the procuring agency requires signing of a written contract, from the date on which the signatures of both the procuring agency and the successful bidder are affixed to the written contract. Such affixing of signatures shall take place within a reasonable time:

Provided that where the coming into force of a contract is contingent upon fulfillment of a certain condition or conditions, the contract shall take effect from the date whereon such fulfillment takes place.

45. Closing of contract:- (1) Except for defect liability or maintenance by the supplier or contractor, as specified in the conditions of contract, performance of the contract shall be deemed close on the issue of over all delivery certificate or taking over certificate which shall be issued within thirty days of final taking over of goods or receiving the deliverables or completion of works enabling the supplier or contractor to submit final bill and the auditors to do substantial audit.

(2) In case of defect liability or maintenance period, defect liability certificate shall be issued within thirty days of the expiry of the said period enabling the supplier or contractor to submit the final bill. Except for unsettled claims, which shall be resolved through arbitration, the bill shall be paid within the time given in the conditions of contract, which shall not exceed sixty days to close the contract for final audit.

MAINTENANCE OF RECORD AND FREEDOM OF INFORMATION

46. Record of procurement proceedings:- (1) All procuring agencies shall maintain a record of their respective procurement proceedings along with all associated documentation for a minimum period of five years.

(2) Such maintenance of record shall be subject to the regulations framed in this regard from time to time.

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:

Provided that where the disclosure of any information related to the award of a contract is of proprietary nature or where the procuring agency is convinced that such disclosure shall be against the public interest, it can withhold only such information from public disclosure subject to the prior approval of the Authority.

REDRESSAL OF GRIEVANCES AND SETTLEMENT OF DISPUTES

48. Redressal of grievances by the procuring agency:- (1) The procuring agency shall constitute a committee comprising of odd number of persons, with proper powers and authorizations, to address the complaints of bidders that may occur prior to the entry into force of the procurement contract.

(2) Any bidder feeling aggrieved by any act of the procuring agency after the submission of his bid may lodge a written complaint concerning his grievances not later than fifteen days after the announcement of the bid evaluation report under rule 35.

(3) The committee shall investigate and decide upon the complaint within fifteen days of the receipt of the complaint.

(4) Mere fact of lodging of a complaint shall not warrant suspension of the procurement process.

(5) Any bidder not satisfied with the decision of the committee of the procuring agency may lodge an appeal in the relevant court of jurisdiction.

49. Arbitration:- (1) After coming into force of the procurement contracts, disputes between the parties to the contract shall be settled by arbitration.

(2) The procuring agencies shall provide for a method of arbitration in the procurement contract, not inconsistent with the laws of Pakistan.

50. Mis-procurement:- Any unauthorized breach of these rules shall amount to mis-procurement.

51. Overriding effect:- The provisions of these rules shall have effect notwithstanding anything to the contrary contained in any other rules concerning public procurements:

Provided that the prevailing rules and procedures will remain applicable only for the procurement of goods, services and works for which notice for invitation of bids had been issued prior to the commencement of these rules unless the procuring agency deems it appropriate to re-issue the notice for the said procurement after commencement of these rules.

[No.F.6(1)Admn. V/04.]

Sd/-
SAJID HASAN
Additional Secretary.

S.No.	Designation and BPS of the post(s)	qualification and Experience	Age Limit	
			Minimum	Maximum
7.	Chowkidar (BPS-01)	Primary Pass	18	25
8.	Sweeper (BPS-01)	Primary Pass	18	25

No.F.8-4/2003-LS.]

Sd/-

DR. TARIQ HUMAYUN
Section Officer (Livestock)

FINANCE DIVISION

(Admn. V. Section

No.F6(3)-Admn.V/04-

Islamabad, the 1st September, 2004

CORRIGENDA

To the Gazette of Pakistan, Extraordinary Part II, dated the 8th June, 2004 containing Notification No.S.R.O. 432(I)/2004, Public Procurement Rules 2004]

- (i) Page 1386 In line 13 for word “agencies” read “agency”.
- * (ii) Page 1393 In line for “clause (iv) of sub-rule (3)” read “sub-clause (iv) of clause (c)”
- ** (iii) Page 1364 In line 27 for “do” read “does”

Sd/-

ABDUL LATIF LEGHARI
Deputy Secretary (Admn)

- * (ii) Page 24 In line 24 for “clause (iv) of sub-rule (3)” read “sub-clause (iv) of clause (c)”
- ** (iii) Page 26 In line 17 for “do” read “does”

The Gazette  **of Pakistan**

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, WEDNESDAY, JUNE 9, 2004

PART II
Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN

FINANCE DIVISION
(Cabinet Division)

NOTIFICATION

Islamabad, 27th January, 2006

S.R.O. 65(I)/2006. – In exercise of the powers conferred by section 26 of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), the Federal Government is pleased to direct that the following amendments shall be made in the Public Procurement Rules 2004, namely:-

In the aforesaid Rules, in rule 42, clause (c),--

- (a) in clause (vi) the word “and”, at the end, shall be omitted;
- (b) in clause (v) for the full stop, the semicolon and word “and” shall be substituted, and

- (c) after clause (v), amended as aforesaid, the following new clause shall be added, namely:--
- “(vi) when the price of goods, services or works is fixed by Government or any other authority agency of body duty authorized by the Government, on its behalf,”

[No.5/37-2005 M.III. Admn (PPRA)]

Sd/-

AAMIR HABIB ABBASI
Section officer (M.III)

FINANCE DIVISION

(Budget Wing)

Islamabad, the 24th January, 2006

S.R.O.66(1)/2006. -- In exercise of the powers conferred by section 28 of the Public Debt Act, 1944 (XVIII of 1944), the Federal Government is pleased to direct that the following further amendment shall be made in the Pensioner's Benefit Account Rules, 2003, the same having been previously published as required by sub-section (1) of the said section, namely:-

In the aforesaid Rules, for rule 10 the following shall be substituted namely:--

“10 Service charges at the rate of 1%, 0.75%, 0.50% and 0.25% of the principal amount shall be deducted if premature withdrawn before completion of one year, two years, three years and four years from the date of deposit, respectively:

Provided that service charges shall not be deducted in case of premature withdrawal by the nominee or successor in the event of death of an account holder.”

[No. 25 (I) GS-I/2005-153.]

S.R.O.67(I)/2006: - In exercise of the powers conferred by section 28 of the Public Debt Act, 1944 (XVIII of 1944), the Federal government is pleased to direct that the following further amendment shall be made in the **Bahbood Saving Certificates** Rules, 2003, the same having been previously published as required by sub-section (I) of the said section, namely:-

In the aforesaid Rules, for rule 11 the following shall be substituted namely:-

“11 Service charges at the rate 1%, 0.75%, 0.50% and 0.25% of the face value of the certificates shall be deducted if encashed before completion of one year, two years, three years and four years from the date of issue, respectively:

Provided that service charges shall not be deducted in case of premature encashment of the certificates by the nominee or successor in the event of death of a certificate holder.”

[No.25(1)GS-I/2005-152.]

Sd/-

ABDUL QAYYUM CH.
Section Officer (GS-1)

M - 302
REGISTERED No.
L.-7646



The Gazette of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, WEDNESDAY, JUNE 9, 2004

PART II
Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN

FINANCE DIVISION
(Cabinet Division)

NOTIFICATION

Islamabad, 13th December, 2006

S.R.O. 65(I)/2006. – In exercise of the powers conferred by section 26 of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), the Federal Government is pleased to direct that the following amendments shall be made in the Public Procurement Rules 2004, namely:-

In the aforesaid Rules,-

- (a) in rule 12,-
 - (i) In sub-rule (1)
 - (a) for the words “forty”, the words “one hundred” shall be substituted.
 - (b) for the words “one million” the words “two million” shall be substituted.

