

MATRIX OF PROPOSED CHANGES IN THE PUBLIC PROCUREMENT RULES, 2004

NOTE

- The words in **bold& underlined** are proposed additions/ amendments in the existing rules.
- The **bold words/ statements** are proposed to be deleted from the existing rules.

Existing Rules	Proposed Rules	Justifications for Revision/ Insertion of new rule(s)
<p>1. Short title & commencement.-These rules may be called the Public Procurement Rules, 2004.</p>	No change.	No change.
<p>2. Definitions.-</p> <p>(1) In these rules, unless there is anything repugnant in the subject or context,-</p> <p>(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;</p> <p>(b) “bidder” means a person who submits a bid;</p> <p>(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;</p> <p>(d) “contractor” means a person, consultant, firm,</p>	<p>2. Definitions.-</p> <p>(1) In these rules, unless there is anything repugnant in the subject or context,-</p> <p>(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;</p> <p>(b) “bidder” means a person who submits a bid;</p> <p>(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(NCB) and International Competitive Bidding(ICB);</p> <p>(d) “contractor” means a person, consultant, firm,</p>	

<p>company or an organization who undertakes to supply goods, services or works;</p> <p>(e) “contract” means an agreement enforceable by law;</p> <p>(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;</p> <p>(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;</p>	<p>company or an organization who undertakes to supply goods, services or works;</p> <p>(e) “contract” means an agreement enforceable by law;</p> <p>(f) “corrupt and fraudulent practices” includes the offering, giving, receiving, or soliciting of anything 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, <u>conflict of interest</u>; 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;</p> <p>(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;</p> <p><u>(ga)“force account” means work which a procuring agency executes using its own resources including labor, equipment, materials, and supplies.</u></p> <p><u>(gaa) “Framework agreement “means an agreement for repeated procurement of certain quantities or volumes of goods, services, or works or any combination of these spread over a specified period</u></p>	<p>Existing definitions at (f) and (j) have been slightly modified.</p> <p>New definition of ‘force account’ has been added at “ga” and ‘framework contract’ at “gaa” as these concepts are new additions in the Rules.</p>
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<p>(h) “lowest evaluated bid” means,-</p> <p>(i) a bid most closely conforming to evaluation criteria and other conditions specified in the bidding document; and</p> <p>(ii) having lowest evaluated cost;</p> <p>(i) “Ordinance” means the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002);</p> <p>(j) “repeat orders” means procurement of the same commodity from the same source without competition and includes enhancement of contracts;</p> <p>(k) “supplier” means a person, consultant, firm, company or an organization who undertakes to supply goods, services or works; and</p> <p>(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.</p> <p>(2) The expressions used but not defined in these rules shall have the same meanings as are assigned to them in the Ordinance</p>	<p><u>of time with or without rates;</u></p> <p>(h) “lowest evaluated bid” means,-</p> <p>(i) a bid most closely conforming to evaluation criteria and other conditions specified in the bidding document; and</p> <p>(ii) having lowest evaluated cost;</p> <p>(i) “Ordinance” means the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002);</p> <p>(j) “repeat orders” means procurement of the same <u>goods or works or services</u> from the same source without competition and includes enhancement of <u>respective</u> contracts;</p> <p>(k) “supplier” means a person, consultant, firm, company or an organization who undertakes to supply goods, services or works; and</p> <p>(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.</p> <p>(2) The expressions used but not defined in these rules shall have the same meanings as are assigned to them in the Ordinance.</p>	
<p>3. Scope and applicability.- Save as otherwise provided, these rules shall apply to all procurements made by all procuring agencies of the Federal</p>	<p>3. Scope & 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 <u>in</u></p>	<p>To determine the status of applicability of Rules, amendment in</p>

Government whether within or outside Pakistan.	<u>terms of sub-sections j, k & l of Section 2 of the Ordinance.</u>	terms of sub-sections j, k & l of Section 2 of PPRA Ordinance, 2002 is proposed.
<p>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.</p>	<p>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 <u>procuring</u> agency and the procurement process is efficient and economical.</p>	The word procuring is added to make the words “procuring agency”.
<p>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.</p>	No Change	No Change
<p>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.</p> <p>(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:</p> <p>Provided that such use of local language ensures maximum economy and efficiency in the procurement.</p>	No Change	No Change

<p>(3) In case of the dispute reference shall be made to the original documentation retained on record.</p>		
<p>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.</p>	<p>7. Integrity pact.-Procurements exceeding the prescribed limit shall be subject to an integrity pact and code of ethics, as specified by regulation <u>with approval of the Authority</u>, between the procuring agency and the suppliers or contractors.</p>	<p>The words “Federal Government” have been replaced with the word “Authority” in accordance with Section 27 of PPRA Ordinance, 2002.</p>
<p>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.</p>	<p>8. Procurement planning.-<u>Fifteen days before start of each financial year</u>, all procuring agencies <u>shall prepare their annual procurement plans</u> for their proposed procurements with the <u>objective to</u> realistically <u>determine</u> the requirements of the procuring agency, within its available resources, delivery time or completion date, <u>proposed procurement procedure and the outputs and outcomes</u> that are likely to accrue to the procuring agency in future. <u>Procurement Plan should reconcile with budget of the procuring agency. The procurement plan on the format prescribed by the Authority thus prepared shall be uploaded on Authority’s website and on website of the respective procuring agency, if available and proceed accordingly.</u></p>	<p>The original rule does point to the need of developing Annual Procurement Plan by the procuring agencies but it only asks for devising a mechanism to prepare the procurement plan’- it falls short of explicitly making it mandatory for the Procuring Agency to prepare procurement plans. The proposed rule also suggests that procurement planning should be in line with resources available and projected cash flows. The</p>