- c) for the full stop at the end the colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that the lower financial limit for advertisement on Authority's website for open competitive bidding shall be the prescribed financial limit for request for quotations under clause (b) of rule 42”, and

- (ii) in sub-rule (2), for the words “one million”, the words “two million shall be substituted
- (b) in rule 13, in sub-rule (i), for the words “working days”, twice occurring, the word “days” shall be substituted.
- (c) in rule 14, for the words “forty thousand rupees” the words, brackets and figures (“the prescribed financial limit which is applicable under sub-clause (i) of clause (b) of rule 42”) shall be substituted.
- (d) in rule 21, for the words “forty thousand rupees” the words, brackets and figures (“the prescribed financial limit which is applicable under sub-clause (i) of the clause (b) of rule 42”) shall be substituted; and
- (e) in rule 42,
- (i) in clause (a), for the words “ten thousand” the words twenty five thousand” shall be substituted.
- (ii) In clause (b)
- (a) in sub-clause (i), for the words “forty thousand”, the words “one hundred thousand” shall be substituted and;
- (b) for the semicolon, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that the respective Boards of autonomous bodies are authorized to fix an appropriate limit for request for quotations method of procurement subject to a maximum or rupees five hundred thousand which will become financial limit under this sub-rule.”

- (iii) in sub-clause (vi), for the full stop at the end, the semicolon and word "and" shall be substituted and thereafter the following new clause shall be added, namely:-

"(vii) for purchase of motor cars from local original manufactures or their authorized agents at manufacturer's price".

[F.No.5/37-2005 M.III. Admn (PPRA)]

Sd/-

MUHAMMAD MEHRUL AZIZ
Section Officer (M.III)

EXTRAORDINARY

The Gazette  **of Pakistan**

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, TUESDAY, SEPTEMBER 23, 2008

GOVERNMENT OF PAKISTAN
(Cabinet Division)

NOTIFICATION

Islamabad, the September 23, 2008

S.R.O.(1)/2008.-- In exercise of the powers conferred by section 26 of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), the Federal Government is pleased to direct that the following amendment shall be made in the Public Procurement rules 2004, namely:-

In the aforesaid rules: -

- (a) in rule 10, for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely: -

“Provided that this rule shall not apply to procurement made by public sector commercial concerns on the demand of private sector clients specifying, in writing, a particular brand, model or classification of equipment, machinery or other objects”, and

- (b) in rule 42, clause (c), in sub-clause (vii), for the words “motor cars” the words “motor vehicle” shall be substituted.

Sd-
Muhammad Farooq
Section Officer (RA-III)

Public Procurement Regulations



2008


The Gazette **of Pakistan**

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, FRIDAY, JULY 11, 2008

NOTIFICATION

S. R. O. 805(I)/2008. – In exercise of the powers conferred by section 27 of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), the Authority is pleased to make the following regulations, namely;-

1. Short title and commencement:- (1) These regulations may be called the Public Procurement Regulations, 2008.

(2) They shall come into force at once.

2. Definitions:- (1) In these regulations, unless there is any thing repugnant in the subject of context, -

(a) “Ordinance” means the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002); and

(b) “rules” means the Public Procurement Rules, 2004.

(2) The expression used but not defined herein shall have the same meaning as are assigned to them in Ordinance and rules.

3. Bidding documents:- A Procuring agency when engaged in procurement of works, shall use the standard form of bidding documents prescribed by the Pakistan Engineering Council constituted under the Pakistan Engineering Council Act, 1975 (V of 1976).

4. Record to be kept:- A Procuring agency shall keep the following record of the procurement proceedings for at least five years from the date of completion of procurement of contract or rejection of all bids under rule 33 of the rules, namely:-

- (a) a brief description of the goods or works to be procured or of the procurement need for which the procuring agency requested proposal or offers;
- (b) the names and addresses of suppliers or contractors that submitted bids, proposals, offers or quotations and name and address of supplier or contractor with whom the procurement contract is entered into and the contract price;
- (c) the names and address of suppliers or contractor who were pre-qualified or selected and invited to submit bids or technical proposals;
- (d) information related to the qualifications or disqualifications of suppliers or contractors who have submitted bids, proposals, offers or quotations;
- (e) the price or the basis for determining the price and a summary of the other terms and conditions of each bid, proposal, offer or quotation and procurement contract stipulated by the procuring agency;
- (f) evaluation report prepared under rule 35 of the rules, alongwith any reservation and preference under rule 24 *ibid*;
- (g) in case of rejection of bids pursuant to rule 33 of the rules, its complete record;
- (h) in case of any other method of procurement except open competitive bidding which does not culminate in procurement contract, a statement to that effect and the reasons thereof; and
- (i) a summary of any requests for clarification of the pre-qualification or solicitation documents, the response thereto, as well as a summary of any modification to those documents.

5. Obtaining the record:- (1) After acceptance of the bids or, as the case may be, termination of the procurement proceedings without resulting in a contract, any person may, on request, obtain the records referred to in clauses (a) and (c) of regulation 4.

(2) After acceptance of the bids or, as the case may be, termination of the procurement proceedings without resulting in a contract any person who submitted bids proposals, offers or quotations or applied for pre-qualification may obtain, on request, the records referred to in clauses (b), (d), (e), (f) and (g) of regulation 4.

(3) The record referred to in regulation 4 may also be made available within a reasonable time to the Auditor General of Pakistan or any authorized officer of the Authority or the Federal Government.

6. No liability to suppliers etc.- A procuring agency shall not be liable to suppliers or contractors for damages owing solely to a failure of keeping record of the procurement proceedings in accordance with these regulations.

7. *Posting of contract awards on PPRA's Website:- All procuring agencies whether within or outside Pakistan shall post Contract Awards over fifty million rupees on PPRA's website on the proformas as set out in Annexure-I and Annexure-II to these regulations.

Provided that where any information is related to the award of a contract is of proprietary nature or where the procuring agency is convinced that such disclosure of information shall be against the public interest, it can withhold only such information from uploading on PPRA's website subject to the prior approval of the Public Procurement Regulatory Authority.

* Issued vide Cabinet Division S.R.O. 1170 (1)/2009, dated 09-07-2009
[F.No.2/1/2008/PPRA-RA-III.]

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

CONTRACT AWARD PROFORMA - I

To Be Filled And Uploaded on PPRA Website In Respect of All Public Contracts of Works, Services and Goods Worth Fifty Million or More

NAME OF THE ORGANIZATION/DEPTT. _____

FEDERAL / PROVINCIAL GOVT. _____

TITLE OF CONTRACT _____

TENDER NUMBER _____

BRIEF DESCRIPTION OF CONTRACT _____

TENDER VALUE _____

ENGINEER'S ESTIMATE _____

(for civil Works only)

ESTIMATED COMPLETION PERIOD _____

WHETHER THE PROCUREMENT WAS INCLUDED IN ANNUAL
PROCUREMENT PLAN? _____ Yes/No

ADVERTISEMENT :

(i) PPRA Website _____ Yes/No
(Federal Agencies) (If yes give date and PPRA's tender number)

(ii) News Papers _____ Yes/No
(If yes give names of newspapers and dates)

TENDER OPENED ON (DATE & TIME) _____

NATURE OF PURCHASE _____ Local/International

EXTENSION IN DUE DATE (If any) _____ Yes/No

NUMBER OF TENDER DOCUMENTS SOLD _____
(Attach list of Buyers)

WHETHER QUALIFICATION CRITERIA
WAS INCLUDED IN BIDDING/TENDER DOCUMENTS _____ Yes/No
(If yes enclose a copy).

WHETHER BID EVALUATION CRITERIA
WAS INCLUDED IN BIDDING/TENDER DOCUMENTS _____ Yes/No
(If yes enclose a copy).

WHICH METHOD OF PROCUREMENT WAS USED: - (Tick one)

- a) SINGLE STAGE - ONE ENVELOPE PROCEDURE _____
- b) SINGLE STAGE - TWO ENVELOPE PROCEDURE. _____
- c) TWO STAGE BIDDING PROCEDURE. _____
- d) TWO STAGE - TWO ENVELOPE BIDDING PROCEDURE. _____

- PLEASE SPECIFY IF ANY OTHER METHOD OF PROCUREMENT
WAS ADOPTED WITH BRIEF REASONS (i.e EMERGENCY,
DIRECT CONTRACTING, NEGOTIATED TENDERING ETC.)

- WHO IS THE APPROVING AUTHORITY _____

WHETHER APPROVAL OF COMPETENT AUTHORITY WAS OBTAINED
FOR USING A METHOD OTHER THAN OPEN COMPETITIVE BIDDING.