		<p>requirement for mandatory annual plans and then publicizing it is reflected in Rule 9 which is titled as “Limitation on Splitting or Regrouping”- hence the subject and contents of Rule 9 do not match. Rules 8 and 9 have accordingly been revised to put the things in the right context.</p>
<p>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.</p>	<p>9. Limitation on splitting or regrouping of proposed procurement.- <u>The procuring agencies shall not split or package a procurement plan with the intention to shorten or facilitate the procurement process and approval mechanism, unless the procuring agency is satisfied that :</u></p> <ul style="list-style-type: none"> a. <u>block acquisition of goods, services or works will unnecessarily hold up available resources;</u> b. <u>technical reasons indicate that splitting or packaging will improve manageability and quality;</u> c. <u>The impact of weather, geographical spread on certain procurement particularly in case of works contract will affect its execution with regard to quality and delivery schedule.</u> 	<p>The original rule puts a bar on splitting or regrouping the already planned procurements without taking into account the “Packaging” factor or provision for lots in procurements, any deviations were to be explained in the regulations. The existing rule has been revised / amended in toto.</p> <p>There are, however,</p>

	<p><u>d. An emergency exists as defined in rule 2(g).</u></p> <p><u>Provided that any splitting or packaging shall be made part of the revised procurement plan and uploaded on the Authority’s website as well as on the website of the procuring agency, if available.</u></p>	<p>circumstances when splitting and packaging has to be done for competition and benefitting from economies of scale. In the proposed rule broad areas have been defined which may necessitate packaging/ splitting. The parameters for these conditions shall be explained in the regulations.</p>
<p>9A. Lots (New insertion)</p>	<p><u>9A. Lots.- (1) If splitting up the procurement contract into separate lots is financially and technically more advantageous to the procuring agency, and it is not done to restrict competition, the procurement may be so divided and separate lots may be awarded to different bidders.</u></p> <p><u>(2) In case of dividing a procurement contract into separate lots, the procuring agency shall include in the bidding documents:</u></p> <p><u>(a) The number and the nature of the lots;</u></p> <p><u>(b) How bids for one or more lots may be submitted, specifying whether separate bids shall be submitted for each lot.</u></p> <p><u>(3) All lots may be awarded to the one bidder, if that solution achieves the lowest evaluated bid for the combined lots.</u></p> <p><u>(4) If one or more lots have been awarded, the procuring agency may, in any new procurement</u></p>	<p>Rule 9A is proposed to facilitate procuring agencies to make bulk purchases of commodities like Urea, Sugar and other items. It is also intended that this rule will help procuring agencies like, TCP and USC to procure goods in large volume at a time without engaging in price matching with the bidders other than lowest evaluated bidder.</p>

	<u>proceedings, modify the division of the lots that have not been awarded.</u>	
<p>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”.</p> <p>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.</p>	<p>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, <u>name or origin of a country</u> or similar classifications. However if the procuring agency is convinced that the use of or a reference to a brand name <i>or a</i> catalogue number or <u>name or origin of a country</u> is essential to complete an otherwise incomplete specification, such use or reference shall be qualified with the words “or equivalent”.</p> <p>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.</p>	The words “Origin of a country” are added.
<p>11. Approval mechanism.- All procuring agencies shall provide clear authorization and delegation of powers for different categories of procurement and shall only initiate procurements once approval of the competent authorities concerned has been accorded.</p>	No change.	No change.
<p>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:</p> <p>Provided that the lower financial limit for advertisement on Authority’s website for open</p>	<p>12. Methods of advertisement.- (1) Procurements over two hundred thousand rupees and up to the limit of five million 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:</p> <p>Provided that the lower financial limit for advertisement on Authority’s website for open</p>	This aspect of procurement process has been dealt with in the original rule in a pretty satisfactory manner. However, minimum ceiling has been proposed to be enhanced because of inflation since last

<p>competitive bidding shall be the prescribed financial limit for request for quotations under clause (b) of rule 42.</p> <p>(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.</p> <p>(3) In cases where the procuring agency has its own website it may also post all advertisements concerning procurement on that website as well.</p> <p>(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.</p>	<p>competitive bidding shall be the prescribed financial limit for request for quotations under clause (b) of rule 42.</p> <p>(2) All procurement opportunities over five million shall 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.</p> <p>(3) In cases where the procuring agency has its own website it may also post all advertisements concerning procurement on that website as well.</p> <p>(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.</p>	<p>revision of ceiling.</p>
<p>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</p>	<p>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. <u>The dates of uploading or publication and opening are inclusive in response time.</u></p> <p>All advertisements or notices shall expressly mention</p>	<p>The existing sub-rules (2) & (3) which dilated on the response time for advertisements published in print or electronic media, were confusing as both the sub-rules talked of similar situations but proposed a different treatment with regards to response</p>

<p>documents which shall be issued till a given date, allowing sufficient time to complete and submit the bid by the closing date:</p> <p>Provided that no time limit shall be applicable in case of emergency.</p> <p>(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.</p> <p>(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.</p>	<p>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.</p> <p><u>(2) The response time for procurements falling under sub-rule(1) of rule 12 shall be calculated from the date of appearance of advertisement on Authority's website whereas for procurements falling under sub-rule(2) of rule 12 the response time shall be calculated from the date of first appearance of advertisement in print media.</u></p>	<p>time. These existing above sub-rules are deleted and new sub-rule (2) has been proposed.</p>
<p>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,-</p> <p>(a) the proposed procurement is related to national security and its publication could jeopardize national security objectives; and</p> <p>(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.</p>	<p>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 sub-rule (1) of rule 42. However under following circumstances deviation from the requirement is permissible with the prior approval of the Authority-</p> <p>(a) the proposed procurement is related to national security and its publication could jeopardize national security objectives; and</p> <p>(b) the proposed procurement advertisement or notice or publication of it, in any manner, relates to disclosure of information, which is proprietary in nature.</p>	<p>Correct rule No. has been mentioned.</p> <p>The words appearing in sub-rule (b) i.e. "or falls within the definition of intellectual</p>

		property”shall be treated as deleted which are already covered in negotiated tendering in Rule 42(d).
<p>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.</p> <p>(2) A procuring agency while engaging in pre-qualification may take into consideration the following factors, namely:-</p> <p>(a) relevant experience and past performance;</p> <p>(b) capabilities with respect to personnel, equipment, and plant;</p> <p>(c) financial position;</p> <p>(d) appropriate managerial capability; and</p> <p>(e) any other factor that a procuring agency may</p>	<p>15. Pre-qualification of suppliers and contractors.- (1) A procuring agency, prior to invitation to <u>bids</u>, may engage in pre-qualification of bidders in case of services, works, turnkey projects and in case of procurement of expensive and technically complex goods to ensure that only technically and financially capable firms having adequate managerial capability are invited <u>through pre-qualification notice</u> to submit bids. <u>For pre-qualification notice rules 12 and 13 shall apply.</u> Such pre-qualification shall solely be based upon the ability of the interested parties to perform that particular work satisfactorily.</p> <p>(2) A procuring agency while engaging in pre-qualification may take into consideration the following factors, namely:-</p> <p>(a) relevant experience and past performance;</p> <p>(b) capabilities with respect to personnel, equipment, and plant;</p> <p>(c) financial position;</p> <p>(d) appropriate managerial capability; and</p>	<p>The underlined words in bold shall be added in the existing sub-rule (1) to make the existing rule clear with regard to initial advertisement of prequalification notice.</p>

<p>deem relevant, not inconsistent with these rules.</p>	<p>(e) any other factor that a procuring agency may deem relevant, not inconsistent with these rules.</p> <p><u>(3)Pre-qualification shall be specific to a procurement activity.</u></p> <p><u>(4) Procuring agencies shall use standard prequalification documents as and when notified through regulation by the Authority;</u></p> <p><u>Provided that Pre-qualification 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 Pre-qualification documents are specified by regulations.</u></p>	<p>Sub-rules 3 & 4 are proposed to make the pre-qualification process clear.</p>
<p>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.</p> <p>(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.</p> <p>Explanation.- For the purposes of this sub-rule price means the cost of printing and providing the</p>	<p>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 prequalification.</p> <p>(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.</p>	<p>During the consultation process on revision of rules, it was observed that some PAs are confused on the time for which it remains applicable. An additional sub-rule (5) has been added to bring clarity that prequalification process is specific for a particular set of procurement. However, to avoid duplicity of work it has been proposed that prequalification</p>

<p>documents only.</p> <p>(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.</p> <p>(4) The procuring agency shall communicate to those suppliers or contractors who have not been pre-qualified the reasons for not pre-qualifying them.</p>	<p>(3) The procuring agency shall promptly inform 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. <u>However, a reasonable time for submission of bids not less than 15 days shall be given to prequalified bidders.</u></p> <p>(4) The procuring agency shall communicate to those suppliers or contractors who have not been pre-qualified the reasons for not pre-qualifying them.</p> <p>(5) <u>There shall be a minimum of three bidders to be pre-qualified who should meet evaluation criteria and other terms and conditions of the pre-qualification documents. In case less than three bidders are prequalified, the process may be cancelled and the procuring agency shall resort to open competitive bidding in accordance with rules 21 to 37.</u></p>	<p>could be for a defined period of time but it is important that the pre-qualification is not used for procurement where goods, services and works specification or terms of reference are different in nature and require different skill set and experience.</p> <p>A change in sub-rule (3) is proposed to provide clarity for minimum time required to get bids from the prequalified bidders.</p> <p>Sub-rule 16(5) is proposed to control the monopoly of single prequalified bidder.</p>
<p>16A. Entering into Framework Agreement</p> <p>(New addition)</p>	<p>16A. Entering into Framework Agreement</p> <p>(1) <u>Where the procuring agency intends to procure an object or a class of objects at different intervals in a defined period of time and it</u></p>	<p>Framework contract has been introduced in the rules, which</p>

expects better value for money because of economies of scale, it may enter into a framework agreement for a defined period for the supply of the object or class of objects through one of the following methods:

(a) Closed framework agreement.

(i) A procuring agency may enter into closed framework agreements which will be concluded following open competitive bidding with one or more suppliers to repeatedly provide goods or services or works or any combination of these over a defined period of time not exceeding twelve months which may include lump sum or item wise unit rates. Only suppliers or contractors with whom closed framework agreement is signed shall be entitled for further procurement proceedings;

(ii) Where the framework agreement is signed with more than one supplier or contractor for one item without rates, the procurement shall be carried out following financial competitive bidding before award of contract for each procurement.

Provided that appropriate time shall be provided to the bidders to submit the financial bid.

(b) Open framework agreement.-

(i) A procuring agency may enter into open framework agreement which will be concluded following open competitive bidding with one or more suppliers or contractors to provide a commodity from the international market over a defined period of time. A supplier (or suppliers) or a contractor (or contractors) in addition to the initial parties may subsequently become a party or parties by signing the same framework contract.