NUMBER OF BIDS RECEIVED _____

WHETHER THE SUCCESSFUL BIDDER WAS LOWEST
BIDDER Yes/No

WHETHER INTEGRITY PACT WAS SIGNED _____ Yes/No

ATTACHMENT - II
(See regulation 2)

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

CONTRACT AWARD PROFORMA - II

To Be Filled And Uploaded on PPRA Website In Respect of All
Public Contracts of Works, Services & Goods Worth
Fifty Million Rupees or More

NUMBER OF BIDDERS PRESENT AT THE TIME OF OPENING OF
BIDS _____

NAME AND ADDRESS OF THE SUCCESSFUL _____
BIDDER _____

RANKING OF SUCCESSFUL BIDDER IN EVALUATION REPORT
(i.e. 1st, 2nd, 3rd EVALUATED BID).

NEED ANALYSIS (Why the procurement was necessary?) _____

IN CASE EXTENSION WAS MADE IN RESPONSE TIME, WHAT WERE THE
REASONS (Briefly describe) _____

WHETHER NAMES OF THE BIDDERS AND THEIR PRICES WERE READ OUT
AT THE TIME OF OPENING OF BIDS _____ Yes/No

DATE OF CONTRACT SIGNING _____
(Attach a copy of agreement)

CONTRACT AWARD PRICE _____

WHETHER COPY OF EVALUATION REPORT GIVEN TO ALL
BIDDERS _____ Yes/No
(Attach copy of the bid evaluation report)

ANY COMPLAINTS RECEIVED _____ Yes/No
(If yes result thereof)

ANY DEVIATION FROM SPECIFICATIONS GIVEN IN THE TENDER
NOTICE/DOCUMENTS _____ Yes / No
(If yes give details)

DEVIATION FROM QUALIFICATION CRITERIA _____ Yes / No
(If yes give details)

SPECIAL CONDITIONS, IF Any
(Give Brief Description)

The Gazette  of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, THURSDAY, DECEMBER 31, 2009

PART II

Statutory Notification (S.R.O.)

GOVERNMENT OF PAKISTAN

CABINET SECRETARIAT

(Cabinet Division)

NOTIFICATION

Islamabad, the 9th July, 2009

S.R.O.1170(I)/2009.— In exercise of the powers conferred by section 27 of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), the Public Procurement Regulatory Authority is pleased to make the following regulations, namely:-

1. Short title and commencement:- (1) The regulations may be called the Public Procurement Regulations, 2009.

(2) They shall come into force at once.

2. Posting of contract awards on PPRA's Website:- All procuring agencies whether within or outside Pakistan shall post Contract Awards over fifty million rupees on PPRA's website on the proformas as set out in Annexure-I and Annexure-II to these regulations.

Provided that where any information is related to the award of a contract is of proprietary nature or where the procuring agency is convinced that such disclosure of information shall be against the public interest, it can withhold only such information from uploading on PPRA's website subject to the prior approval of the Public Procurement Regulatory Authority.

[No.2/1/2008/PPRA-RA-III.]

Muhammad Farooq
Section Officer (RA-III)

*Public Procurement Regulations for Procurement
of Consultancy Services Regulations 2010,*



The Gazette  of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, MONDAY, NOVEMBER 29, 2010

PART II

Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN

CABINET SECRETARIAT
(Cabinet Division)

NOTIFICATION

Islamabad, the 26th November, 2010

S.R.O. 1077(I)/2010. -- In exercise of powers conferred by section 27 of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002), the Public Procurement Regulatory Authority is pleased to make the following regulations, namely:-

1. **Short title and commencement.**- (1) These regulations may be called the Public Procurement Regulations for Procurement of Consultancy Services Regulations, 2010.

(2) They shall come into force at once.

2. **Definitions.**- (1) In these regulations, unless there is anything repugnant in the subject or context:-

- a) "bidding" means the formal procurement procedure under which sealed bids are invited, received, opened, examined and evaluated for the purpose of awarding a contract;
- b) "committee" means the Consultant Selection Committee of the procuring agency;
- c) "consultant" means an individual consultant or a consulting firm as the case may be;
- d) "consulting services" means the provision of independent expert advice of a quality at least equal to the applicable professional standards in relation to acquisition of goods, services, other than Consulting Services and works;
- e) "expression of interest" means to express willingness for undertaking a consultancy assignment by providing necessary information required by the procuring agency for consideration.
- f) "request for proposal" means set of bidding documents sent to short listed or interested Consultants and includes at least:-
 - (i) letter of invitation;
 - (ii) instructions to consultants;
 - (iii) terms of reference;
 - (iv) evaluation criteria; and
 - (v) the proposed contract.

(2) The expressions used but not defined in these regulations shall have the same meanings as are assigned to them in the Public Procurement Regulatory Authority Ordinance, 2002 and Public Procurement Rules, 2004.

3. **Methods for Selection of Consultants.-** The method for selection of consultants shall be determined by the procuring agency prior to issuance of the request for proposals from prospective consultants. A procuring agency may utilize one of the following methods for selection of consultants, namely:-

- A. (i) **Quality Based Selection.-** This method will be used for highly specialized and complex assignments, where quality is the only factor taken into consideration;

Provided that any procuring agency desirous of using quality based selection as a method of procurement shall record its reasons and justifications in writing for resorting to this method and shall place the same on record; and

- (ii) **Procedures for Selection under the quality based selection --**
- a) a request for expression of interest as laid down under regulation 5 is advertised to invite interested applicants or firms to contest;
 - b) a request for proposals shall be prepared and sent to short-listed consultants selected following the laid down criteria;
 - (c) the evaluation of proposals shall be carried out in two stages in the following manner, namely:-
 - (i) the technical proposals shall be evaluated and the procuring agency may discuss technical details, if it may deem necessary;
 - (ii) the financial proposals of technically responsive or highest ranked proposal only shall be opened in the presence of the applicants or their representatives who may wish to attend the opening session; and
 - iii) highest ranked proposal is accepted, if it suits to the procuring agency in all respects.
- B. (i) **Quality and Cost Based Selection. ---** This method will be used where high quality is the prime consideration while cost is a secondary consideration; and
- (ii) **Procedures for Selection under the quality and cost based Selection.--**
- (a) a request for expression of Interest as laid down in regulation 5 is advertised to invite interested applicants or firms to contest;
 - (b) a request for proposals shall be prepared and sent to short-listed consultants selected following the laid down criteria; and;

- (c) the evaluation of proposals shall be carried out in two stages in the following manner, namely:-
 - (i) the technical proposals shall be evaluated and the procuring agency may discuss technical details, if it may deem necessary;
 - (ii) the financial proposals of technically responsive proposals shall be opened in the presence of the applicants or their representatives who may wish to attend the opening session; and
 - (iii) a combined evaluation of technical and financial proposals shall follow and the applicant with the winning proposal will be accepted.
- C. (i) **Least cost.-** This method will only be used for assignments of standard or routine nature, where well established practices and standards exist;
- (ii) **Procedures for selection under least cost selection. -----**
 - (a) following evaluation of technical proposals and opening of financial proposals, the applicant offering the lowest evaluated price shall be selected for discussions on technical issues if deemed necessary; and
 - (b) under this method proposals passing the technical score threshold shall then be treated equally and evaluated on the basis of cost only;
- D (i) **Single source or direct selection.--** This method will be used only in exceptional cases, where it provides clear advantage over competition in following cases (only), namely:-
 - a) for tasks which are natural continuation of previous assignment and where continuity of technical services is unavoidable;
 - b) repeat orders as provided under sub-clause (iv) of clause (c) of rule 42 of Public Procurement Rules, 2004;

- (c) in cases of emergency as provided under sub-clause (v) of clause (c) of rule 42 of Public Procurement Rules, 2004; and
 - (d) where only one consultant is qualified or has experience of exceptional worth with reference to clause (c) or (d) of rule 42 of the Public Procurement Rules, 2004; and
- (ii) **Procedures for selection under single source selection ---**
- (a) the justification for single source selection method shall be examined in the context of the overall interests of the procuring agency to ensure economy and efficiency and provide equal opportunity to all eligible consultants, therefore, the decision to use single source selection method shall be approved in writing by the Principal Accounting Officer, concerned on recommendation by a Committee; and
 - b) the request for proposals or TOR, as the case may be, and shall be issued to the selected consultant and the selected consultant shall be requested to submit a technical and financial proposal upon the receipt of which discussions shall be held between the proposal evaluation committee and the selected consultant and all aspects of its proposal, whether technical or financial, shall be discussed together in order to reach an agreement /contract etc; and
- E. (i) **Fixed budget.-** This method shall be used only when the assignment is simple, can be precisely defined and when the budget is fixed. The request for proposals shall indicate the available budget. Proposals that exceed the indicated budget shall be rejected. The ranking shall be based only on evaluation of technical proposals of the qualified bidders.
- (ii) **Procedures for selection under fixed budget.---** The Procedures to be followed for the selection under fixed budget method shall be the same as for the quality and cost based method, with the following exceptions, namely;
- (a) the request for proposals shall indicate the available budget including taxes and ask the applicants to provide, in separate envelopes, their best technical and financial proposals within the budget;

- b) the terms of reference shall be as complete as possible to make sure that the budget is sufficient for the consultants to perform the expected tasks;
- c) the request for proposals shall require the applicants to provide breakdowns of their costs for the different activities with a provision that applicants who decline to provide the breakdown may risk the rejection of their proposals; and
- d) the request for proposals shall state that, following opening of proposals, all proposals that exceed the indicated budget shall be rejected and the applicant who has submitted the highest ranked technical proposal among the rest shall be selected and invited to discuss further details for concluding the contract.

4. **Criteria for eligibility of consultants.-** The procuring agency shall not hire a consultant for an assignment in which there is possibility of conflict of interest. If a consultant has been engaged by the procuring agency to provide goods or works for a project, it shall be disqualified from providing consulting services for the same project. Similarly, a consultant should not be hired for any assignment which by its nature, may be in conflict with another assignment of that consultant.

5. **Expression of interest.-** (1) A request for expression of interest shall be advertised by giving applicants at least fifteen calendar days for national competition and thirty calendar days for international competition to submit their interest to provide consultancy services.

- (2) The expression of interest shall contain at least the following information, namely:-
 - a) the name and address of procuring agency;
 - b) an appropriate description of the assignment providing scope of the intellectual and professional services required;
 - c) deadline and place of the submission of the expression of interest; and
 - d) evaluation criteria required to be followed.

6. **Criteria for short-listing of consultants.-** (1) Whenever short listing is deemed necessary, the procuring agency shall predetermine a criteria for short listing. Except for single source, there will normally be a minimum of three

consultants in the shortlist, but there is no upper limit for number of candidates to be short listed. However, if less than three candidates apply, their proposals may be considered on merit.

(2) The procuring agency while engaged in short listing of consultants will take into consideration the following factors, namely:-

- (i) qualification;
- (ii) experience;
- (iii) any other factor that a procuring agency may deem relevant, not inconsistent with these regulations or Public Procurement Rules, 2004.

(3) All applicants shall be informed whether or not they have been short listed.

(7) **Criteria for prequalification of consultants.-** (1) Whether short listing is done or not, the procuring agency may engage in prequalification of consultants in case of complex assignments.

(2) The procuring agency while engaged in prequalification of consultants will take into consideration the following factors, namely:-

- (i) qualification;
- (ii) general experience;
- (iii) specific experience;
- (iv) past performance; and
- (v) any other factor that a procuring agency may deem relevant, not inconsistent with these regulations or Public Procurement Rules, 2004.

8. **Request for proposals.-** (1) The procuring agency shall use a request for proposals for seeking proposals from the consultants whether short listed or prequalified or not which shall include the following, namely:-

- (a) **Letter of Invitation.-** The letter of invitation shall mention the name and address of the procuring agency and shall state the intention of the procuring agency to enter into a contract for provision of consulting services.
- (b) **Instruction to consultants.-** The instructions to consultants shall contain all necessary information that would help them prepare

responsive proposals and shall bring as much transparency as possible to the selection system.

- (c) **Terms of reference.-** Terms of reference shall unambiguously define the objectives, goals and scope of the assignment besides conditions of contract. Terms of reference shall list the services and surveys necessary to carry out the assignment and expected outputs.
- (d) **Evaluation criteria.-** Except as otherwise provided, the evaluation of proposals shall be carried out giving due consideration to quality and cost.
- (e) **Type of contract.-** The procuring agency, depending on the circumstances, may use one of the following types of contract, namely:-
- (i) lump sum contract will be used mainly for assignments in which the content, duration of the services and the required output are unambiguously defined;
 - (ii) time based contract will be used when it is difficult to define the scope and the length of services;
 - (iii) hourly or daily rates will be used for small projects, especially when the assignment is for less than a month; and
 - (iv) any other contract based on combination of the above and including out of pocket expenses, where required.
- (f) **Proposed contract format.-** The procuring agencies should propose a draft specimen contract to be entered into with the successful bidder.
- (g) **Special Provisions.-** The procuring agency may specify any other requirement related to the assignment or contract etc. where required.

(2) The procuring agency will invite the prospective consultants to submit their technical and financial proposals in separately sealed envelopes. The procuring agency shall give deadline for submission of proposals. Consultants shall be given adequate time to prepare their proposals which shall be in accordance with response time stipulated under rule 13 of the Public Procurement Rules, 2004.

9. Selection Committee.- (1) The procuring agency shall appoint Committee for short listing and selection of consultant. The Committee shall comprise

of at least three competent relevant persons to evaluate the consultants as per evaluation criteria. In case of non-availability of in-house expertise the procuring agency may engage outside appropriate sources.

(2) The Committee shall advise on short listing and prequalification of consultants.

(3) Except for single source selection, the Committee shall evaluate the request for proposals in accordance with clause (b) of rule 36 of the Public Procurement Rules, 2004.

(4) The bidder whose technical and financial proposal is the most advantageous shall be ranked highest and his bid accepted:

Provided that adjustments in the main days of various level of professionals etc. may be negotiated, as per requirement if deemed necessary, without any price or rate negotiations.

10. **Extent of negotiations or discussions.**- The Committee of the procuring agency may negotiate with the highest ranked bidder regarding methodology, work plan, staffing and special conditions of the contract. The Committee shall not permit substitution of key staff, unless both parties agree that undue delay in selection process makes such substitution unavoidable. In case of failure of negotiations with highest ranked bidder, the Committee may invite the next ranked bidder for such negotiations or discussions. Negotiations are to be carried out by committee and its minutes shall be recorded. Negotiations by a single person Committee shall never be allowed:

Provided that negotiations shall not seek changes in the rates quoted by the bidder in accordance with restriction imposed on financial negotiations under Rule 40 of the Public Procurement Rules, 2004.

11. **Professional liability of consultants.**- (1) The consultant selected and awarded a contract shall be liable for consequence of errors or omissions on its part. The extent of liability of the consultant should be incorporated in the contract and in no case should it be less than remunerations excluding the out of pocket expenses, nor should the liability exceed twice the remunerations.

(2) The procuring agency may demand insurance on part of the consultant to cover its liability under sub-regulation (1) and necessary costs shall be borne by the consultant which shall be reimbursed by the procuring agency as out of pocket expenses by the consultant.

(3) The Consultant shall be held liable for all losses or damages suffered by the procuring agency on account of any misconduct and unsatisfactory performance by the Consultant in performing the consulting services.

12. Inconsistency.- The Public Procurement Rules, 2004 and these regulations are to be taken as mutually explanatory of one another but in case of inconsistency, the Public Procurement Rules, 2004 shall take precedence over these regulations.

[F. No.2/1/2009/PPRA-RA.III.]

MUHAMMAD FAROOQ
Section Officer (RA-III)



PPRA Guidelines



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

From : Mr. Sajid Hassan

Ministry of Finance

Addl, Finance

Government of Pakistan

Secretary(Exp)/Md

Tele: 9201496

Public Procurement Regulatory Authority

Muhammad

Khalid

Javed

Managing

Director(PP

Islamabad the . 5-10-2002

P.C. 44000

D.O. No. 3(7)/2002/PPRA

Phone:

9224824

Subject:

Fax:

**DECLARATION OF FEES, COMMISSIONS AND BROKERAGE
ETC., PAYABLE BY THE SUPPLIERS OF GOODS, SERVICES AND
WORKS**

My dears Secretary

I am directed to say that in a meeting of the Economic Coordination Committee of the Cabinet held on 23rd September, 2002 the question of adoption of good procurement practices by the public sector agencies was discussed. After due discussion, it was decided that all the public sector agencies, whether attached/subordinate of autonomous working under a Ministry will always demand a certificate, as attached herewith while procuring goods & services worth Rs 10 million or more. This certificate inter alia, will be checked by the Auditors at the time of audit. This requirement is mandatory and may be complied with in all circumstances.