(ii) The actual award(s) shall be made by the procuring

allow government to make a central contract for procurements over a specified period of time. Significant chunk of resources and time is spent on procurement of standardized and uniform items across different Procuring Agencies. At times the price variance in different procurement transactions is significant, on occasions the Procuring Agencies over a period of times enter into several contracts. Different options have been provided in which framework contract could be invoked. Introduction of this type of contract into the rules will help

	<p><u>agency following a competition amongst the parties with whom open framework agreement has been signed on the terms and conditions of the procurement that cannot be established with sufficient precision when the open framework agreement is concluded;</u></p> <p><u>Provided that appropriate time shall be provided to the bidders to submit the subsequent bid.</u></p> <p><u>(iii) Open framework agreement shall specify method and manner for subsequent competition amongst the suppliers or contractors with whom the procuring agency signed the open framework agreement.</u></p> <p><u>(iv) The procuring agency, during the currency of the open agreement, shall republish annually the invitation to become a party to the open framework agreement.</u></p> <p><u>(2) The procuring agency desirous to use open framework agreement shall record its reasons to use this method and make it a part of the procurement record.</u></p>	save time and resources.
<p>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:</p> <p>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.</p>	No change.	No change.
<p>18. Disqualification of suppliers and contractors.- The procuring agency shall disqualify a supplier or</p>	No change.	No change.

<p>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.</p>		
<p>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:</p> <p>Provided that any supplier or contractor who is to be blacklisted shall be accorded adequate opportunity of being heard.</p>	<p>19. Blacklisting of suppliers and contractors.- (1)The procuring agencies shall specify a mechanism and manner to permanently or temporarily bar, from participating in future 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, <u>within seven days of their blacklisting, for uploading on its website.</u></p> <p>Provided that any supplier or contractor who is to be blacklisted shall be accorded adequate opportunity of being heard..</p> <p><u>(2) The mechanism and manner for blacklisting suppliers or contractors shall be prescribed by the Authority through regulation.</u></p> <p><u>Provided that mechanism and manner for blacklisting suppliers or contractors already in use of procuring agencies may be retained in their respective usage or may be specified subject to the condition that these are not inconsistent with these Rules and till such time that are specified by regulation.</u></p>	<p>To make clear and to publicize that blacklisted firms shall be uploaded on authority's website the words "for uploading on its website" are added in the existing rule.</p>
<p>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,</p>	<p>No change.</p>	<p>No change.</p>

<p>services and works.</p>		
<p>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</p>	<p>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) <u>of sub-rule (1)</u> of rule 42</p>	<p>The only proposed amendment relates to mentioning of new correct rule number.</p>
<p>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.</p> <p>(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.</p>	<p>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.</p> <p>(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.</p> <p><u>(3) Conditional bids shall not be entertained.</u></p> <p><u>(4) One bidder can only submit a single bid for a procurement unless the procuring agency specifically allow alternative bid in the bidding documents. In case a procuring agency allows submission of alternative bids then it shall specify how such bids will be submitted and bid prices shall be offered and the criteria on which alternative bids shall be evaluated. A separate bid security shall be required with an alternative bid if allowed by the procuring agency.</u></p>	<p>Sub-rules (3) and (4) are proposed to clarify acceptance or rejection of conditional, multiple and alternative bids. Alternative bids can be considered by the procuring agencies in Rule 36 (c) and (d).</p>

<p>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.</p> <p>(2) For competitive bidding, whether open or limited, the bidding documents shall include the following, namely:-</p> <ul style="list-style-type: none"> (a) invitation to bid; (b) instructions to bidders; (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 	<p>23. Bidding documents.- (1) Procuring agencies shall formulate precise and unambiguous bidding documents that shall be made available to the bidders <u>from the date of</u> publication of the invitation to bid.</p> <p>(2) For competitive bidding, whether open or limited, the bidding documents shall include the following, namely:-</p> <ul style="list-style-type: none"> (a) invitation to bid; <u>(aa) bid data sheet</u> (b) instructions to bidders; (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; 	<p>To clarify that the bidding documents shall be provided from the date of publication of tender notice,an amendment has been proposed in rule 23(1) and existing words “immediately after the” are deleted.</p> <p>The bid data sheet has been included as sub-rule 2(aa).</p>
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<p>applicable);</p> <p>(1) details of standards (if any) that are to be used in assessing the quality of goods, works or services specified; and</p> <p>(m) any other detail not inconsistent with these rules that the procuring agency may deem necessary.</p> <p>(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.</p> <p>(4) Procuring agencies shall use standard bidding documents as and when notified by regulation by the Authority:</p> <p>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</p>	<p>(k) format of all securities required (where applicable);</p> <p>(1) details of standards (if any) that are to be used in assessing the quality of goods, <u>services and works</u> specified;</p> <p><u>(la) manner and mechanism of blacklisting; and</u></p> <p><u>(laa) form of integrity pact (where applicable)</u></p> <p>(m) any other detail not inconsistent with these rules that the procuring agency may deem necessary.</p> <p>(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.</p> <p>(4) Procuring agencies shall use standard bidding documents as and when notified by regulation by the Authority:</p> <p>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</p>	<p>The order of goods, services and works has been arranged as per PPRA Ordinance, 2002.</p> <p>To cover “Blacklisting manner and mechanism” in bidding documents provision at “la” is added. Integrity pact was missing in the existing bidding documents which is added as laa.</p>
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<p>documents are specified by regulations.</p> <p>(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.</p> <p>Explanation.- For the purpose of this sub-rule price means the cost of printing and providing the documents only.</p>	<p>documents are specified by regulations.</p> <p>(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.</p> <p>Explanation.- For the purpose of this sub-rule price means the cost of printing and providing the documents only.</p>	
<p>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.</p> <p>(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.</p>	<p>24. Reservations and preference.- (1) Procuring agencies shall allow all prospective bidders to participate in procurement 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.</p> <p>(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.</p>	<p>In sub-rule (1), the word “Procurement” shall be substituted for the word “procuring”.</p>
<p>25. Bid security.- The procuring agency may require the bidders to furnish a bid security not exceeding five per cent of the bid price.</p>	<p>25. Bid security.- The procuring agency may require the bidders to furnish <u>reasonable amount of bid security not exceeding 5% of the estimated amount of procurement. The bid security shall be submitted along with technical proposal in the widely accepted form as required by the procuring agency. In case where no separate technical proposal is required it shall be attached with</u></p>	<p>In existing rule the nature of bid security has been changed from upto 5% of the bid price to a fixed amount of upto 5% of the estimated budget. A fixed</p>