2. You are requested to convey this decision to all attached Departments, Subordinate Offices, Autonomous/Semi Autonomous Bodies and Corporations etc., working under your Ministry for strict compliance.

With regards,

Yours sincerely,

Sd/-

(Sajid Hassan)

All Secretaries to the Ministries/Divisions.



Tele: 9210291
Fax: 9218062

GOVERNMENT OF PAKISTAN
Ministry of Finance
(FINANCE DIVISION)

**Muhammad
Khalid
Javed**
Managing
Director (PPRA)
SECRETARY FINANCE
Phone:
9224824 **My dear**
Fax:

D.O.No. 687/MD(PPRA)05-
September 14, 2005
Islamabad, the

Kindly refer to Finance Division D.O. letter No. 3(7)/2002/PPRA, dated 5-10-2002 wherein it was made mandatory for all public sector agencies to sign an integrity pact by all Ministries, Divisions, departments as well as autonomous/semi autonomous agencies under their administrative control, with the suppliers of goods, services and works for all contracts exceeding Rs. 10.00 million in the form of certificate as prescribed.

2. It has now been decided that instead of signing a separate integrity pact with their suppliers of goods, services and works a disclosure clause should be made a part of the contract. I am enclosing herewith a proposed working, which should be made a part of all contracts exceeding Rs. 10.00 million in value.

3. I shall be grateful if you would kindly circulate these instructions to all public sector agencies under the administrative control of your Ministry for strict compliance. A report on implementation may please be send to this Ministry at the earliest.

With regards,

Yours sincerely,

Sd/-
(Nawid Ahsan)

Integrity Pact

**DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC.
PAYABLE BY THE SUPPLIERS OF GOODS, SERVICES & WORKS IN
CONTRACTS WORTH RS.10.00 MILLION OR MORE**

Contract Number: _____ Dated: _____
Contract Value: _____
Contract Title: _____

[name of Supplier] hereby declares that it has not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative subdivision or agency thereof or any other entity owned or controlled by it (GoP) through any corrupt business practice.

Without limiting the generality of the foregoing [name of Supplier] represents and warrants that it has fully declared the brokerage, commission, fee etc. paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultations fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoP, except that which has been expressly declared pursuant hereto.

[name of Supplier] certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with GoP and has not taken any action or will not take any action to circumvent the above declaration, representative or warranty.

[name of Supplier] accepts full responsibility and strict liability for making and false declaration, not making full disclosure, misrepresenting fact or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other right and remedies available to GoP under any law, contract or other instrument, be voidable at the option of GoP.

Notwithstanding any rights and remedies exercised by GoP in this regard, [name of Supplier] agrees to indemnify GoP for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to GoP in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by [name of Supplier] as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoP.

[Buyer]

[Seller/Supplier]

**GOVERNMENT OF PAKISTAN
CABINET SECRETARIAT
CABINET DIVISION**

No. 2/1/2008PPRA-RA.III

Islamabad, the dated 7th May, 2008

To,

**The Managing Director,
Public Procurement Regulatory Authority.**

Islamabad

Subject: **APPLICABILITY OF PUBLIC PROCUREMENT RULES, 2004
ON PUBLIC PRIVATE PARTNERSHIP (PPP)**

I am directed to refer to Public Procurement Regulatory Authority's O.M No. 1(8)/DD-I/PPRA/PSM-II/07 dated 15th March, 2008 on the above subject and to state that the PPRA's Board has taken following decision under Section 5 (2) (C) of the Public Procurement Regulatory Authority Ordinance, 2002 on the Public Private partnership (PPP) projects in its meeting held on 12th February, 2008:-

The Board discussed the proposal and after detailed deliberations, observed that Public Private Partnership (PPP) projects may broadly be of the following two types:-

- a) PPP projects in which the Federal Government does not have any equity of ownership and procurements are made by the private party.
- b) PPP projects in which the Federal Government and the private party have joint equity or ownership through a corporate body and procurement are made by such body.

2. The Board clarified that the PPRA Ordinance, 2002 and Public Procurement Rules, 2004 will not be applicable to the type (a) mentioned at para-1 above, while type (b) will be governed by the PPRA Ordinance and Rules.

Sd/-
(Muhammad Farooq)
Section Officer (RA.III)
Ph # 051-9201444

Copy to:-

The Secretary, Finance Division, Islamabad.



No.F.3(14)/DD-I/PPRA/PPRules/08
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 15th June, 2009

Subject: - **MONITORING IMPLEMENTATION OF PUBLIC PROCUREMENT RULES**

My dear

The Public Procurement Regulatory Authority (PPRA) has been established with the responsibility of prescribing regulations and procedures for public procurements to improve governance and transparency. The PPRA Board of Directors in its 6th meeting held on 12th February, 2008 allowed the Authority to obtain necessary information from all the procuring agencies through "Contract Evaluation Questionnaire". All Ministries / Divisions were requested vide D.O letter at 10th July, 2008 to provide the requisite information on prescribed forms in respect of all contracts for goods, works and services exceeding financial value of Rs.1.00 billion with effect from 10th July, 2008.

2. It would be appreciated if the required information about procurement contracts signed by the organizations / entities under the administrative control of your Ministry is provided to this Authority, latest by 30th June, 2009 for preparation of a report for PPRA Board.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. 2 (21) DD (M & IMP)/PPRA/IMP. Rules/09
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 18th June, 2009

Subject: **Implementation of Public Procurement Rules, 2004**

My dear

The Public Procurement Regulatory Authority (PPRA) has been mandated to ensure transparency, economy, efficiency, and accountability of the public sector procuring agencies through proper implementation and monitoring of PP Rules-2004. Since implementation of these rules the rate of violations leading to non-transparent procurement has decreased substantially. However, some areas still require extra attention of the procuring agencies for achieving desired goals set for PP Rules, 2004.

2. These Rules require all procuring agencies to devise a mechanism, for annual **planning** in detail for all proposed procurements with the object to realistically determine the requirements of the procuring agency, within its available resources, delivery time, completion date and benefits that are likely to accrue to the procuring agency and shall proceed accordingly. The annual requirements thus determined are also required be advertised in advance on the Authority's website. Unfortunately response from procuring agencies in placing their annual proposed procurements on Authority's website since implementation of the Rules in 2004 has remained very poor.

3. In view of the foregoing, it would be appreciated that the organizations under the administrative control of your Ministry are directed to ensure strict compliance of Rules-8 & 9 of PP Rules, 2004 and furnish their proposed annual requirements of the financial year 2009 -10 for placing on Authority's website, at the earliest.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. 2 (21) DD (M & IMP)/PPRA/IMP. Rules/09
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 18th June, 2009

Subject: **Frequent Violation of Public Procurement Rules-2004**

My dear

The Public Procurement Regulatory Authority (PPRA), has been entrusted with the responsibility of monitoring of application and implementation of laws, rules, regulations, policies and procedure in respect of or relating to procurements of goods services and works too ensure transparency, economy and accountability in the public sector.

2. PPRA has devised an effective and transparent mechanism for this purpose since 2004. All the tender notices issued by public sector procuring agencies are uploaded **everyday** on its website (www.ppra.org.pk), examined in the light of Public Procurement Rules-2004 and violations conveyed to the respective procuring agencies for corrective measures.

3. Despite repeatedly pointing out violations of rules, Pakistan Railways (PR), has not complied with **Rules-10, 12, 13(1), 23(1), 33(1)** of PP Rules-2004 while issuing 205 tender notices only during the month of April – May, 2009.