	<p><u>financial proposal as prescribed in bidding documents.</u></p>	<p>amount will do away with the apprehension of bid price being revealed before opening of financial proposal as it could be worked back to find the financial bid. Moreover, the manner for submission of bid security is also clarified in the proposed amendment.</p>
<p>26. Bid validity.- (1) A procuring agency, keeping in view the nature of the procurement, shall subject the bid to a bid validity period.</p> <p>(2) Bids shall be valid for the period of time specified in the bidding document.</p> <p>(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</p>	<p>26. Bid validity.- (1) A procuring agency, keeping in view the nature of the procurement, shall subject the bid to a bid validity period.</p> <p>(2) Bids shall be valid <u>from last date for submission of bids</u> for the period of time specified in the bidding document.</p> <p>(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, <u>only one extension shall be allowed. In such case</u> 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.</p>	<p>Under sub-rule (2) date & time is clarified from which bid validity will be started.</p> <p>The existing sub-rule (3) was not clear about number of extension(s) in bid validity period.</p>

<p>the period of the original bid validity.</p> <p>(4) Bidders who,-</p> <p>(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;</p> <p>(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</p> <p>(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.</p>	<p>(4) Bidders who,-</p> <p>(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;</p> <p>(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</p> <p>(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.</p> <p><u>(5) Where a procurement process is held in abeyance because of court proceedings, the bidders will be given the option for extension in the validity period of bids beyond the extended period,when the said case is decided. Those who will opt not to extend the bid validity period shall be allowed to withdraw without forfeiture of the bid security.</u></p>	<p>The rule 26 is also silent on validity of bid where the procurement process is stalled or held in abeyance because of court proceedings. A new sub-rule 5 has been added to address this eventuality.</p>
<p>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</p>	<p>27. Extension of time for submission of bids.- (1)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.</p>	

<p>a manner similar to the original advertisement.</p>	<p><u>(2) The procuring agency shall allow sufficient extension in time for bid submission where a corrigendum to a procurement notice is to be issued.</u></p> <p><u>Provided that in cases where remaining time for submission of bid is less than seven days from the date of issuance of a corrigendum, the extension shall be given for at least seven days.</u></p>	<p>Sub rule 2 has been added to address the issue of corrigendum to the already issued procurement notice.</p>
<p>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.</p> <p>(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.</p>	<p>No change.</p>	<p>No change.</p>
<p>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.</p>	<p>No change.</p>	<p>No change.</p>

<p>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.</p> <p>(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.</p> <p>(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.</p>	No change.	No change.
<p>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.</p> <p>(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.</p>	No change.	No change.

<p>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.</p>	<p>No change.</p>	<p>No change.</p>
<p>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.</p> <p>(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.</p> <p>(3) Notice of the rejection of all bids or proposals shall be given promptly to all suppliers or contractors that submitted bids or proposals.</p>	<p>No change.</p>	<p>No change.</p>
<p>34. Re-bidding.- (1) If the procuring agency has rejected all bids under rule 33 it may call for a re-bidding.</p> <p>(2) The procuring agency before invitation for re-bidding shall assess the reasons for rejection and may</p>	<p>No change.</p>	<p>No change.</p>

<p>revise specifications, evaluation criteria or any other condition for bidders as it may deem necessary.</p>		
<p>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.</p>	<p>35. Announcement of evaluation reports.- (1) Procuring agencies shall announce <u>and upload on their web sites</u> the results of bid evaluation in the form of a report giving justification for acceptance or rejection of bids at least fifteen days prior to the award of procurement contract. <u>The evaluation report shall be provided to the Authority for uploading on its website.</u></p> <p>(2) <u>The contract can be awarded earlier than fifteen days by the procuring agency provided that all the bidders confirm in writing that they do not have any reservation on the evaluation report.</u></p>	<p>Existing rule is numbered as sub-rule 1. It has been proposed to upload the evaluation report on procuring agency website as well as provide the same to PPRA.</p> <p>New sub-rule 2 has been inserted to award the contract earlier than 15 days subject to the condition that all the qualified bidders have no objection to the evaluation process.</p>
<p>36. Procedures of open competitive bidding.- Save as otherwise provided in these rules the following procedures shall be permissible for open competitive bidding, namely:-</p> <p>(a) Single stage - one envelope procedure.-</p> <p>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</p>	<p>36. Procedures of open competitive bidding.- Save as otherwise provided in these rules the following procedures shall be permissible for open competitive bidding, namely:-</p> <p>(a) Single stage – one envelope procedure</p> <p>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</p>	