4. Kindly instruct functionaries in your organization for right compliance of Rules as their breach tantamounts to mis-procurement under Rule-50 of Public Procurement Rules-2004.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. F. 2 (6)/DD-II/PPRA/2009
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 19th June, 2009

Subject: - EXEMPTION FROM OPERATION OF PUBLIC PROCUREMENT RULES – 2004 AND CONDONATION OF VIOLATIONS OF THESE RULES

My dear

Public Procurement Regulatory Authority has been receiving numerous requests from different Ministries / Division / Departments seeking exemption from operation of Public Procurement Rules 2004. Section 21 of the PPRA Ordinance, 2002 reads :-

*“The Authority may, for reasons to be recorded in writing, recommend to the **Federal Government** that the procurement of an object or class of objects **in the national interest** be exempted from the operation of this Ordinance or any rule or regulation made thereunder or any other law regulating public procurement and the **Federal Government** on such recommendations shall exempt the aforesaid objects or class of objects from the operation of the laws and rules and regulations made thereunder”.*

2. Please note that all procuring agencies in case of ex-ante (before the event) (repeat ex-ante) exemptions required under unavoidable circumstances must clearly mention that **national interest** (repeat “**national interest**”) is being safeguarded through proposed exemption. The request without explicit mention of this aspect would not be entertained.

3. It is further mentioned that neither PPRA Ordinance, 2002 nor Public Procurement Rules 2004 vest any power in this Authority to condone deviations from Public Procurement Rules 2004. PPRA will be constrained not to process such requests of ex-post-facto approvals / condonations.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No.F.2(9)/DD-II/PPRA/2009
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 7th July, 2009

Subject: **IMPLEMENTATION OF PUBLIC PROCUREMENT RULES, 2004**

My dear

Public Procurement Regulatory Authority (PPRA) works through PPRA Ordinance, 2002 and Rules notified in 2004 to improve governance, management, transparency, accountability and quality of public procurement of goods, services and works.

2. Violations of Rule-16 by procuring agencies have been reported numerously at the time of prequalification notices published in the print media for the selection of bidders. To refresh, Rule-16 provides:

1. **The procuring agency engaging in pre-qualification shall announce, in the pre-qualification documents, all information required for pre-qualification including instructions for preparation and submission of the pre-qualification documents, evaluation criteria, list of documentary evidence required by suppliers or contractors to demonstrate their respective qualifications and any other information that the procuring agency deems necessary for pre-qualification.**
2. **The procuring agency shall provide a set of pre-qualification documents to any supplier or contractor, on request and subject to payment of price, if any.**

Explanation:- For the purposes of this sub-rule price means the cost of printing and providing the documents only.

3. We seek your kind cooperation for adherence in letter and spirit.

With regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries
Procuring Agencies



No. 2 (21) DD (M & IMP)/PPRA/IMP. Rules/09
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 7th September, 2009

Subject: **PUBLICATION OF TENDERS ON PPRA WEBSITE**

My dear

It is mandatory for the public sector procuring agencies under Rule-12 of Public Procurement Rules-2004 to advertise their tender notices for procurements of goods, services & works above one hundred thousand rupees on PPRA website (www.ppra.org.pk). Tenders received from procuring agencies through mail, e-mail, fax or clippings from newspapers are uploaded on daily basis.

2. PPRA has also provided the facility to procuring agencies for directly uploading their tenders on the website after getting an ID and a password from PPRA to fulfill this mandatory requirement. By and large the facility goes unutilized and most tenders are only published in print media ignoring Rule-12 of PP Rules-2004.

3. Kindly direct the concerned functionaries to meet the stipulated mandatory requirement by utilizing the facility of website with ID/password provided by PPRA. A copy each of PP Rules-2004 & Ordinance, 2002 is enclosed for convenience and application.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. 3/4/09/DD-II/PPRA/2009
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad the, September 11, 2009

Sub:- **PROCUREMENT REPORT FOR FY 2008-09**

My dear

Section-5(e) of PPRA Ordinance reads:

“The Authority may monitor public procurement practices and make recommendations to improve governance, transparency, accountability and quality of public procurement”.

Section-16 (1) lays down:

“The Authority may call for any information required by it for carrying out the purposes of this Ordinance, from any person or any institution in public procurement activities and any such person or institution shall provide the required information called by the Authority”.

For better governance, transparency, accountability and quality of public procurements and in pursuance of the above please furnish a “procurement report” for the FY 2008-09 highlighting (1) description of contract (2) tender value (3) conformity with PP Rules 2004 (4) execution status.

Awaiting an early response.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. 3(6) Senate/M & IMP/PPRA/09
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 28th October, 2009

Subject: MEETING OF THE SENATE STANDING COMMITTEE
ON CABINET SECRETARIAT HELD ON 28TH
SEPTEMBER, 2009 IN COMMITTEE ROOM NO.4,
PARLIAMENT HOUSE, ISLAMABAD

My dear

The Senate Standing Committee on Cabinet Secretariat in its meeting held on 28th September, 2009 inter-alia directed Public Procurement Regulatory Authority (PPRA) to ask for details of procurements beyond Rs.10.00 million made by various Ministries/Divisions/Organizations and Autonomous bodies during the Financial Year, 2008-09.

2. Kindly direct organizations under your administrative control to furnish details at the earliest in order to comply with the direction of law makers.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. 3(8)/DD-(M & IMP)/PPRA/tender fee/09
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 17th November, 2009

Subject: PROCUREMENT ADVERTISEMENT FEE ON PPRA WEBSITE

My dear

Rule-12 of Public Procurement Rules-2004 stipulates the under mentioned mandatory method of advertisement on PPRA website: -

“Procurements over one hundred thousand rupees and up to the limit of two million rupees shall be **Advertised on the Authority’s website** in the manner and format specified by regulation by the Authority from time to time. These procurement opportunities **may also be advertised in print media**, if deemed necessary by the procuring agency”.

2. Precedence of advertisement on PPRA website over print media contained in the Rule is of the essence.

3. The PPRA Board, in order to lend sustainability and ensure neutrality of Public Procurement Regulatory Authority decided to charge a fee of Rs.1,000/- on each tender notice uploaded on PPRA website (www.ppra.org.pk) in terms of Section 9(2) of PPRA Ordinance, 2002.

4. All Federal Government entities are therefore requested to deposit procurement advertisement uploading fee of Rs.1,000 on each tender exceeding the value of Rs.100,000/- w.e.f **1st December, 2009** through a crossed cheque/demand draft/pay order in favour of Public Procurement Regulatory Authority, Islamabad.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. F.3(5)/DD-II/PPRA/2009
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 23rd December, 2009

Subject: - **REDRESSAL OF GRIEVANCES BY THE PROCURING AGENCY**

My dear

Rule 48 (1) of the Public Procurement Rules, 2004 unambiguously provides that the procuring agency shall constitute a committee comprising odd number of persons, with proper powers and authorizations to address the complaints of bidders that may occur prior to entry into force of the procurement contract. The redressal process and further recourse is laid down in Rule 48 (2), (3), (4) & (5).

2. While it has been noted with satisfaction that procuring agencies are largely compliant to Public Procurement Rules 2004, in a number of cases however, grievance redressal committees have not been constituted to grant right to the bidders to represent against the decision of procuring agency, as a legal obligation.

3. All procuring agencies / units under the administrative control of your ministry may be advised to constitute independent Grievance Redressal Committees in accordance with the provisions of Public Procurement Rule, 2004.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. 3(5)/DD-II/PPRA/2009
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823
E-mail: hur52@yahoo.com

Islamabad the February 10, 2010

Subject:- **GRIEVANCES REDRESSAL AND PRINCIPAL
ACCOUNTING OFFICERS**

My dear

Pivotal position of Principal Accounting Officer in our system of governance needs no underscoring nor can the importance of transparency in procurement process be minimized. Part and parcel of transparency is the mechanism to redress grievance.

PPRA has sufficiently brought out the rule position of grievance handling along with the requirement to form Grievance Redressal Committees. This request did not meet a resounding response; the result can be viewed at www.ppra.org.pk where Committees stand uploaded for the benefit of aggrieved bidders and the public to meet the tenets of transparency.

To strengthen the mechanism as provided under Rule 48 of Public Procurement Rules 2004, the Principal Accounting Officer as a next logical step should conduct an **administrative review** on the findings of complaint and take action in accordance with conduct rules in the event of unfair and non-transparent procurement process. **The decision of administrative review shall be communicated to PPRA, the aggrieved bidder and the procuring entity prior to the award of contract without retarding the procurement process.**

The intent is to complete the first tier grievance redressal mechanism. The second tier is under active deliberation.