<p>the manner prescribed in the bidding document.</p> <p>(b) <u>Single stage - two envelope procedure.-</u></p> <p>(i) The bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;</p> <p>(ii) the envelopes shall be marked as “FINANCIAL PROPOSAL” and “TECHNICAL PROPOSAL” in bold and legible letters to avoid confusion;</p> <p>(iii) initially, only the envelope marked “TECHNICAL PROPOSAL” shall be opened;</p> <p>(iv) the envelope marked as “FINANCIAL PROPOSAL” shall be retained in the custody of the procuring agency without being opened;</p> <p>(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;</p> <p>(vi) during the technical evaluation no amendments in the technical proposal shall be permitted;</p> <p>(vii) the financial proposals of bids shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance;</p> <p>(viii) after the evaluation and approval of the technical proposal the procuring agency, shall at a time within the</p>	<p>document.</p> <p>(b) Single stage – two envelope procedure</p> <p>(i) The bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;</p> <p>(ii) the envelopes shall be marked as “FINANCIAL PROPOSAL” and “TECHNICAL PROPOSAL” in bold and legible letters to avoid confusion;</p> <p>(iii) initially, only the envelope marked “TECHNICAL PROPOSAL” shall be opened;</p> <p>(iv) the envelope marked as “FINANCIAL PROPOSAL” shall be retained in the custody of the procuring agency without being opened;</p> <p>(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;</p> <p>(vi) during the technical evaluation no amendments in the technical proposal shall be permitted;</p> <p>(vii) the financial proposals of bids shall be opened publicly at a time, date and venue announced and communicated to the bidders.</p> <p>(viii) after the evaluation and approval of the technical proposal the procuring agency, shall at a time within the</p>	
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<p>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</p> <p>(ix) the bid found to be the lowest evaluated bid shall be accepted.</p> <p>(c) Two stage bidding procedure.-</p> <p>First stage</p> <p>(i) the bidders shall first submit, according to the required specifications, a technical proposal without price;</p> <p>(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;</p> <p>(iii) after such discussions, all the bidders shall be permitted to revise their respective technical proposals to meet the requirements of the procuring agency;</p> <p>(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:</p> <p>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</p>	<p>the bid validity period, publicly open the financial proposals of the technically accepted bids The financial proposal of bids found technically nonresponsive shall be returned un-opened to the respective bidders; and</p> <p>(ix) the bid found to be the lowest evaluated bid shall be accepted.</p> <p>(c) Two stage bidding procedure</p> <p>First stage</p> <p>(i) the bidders shall first submit, according to the required specifications, a technical proposal without price;</p> <p>(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;</p> <p>(iii) after such discussions, all the bidders shall be permitted to revise their respective technical proposals to meet the requirements of the procuring agency;</p> <p>(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:</p> <p>Provided that such revisions, deletions, modifications or additions are communicated to all the bidders equally at the time of invitation to submit final bids,</p>	
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<p>sufficient time is allowed to the bidders to prepare their revised bids:</p> <p>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;</p> <p>(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;</p> <p>Second stage</p> <p>(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;</p> <p>(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</p> <p>(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:</p> <p>Provided that in setting the date for the submission of the revised technical proposal and</p>	<p>and that sufficient time is allowed to the bidders to prepare their revised bids:</p> <p>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;</p> <p>(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;</p> <p>Second stage</p> <p>(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;</p> <p>(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</p> <p>(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:</p> <p>Provided that in setting the date for the submission of the revised technical proposal and financial proposal a</p>	
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<p>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.</p> <p>(d) Two stage - two envelope bidding procedure.-</p> <p>First stage</p> <p>(i) the bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;</p> <p>(ii) the envelopes shall be marked as “FINANCIAL PROPOSAL” and “TECHNICAL PROPOSAL” in bold and legible letters to avoid confusion;</p> <p>(iii) initially, only the envelope marked “TECHNICAL PROPOSAL” shall be opened;</p> <p>(iv) the envelope marked as “FINANCIAL PROPOSAL” shall be retained in the custody of the procuring agency without being opened;</p> <p>(v) the technical proposal shall be discussed with the bidders with reference to the procuring agency’s technical requirements;</p> <p>(vi) those bidders willing to meet the requirements of the procuring agency shall be allowed to revise their technical proposals following these discussions;</p> <p>(vii) bidders not willing to conform their technical</p>	<p>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.</p> <p>(d) Two stage - two envelope bidding procedure.-</p> <p>First stage</p> <p>(i) the bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;</p> <p>(ii) the envelopes shall be marked as “FINANCIAL PROPOSAL” and “TECHNICAL PROPOSAL” in bold and legible letters to avoid confusion;</p> <p>(iii) initially, only the envelope marked TECHNICAL PROPOSAL” shall be opened;</p> <p>(iv) the envelope marked as “FINANCIAL PROPOSAL” shall be retained in the custody of the procuring agency without being opened;</p> <p>(v) the technical proposal shall be discussed with the bidders with reference to the procuring agency’s technical requirements;</p> <p>(vi) those bidders willing to meet the requirements of the procuring agency shall be allowed to revise their technical proposals following these discussions;</p> <p>(vii) bidders not willing to conform their technical</p>	
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<p>proposal to the revised requirements of the procuring agency shall be allowed to withdraw their respective bids without forfeiture of their bid security;</p> <p>Second stage</p> <p>(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;</p> <p>(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:</p> <p>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</p> <p>(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.</p>	<p>proposal to the revised requirements of the procuring agency shall be allowed to withdraw their respective bids without forfeiture of their bid security;</p> <p>Second Stage</p> <p>(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;</p> <p>(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:</p> <p>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 <u>not less than seven days</u> to the bidders to incorporate the agreed upon changes in the technical proposal and to prepare the required supplementary financial proposal; and</p> <p>(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.</p>	<p>The amendment in proviso of rule 36 (d) (ix) is proposed to give the bidders not less than 7 days for preparation of revised technical proposal alongwith supplementary financial proposal.</p>
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<p>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:-</p> <p>(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;</p> <p>(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</p> <p>(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</p>	<p>No change.</p>	<p>No change.</p>
<p>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.</p>	<p>38. Acceptance of bids.-(1)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.</p> <p><u>(2)Single bid may be considered for acceptance if it meets the evaluation criteria expressed in bidding</u></p>	<p>The existing rule shall be numbered as sub-rule (1) and new sub-rules2 & 3 are added.</p> <p>Sub-rule 2 explains the procedure in case a procuring agency</p>

	<p><u>documents and is not in conflict with any other rules, regulations or policy of the Federal Government. The price may be compared with the prevailing market prices, if so required.</u></p> <p><u>(3) In case the lowest evaluated bidder fails to sign the contract or accept supply order or provide performance guarantee, the procuring agency may award the procurement contract to next lowest evaluated bidder.</u></p>	<p>receives single bid after adopting to open competition.</p> <p>Sub-rule (3) explains the procedure to award contract to next ranked bidder.</p>
<p>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.</p>	<p>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. <u>The performance guarantee shall be released within sixty days of closing of contract.</u></p>	<p>In the existing rule at the end a new sentence relating to return of performance guarantee within reasonable time has been added.</p>
<p>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:</p> <p>Provided that the extent of negotiation permissible shall be subject to the regulations issued by the Authority.</p>	<p>No change.</p>	<p>No change.</p>
<p>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.</p>	<p>No change.</p>	<p>No change.</p>
<p>42. Alternative methods of procurements.- A procuring agency may utilize the following alternative methods of procurement of goods, services and works, namely:-</p>	<p>42. Alternative methods of procurements.- (1)A procuring agency may utilize the following alternative methods of procurement of goods, services and works, namely:-</p>	<p>The existing rule is numbered as sub-rule (1).</p>

<p>(a) petty purchases.-</p> <p>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:</p> <p>Provided that the procuring agencies shall ensure that procurement of petty purchases is in conformity with the principles of procurement prescribed in rule 4:</p> <p>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.</p> <p>(b) request for quotations.-</p> <p>A procuring agency shall engage in this method of procurement only if the following conditions exist, namely:-</p> <p>(i) the cost of object of procurement is below the prescribed limit of one hundred thousand rupees:</p> <p>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</p>	<p>(a) petty purchases.-</p> <p>Procuring agencies may provide for petty purchases where the object of the procurement is upto the financial limit of fifty thousand rupees. Such procurement shall be exempt from the requirements of bidding or quotation of prices:</p> <p>Provided that the procuring agencies shall ensure that procurement of petty purchases is in conformity with the principles of procurement prescribed in rule 4:</p> <p>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.</p> <p>(b) request for quotations.-</p> <p>A procuring agency shall engage in this method of procurement only if the following conditions exist, namely:-</p> <p>(i) the cost of object of procurement is more than fifty thousand rupees and upto the financial limit of two hundred thousand rupees:</p> <p>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.</p>	<p>The ceilings for different procurement methods need to be revised and made realistic in comparison with the level of input, time and effort required to go for competitive bidding. Accordingly changes have been made in rule 42(a) and (b).</p>
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<p>which will become financial limit under this sub-rule:</p> <p>(ii) the object of the procurement has standard specifications;</p> <p>(iii) minimum of three quotations have been obtained; and</p> <p>(iv) the object of the procurement is purchased from the supplier offering the lowest price:</p> <p>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;</p> <p>(c) direct contracting.-</p> <p>A procuring agency shall only engage in direct contracting if the following conditions exist, namely:-</p> <p>(i) the procurement concerns the acquisition of spare parts or supplementary services from original manufacturer or supplier:</p> <p>Provided that the same are not available from alternative sources;</p> <p>(ii) only one manufacturer or supplier exists for the</p>	<p>(ii) the object of the procurement has standard specifications;</p> <p>(iii) minimum of three quotations have been obtained; and</p> <p>(iv) the object of the procurement is purchased from the supplier offering the lowest price:</p> <p>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;</p> <p>c) direct contracting</p> <p>A procuring agency shall only engage in direct contracting <u>if one or more of the</u> following conditions exist, namely</p> <p>(i) the procurement concerns the acquisition of spare parts or supplementary services from original manufacturer or supplier:</p> <p>Provided that the same are not available from alternative sources;</p> <p>(ii) Deleted and added as Rule 42(d)(iv).</p>	<p>In rule 42(c), sub-rules (ii), (iii) and (v) have been deleted and shifted to rule 42(d). The reason is that these provisions relates to a method where negotiated tendering is more suitable.</p>
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<p>required procurement:</p> <p>Provided that the procuring agencies shall specify the appropriate fora, which may authorize procurement of proprietary object after due diligence; and</p> <p>(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:</p> <p>Provided that the contract or contracts do not exceed three years in duration;</p> <p>(iv) repeat orders not exceeding fifteen per cent of the original procurement;</p> <p>(v) in case of an emergency:</p> <p>Provided that the procuring agencies shall specify appropriate fora vested with necessary authority to declare an emergency;</p> <p>(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</p>	<p>(iii) Deleted and added as Rule 42(d)(v).</p> <p>(iv) repeat orders not exceeding fifteen per cent of the original procurement <u>of same goods and same services; and for works, variation by increase or decrease, omission, change, addition, alteration, deletion or amendment which when taken together are not in excess of fifteen percent of the contract price;</u></p> <p>(v) Deleted and added as Rule 42(d)(vi).</p> <p>(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</p>	<p>The provision of repeat orders at rule 42(c)(iv) has been revised to make it clear and elaborate.</p>
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<p>(vii) for purchase of motor ***vehicle from local original manufacturers or their authorized agents at manufacturer's price.</p> <p>(d) negotiated tendering.-</p> <p>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,-</p> <p>(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;</p> <p>(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;</p> <p>(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:</p> <p>Provided that any procuring agency desirous of using negotiated tendering as a method of procurement shall</p>	<p>(vii)for purchase of motor vehicle(s) from local original manufacturers or their authorized agents at manufacturer's price.<u>In case a procuring agency is outside Pakistan local means the country where a procuring agency is located.</u></p> <p>(d) negotiated tendering</p> <p>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 methodshall only be used when<u>one or more of the following conditions exist:-</u></p> <p>(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;</p> <p>(ii) for technical or artistic reasons, or for reasons connected with protection of exclusive rights or intellectual property, the supplies may be manufactured, <u>published</u>or delivered only by a particular supplier;</p> <p>(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:</p>	<p>This amendment is proposed to facilitate our foreign missions abroad.</p>
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<p>record its reasons and justifications in writing for resorting to negotiated tendering and shall place the same on record.</p>	<p><u>(iv) only one manufacturer or supplier exists for the required procurement;</u></p> <p><u>Provided that the procuring agencies shall specify the appropriate fora, which may authorize procurement of proprietary object after due diligence;</u></p> <p><u>(v) 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;</u></p> <p><u>Provided that the contract or contracts do not exceed three years in duration;</u></p> <p><u>(vi) in case of an emergency</u></p> <p><u>Provided that the procuring agencies shall specify appropriate fora vested with necessary authority to declare an emergency;</u></p> <p>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.</p>	<p>ii) Deleted from Rule 42(c)(ii) and added as Rule 42(d)(iv).</p> <p>iii) Deleted from Rule 42(c)(iii) and added as Rule 42(d)(v).</p> <p>iv) Deleted from Rule 42(c)(v) and added as Rule 42(d)(vi).</p>
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	<p><u>(e) Entering into Force Account</u></p> <p><u>A procuring agency may enter into Force Account for works if one or more of the following conditions exist;</u></p> <p>(i) <u>quantities of work to be done cannot be defined in advance;</u></p> <p>(ii) <u>works are small and scattered or in remote locations for which qualified construction firm(s) is unlikely to bid at reasonable prices;</u></p> <p>(iii) <u>works are required to be carried out without disrupting ongoing operations;</u></p> <p>(iv) <u>in case of emergency ;</u></p> <p>Provided that the procuring agencies shall specify appropriate fora vested with necessary authority to declare an emergency;</p> <p><u>2. For the procurements under rule 42 (c)(i) and (d), the procuring agency shall provide bidding documents to the prospective contractor or supplier, who shall be asked to submit his best technical or financial or both bids within reasonable time. The procuring agency shall require to follow the provisions of rules 29, 30, 33 & 34 before award of contract. Rules 39, 43, 44, 45, 46, 47 & 49 will also be applicable.</u></p>	<p>Provision for Force Account has been added as one of the alternate method of procurement. Inclusion of this as sub-rule 42 (e) will help the procuring agencies to cope with the situations, where procuring agencies feel that either the bidders/ service providers are reluctant to undertake some work owing to its volume, nature, timeline or it feels that it could substantially save on time and resources by undertaking the activity itself.</p> <p>Sub rule 42 (2) has been added to clarify that bidding documents are also required for direct contracting and negotiated tendering.</p>
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<p>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.</p>	<p>No change.</p>	<p>No change.</p>
<p><u>43(A) Liquidated Damages</u></p>	<p><u>43(A) Liquidated Damages</u> <u>In the event a contractor fails to deliver any or all of the goods, works or services within the period agreed in the contract, the procuring agency either shall allow an extension in the contract period pursuant to a written request by the contractor with justifications or deduct the amount, as liquidated damages, a sum equivalent to the percentage specified in the contract for each week or part thereof of delay.</u></p>	<p>This is a new rule added as this provision is part of procurement rules/guidelines of almost all the international organizations and it helps the PAs to make it binding for the contractor to comply with the agreed contractual obligations.</p>
<p>44. Entry into force of the procurement contract.- A procurement contract shall come into force,-</p> <p>(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</p> <p>(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:</p> <p>Provided that where the coming into force of a contract is contingent upon fulfilment of a certain condition or</p>	<p>No change.</p>	<p>No change.</p>