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No.F.3(4)/DD-II/PPRA/2010
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 3rd March, 2010

Subject: - **ACCESS AND TRANSPARENCY.**

My dear

Rule-12(2) of Public Procurement Rules, 2004 provides that all procurement opportunities over two million rupees should be advertised on the Authority's website as well as in other print media or newspapers with wide circulation.

2. Kindly direct all concerned that Tenders appearing in the press should carry a compulsory note that "**tender is also available at PPRA Website**" www.ppra.org.pk to strengthen access and transparency.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No. F. 3(7)DD-II/PPRA/2010
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad the April 13, 2010

Subject:- **AWARD OF CONTRACTS AND PUBLIC PROCUREMENT REGULATORY AUTHORITY**

My dear Secretary

Rai-son d'ê-tre of regulatory regime mainly is to:

- i). Ensure balancing of interest of all stakeholders in a transparent manner;
- ii). Provide level playing field to all competitors;
- iii). Establish sustainable regulatory arrangements which carry credibility with investors and perceived as legitimate and fair in the eyes of the public, and deliver greater efficiency for the economy as a whole;

With growing awareness of public procurement law and rules, government organizations exercise more care and caution in award of contracts. Although PPRA has now a sustainable capacity building institute in the form of National Institute of Procurement along with daily monitoring and mentoring, yet Ministries seek more comfort by attempting to involve PPRA in line clearing functions in award of contracts. This is neither provided in law, rules or policy laid down by the Board.

Since conception PPRA's role has been unambiguous, initial Assessment Report by the WB set the following in stone:

"Creating a small, professionally staffed, independent regulatory agency to develop the procurement framework, with functions which are mainly confined to policy, documentation, development of rules, etc. and not to include line clearance functions for awarding of contracts".

This was periodically reiterated by the Board including the last direction contained in the 6th Board meeting dated 12th February, 2008.

Requesting / directing PPRA to be a part of line functions is in conflict with PPRA's rai-son d'ê-tre, policy, practice, level playing field, balance of stakeholder interest, grievance handling, neutrality, transparency and fairness.

This is to humbly request you to keep this in mind and direct all concerned. Thanking you in anticipation.

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries



No.F.7(35)/DD-I/PPRA/2010
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
FBC BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823

Islamabad, the 22nd April, 2010

Subject: - **TENDER NOTICE ON PPRA WEBSITE AND ITS PROOF
FOR AUDIT AND RECORD**

Dear

Rule 12 (4) of Public Procurement Rules, 2004 stipulates that:-

"A procuring agency utilizing electronic media shall ensure that the information posted on the website is complete for the purposes for which it has been posted and such information shall remain available on that website until the closing date for submission of bids".

Beyond the closing date, web based advertisement / tender notice shall remain available on PPRA website for a period of forty (40) days.

It would be prudent to download / print the advertisement for the purposes of record and audit. In case of need, beyond the period of 40 days, when the advertisement / tender notice stands withdrawn from our website we shall be obliged to provide the same on a request in writing.

With best regards,

Yours sincerely

Sd/-
Hafeez ur Rehman

All Federal Secretaries / Procuring Agencies



F. No. 2(21)DD(M 4 IMP)/PPRA/IMP-Rules/09
GOVERNMENT OF PAKISTAN
**PUBLIC PROCUREMENT REGULATORY
AUTHORITY**
(CABINET DIVISION)
F.B.C BUILDING, SECTOR G-5/2

Hafeez ur Rehman
Managing Director
Tel: 051-9224824
Fax: 051-9224823
Managing
Director(PP

Islamabad, the 12th May, 2010

Subject: (RA) **Annual Procurement Planning Report**

Phone:
9224824
My dear Secretary
Fax:

Please refer to a D.O letter No.2(21)DD(M&IMP)/PPRA/IMP.Rules/09, dated June 18, 2009 on the above subject.

2. The Public Procurement Regulatory Authority (PPRA) has been mandated to ensure transparency, economy, efficiency, and accountability of the public sector procuring agencies through proper implementation and monitoring of PP Rules-2004. Since implementation of these rules the rate of violations leading to non-transparent procurement has decreased substantially. However, some areas still require extra attention of the procuring agencies for achieving desired goals set for PP Rules, 2004.

3. Rule 8 & 9 of PP Rules, 2004 require all procuring agencies to devise a mechanism, for **annual planning** in detail for all proposed procurements with the object to realistically determine the requirements of the procuring agency, within its available resources, delivery time, completion date and benefits that are likely to accrue to the procuring agency and shall proceed accordingly. The annual requirements thus determined are also required be advertised in advance on the Authority's website. Unfortunately response from procuring agencies in placing their annual proposed procurements on Authority's website since implementation of the Rules in 2004 has left a lot to be desired.

4. Kindly instruct the organization under the administrative control of your Ministry to ensure strict compliance or Rules-8 & 9 of PP Rules, 2004 and furnish their proposed annual requirements for the **financial year 2010-2011** for placing on Authority's website www.ppra.org.pk where sample proforma has been uploaded for uniformity & convenience.

With best regards,

Your sincerely

Secretary,
Cabinet Division,
Government of Pakistan,
Islamabad

Sd/-
Hafeez ur Rehman



No.F.1(28)/DD-I/PPRA/11
GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)
F. B. C. BUILDING, SECTOR G-5/2

Managing Director

Telephone: 9224824

Fax: 9224823

Managing
Director(PPRA)
Phone: 9224824

Fax:

Islamabad, the 21st April, 2011

Subject: - **REGISTRATION OF FIRMS AND CHARGING OF REGISTRATION /
PROCESSING FEES ETC.**

My dear

It has been observed that in many cases procuring agencies prefer registration of firms by charging exorbitant registration fee / processing fee and few other charges instead of adhering to Rules 15 & 16 of Public Procurement Rules, 2004. Such practices are in conflict with the basic objective of holding healthy competition among the suppliers/contractors or service providers. Public Procurement Rules, 2004 allow procuring agencies to charge price of prequalification/bidding documents only to cover costs of printing.

2. All the organizations / autonomous bodies under the administrative control of your Ministry may be advised to refrain from such practices and follow Public Procurement Rules, 2004 in letter & spirit.

With best regards,

Yours sincerely,

Sd / -

(**Hafeez ur Rehman**)

84

All Federal Secretaries

FREQUENTLY ASKED QUESTIONS

Question:

What course of action will be adopted by the procuring agency when all the bids prices substantially exceed the cost estimated/market value?

Answer:

The procuring agency is allowed to cancel all the bids prior to acceptance as provided under Rule-33 of the Public Procurement Rules, 2004 and invoke Rule 34 of the said Rules for re-bidding.

Question:

Whether the procuring agency can enter into negotiations with the bidders for the reduction in the prices or to call for new bids?

Answer:

Negotiations with the bidder having submitted the lowest evaluated bid or with any other bidder are not allowed as provided under Rule 40 of Public Procurement Rules, 2004.

Question:

Whether negotiation if allowed to be made with all the bidders or only with the lowest evaluated bidders?

Answer:

Negotiations with the bidder having submitted the lowest evaluated bid or with any other bidder are not allowed as provided under Rule 40 of Public Procurement Rules, 2004.

Question:

Many procuring agencies are signing Memorandum Of Understanding (MOU) with the Transparency International Pakistan empowering the latter to scrutinize contracts to be signed by them. Is this practice not an overlap of PPRA mandate by a Civil Society Organization and is it in line with PPRA Ordinance 2002 and PP rules 2004?

Answer:

Only PPRA has been mandated by its Ordinance-2002 to monitor and regulate the application of law and rules relating to public procurement of all goods, services and works. PPRA does not indulge in line clearance functions nor this function is covered

by law or has been outsourced by PPRA to any Civil Society Organization in /outside the country. Public sector organizations entering into MOU entailing line clearance function do so at their own risk and cost.

Question:

How to Upload Tender Documents at PPRA's Web site?

- I. By Online:
User ID and Password Can be provided on request at email address info@ppra.org.pk for online tender submission.
- II. By Post:
Soft copies of Tender documents can be sent by Post/Courier to "IT section Public Procurement Regulatory Authority, 1st Floor FBC Building G5/2 Islamabad"
- III. By E-mail:

You can send your tender documents as attachment with file extension "DOC" (MS Word File, "JPG" (Image File), "PDF" (Acrobat Reader File) at email address info@ppra.org.pk

Rule 9

Limitation of splitting or regrouping of proposed procurement

Question:

It is not clear whether all annual requirements if known would have to be advertised in advance on PPRA's website or just the main items.

Answer:

Indicative requirements of annual procurement should be advertised under Rule 9, at macro level, on PPRA's website as well as on the website of the organization concerned for advance information of prospective bidders. Detailed advertisement for processing the procurements should subsequently be made, as required from time to time, in accordance with Rule 12.

Rule 12 METHODS OF ADVERTISEMENT

Question:

If a tender for procurement of goods over one hundred thousand rupees and up to the limit of two million rupees is launched on Authority's website, would there be any compulsion on the procuring agency to advertise it in the print media also.

Answer:

If a tender for procurement of goods services and works costing over rupees one hundred thousand and up to the limit of two million rupees has been launched on Authority's website, it is not mandatory to put the advertisement on print media.

Rule 21 OPEN COMPETITIVE BIDDING

Question:

- i.
If only one tender/bid is received in response to a tender notice advertised in both or one of the media (Authority's website/ print media), should the single tender be accepted or re-advertised the tender.
- ii.
How to compare the only one bid received by a procuring agency?
- iii.
If no tender/ bid is received against a requirement, what method of procurement is recommended to be adopted (Re-advertisement or Direct Contracting)

Answer:

- i.
Public Procurement Rules, 2004 don't put any limit on number of tenders/ bids received in response to tender notices provided that the procurement opportunity has been advertised in the prescribed manner. The single bid may be considered if it meets the evaluation criteria expressed in tender notice and is not in conflict with any other rules, regulations or policy of the Federal Government. However the procuring agency should make a decision with due diligence and in the light of Rule 4 "Principles of Procurement".
- ii.
Whenever a procuring agency is confronted with such a situation whereby the rate quoted by the single bidder cannot be compared so as to declare it as the lowest rate or otherwise it may make a prudent decision. While making a decision, the following factors may be kept in view: -
 - a. The comparison of price of the goods, works or services if procured during the current financial year.
 - b. Market price of the goods works and services to be procured.
 - c. In case abnormal Increase in prices is observed, the procuring agency may like to re-advertise the procurement opportunity, if time permits.

- iii. Re-advertisement would be a preferred option. Direct contracting could also be used provided it meets the prescribed condition for direct contracting.

Rule 24

Reservations and Preference

Question:

Under the Rule if preference was allowed to a domestic or national supplier/contractor, magnitude of price preference to be accorded should be mentioned. However, a clarification whether the magnitude of price preference should be in figure or the percentage, needs to be obtained.

Answer:

Preference to domestic or national suppliers or contractors should be in accordance with policies of the Federal Government. The magnitude of preference, presently in vogue-but for goods of domestic value addition, has been specified in Ministry of commerce S.R.O 827(1)2001 dated 3rd December, 2001 as amended on 28.09.2002. This S.R.O can be downloaded from PPRA's website.

Rule 42

Alternative methods of Procurement

Question:

- a) it has been observed that financial limits for procurement under sub rule (a) & (b) are not sufficient. These limits need to be reviewed.

Answer:

The sub rule (a) of Rule 42 includes provision which reads as "Provided further that procuring agencies convinced of the inadequacy of the financial limit prescribed for petty purchases in undertaking their respective operations may approach the Federal Government for enhancement of the same with full and proper justifications". Likewise sub rule (b) of Rule 42 includes provision which reads as "Provided that procuring agencies convinced of the inadequacy of the financial limit prescribed for request for quotations in undertaking their respective operations may approach the Federal Government for enhancement of the same with full and proper justifications." Accordingly the procuring agencies may send a proposal for consideration of PPRA Board.

b) Moreover, under sub rule c(iv) a procuring agency may engage in direct contracting for repeat orders not exceeding fifteen percent of original procurement. It is not clear how this rule could be applied in case of procurement of spare parts/equipment.

Answer:

Procurement of spare parts has been dealt with separately under Rule 42(c)(i) which reads as "A" procuring agency shall only engage in direct contracting if the following conditions exist, namely:-

The procurement concerns the acquisition of spare parts or supplementary service from original manufacturer or supplier:

Provided that the same are not available from alternative sources;

In case of procurement of spare parts/equipment through open competitive bidding when spare parts of required specifications are available from multiple sources, repeat orders not exceeding fifteen percent of the original procurement of the spare parts/equipment may be placed under rule 42(c)(iv)

Rule 46 RECORD OF PROCUREMENT PROCEEDING

Question:

Which type of record is to be maintained for audit.

Answer:

Following documents may be kept for maintenance record of procurement by the procuring agencies for requirements of audit.

- i. Detail with regard to the originating of demand. It explains the nature and quantity of the items to be produced. It should be supported by justification report.
- ii. Purchase requisition may be maintained. It shows specification as well as quantity of the items to be produced. It also contains the name/ names of the consignee, to whom the material is to be delivered.

Tender documents/ file

- iii. It includes consolidation of tender documents, preparation of tabulation statements, analysis of sales, comparative statement, evaluation of tender, documents by the technical committee, approval of the competent authority.
- iv. Purchase order file be maintained. It includes the documentary detail of the quantity ordered, rate accepted and delivery period, inspection of material, chemical analysis, acceptance of material on basis of suitability report from the consignee and finally, delivery of material to the ultimate consignee.

- v. Material receipt note be maintained, it shows description and quantity of material accepted. It is an authority for payment.
- vi. Contractor bills:-These show detail of material supplied and must always be accompanied by original copy of material, Receipt Note and original sales Tax Invoice.
- vii. Budget file containing appropriation for the purchases.
- viii. File relating to sanction/ approval of competent authority to make the purchase and make payments and related documents, necessary for audit including need assessment, actual quantities demand, difference if any, from items purchased and those required along with justifications.
- ix. Record of goods, services and works to be planned/ procured in a year before publishing advertisements.
- x. Record of spare parts/ equipments or services procured from the original manufacturer or record of goods, services and works actually procured in a particular year.
- xi. Copies of tenders/ quotations invited to make the purchases along with specifications.
- xii. In case of limited tenders, sealed quotation, comparatives statements and invitation record.
- xiii. Record showing the particulars of bidders who purchased tender documents, deposited bids and participated in the tendering process.
- xiv. Record of bidders who deposited bid security to the procuring agency.
- xv. Pre-qualification record of suppliers/ contractors.
- xvi. Technical & Financial bid evaluation reports of each type of procurement.
- xvii. Newspapers in which advertisements published against each procurement.
- xviii. Record of cash deposit receipt, received from the bidders.
- xix. Stock Register containing the entries of purchase and specification of items purchased.
- xx. Register showing details of items procured services made as well as work done.
- xxi. The record pertaining to requisitions made by the department as well as approval of the competent authority for said procurements.
- xxii. Record of black-listed suppliers/ contractors.
- xxiii. Purchase committee should also keep a record of evaluation of input cost of consumable stores on the basis of project usage in addition to the cost of the equipment while evaluating the bids.
- xxiv. Delivery of challans of suppliers/ contractors.
- xxv. Instructions to bidders.
- xxvi. Proceedings of committees.
- xxvii. Final approval of competent authority for procurement from a particular bidder at specific rate.
- xxviii. Acceptance letter to successful bidders.
- xxix. Bank guarantees.
- xxx. In case of imported goods, import invoices, inventories, indents, letter of credit and shipping documents.
- xxxi. Issue indents/ acknowledgements.

- xxxii. Pre-qualification record of suppliers and contractors.
- xxxiii. Inspection rates/ laboratory tests and analysis reports of samples provided by suppliers.
- xxxiv. Tender opening committee should record their proceedings and if feel necessary negotiation be carried out with the different suppliers/contractors.
- xxxv. Delegation of financial powers.
- xxxvi. Codal requirements.
- xxxvii. Contractor profile.
- xxxviii. Firms registered with sales tax department.
- xxxix. Test reports.
- xl. All latest instruction/ direction/ discretion/ rules/ regulations for procurement.

Send mail to info@ppra.org.pk with questions or comments about this web site.
Copyright © 2004 Public Procurement Regulatory Authority