<p>conditions, the contract shall take effect from the date whereon such fulfilment takes place.</p>		
<p>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 overall 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.</p> <p>(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.</p>	<p>No change.</p>	<p>No change.</p>
<p>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.</p> <p>(2) Such maintenance of record shall be subject to the regulations framed in this regard from time to time.</p>	<p>No change.</p>	<p>No change.</p>
<p>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</p>	<p>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 <u>on the website of the</u></p>	<p>The proposed amendment is intended to be a more firm method</p>

<p>and award of contract public:</p> <p>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.</p>	<p><u>Authority and its own website, if available.</u></p> <p>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.</p>	<p>for public access to all the signed contracts.</p>
<p>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.</p> <p>(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.</p> <p>(3) The committee shall investigate and decide upon the complaint within fifteen days of the receipt of the complaint.</p> <p>(4) Mere fact of lodging of a complaint shall not warrant suspension of the procurement process.</p> <p>(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.</p>	<p>No change.</p>	<p>No change.</p>

<p>49. Arbitration.- (1) After coming into force of the procurement contracts, disputes between the parties to the contract shall be settled by arbitration.</p> <p>(2) The procuring agencies shall provide for a method of arbitration in the procurement contract, not inconsistent with the laws of Pakistan.</p>	<p>No change.</p>	<p>No change.</p>
<p>50. Mis-procurement.- Any unauthorized breach of these rules shall amount to mis-procurement.</p>	<p>No change.</p>	<p>No change.</p>
<p>51. Overriding effect.- The provisions of these rules shall have effect notwithstanding anything to the contrary contained in any other rules concerning public procurements.</p> <p>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.</p>	<p>51. Overriding effect.- The provisions of these rules shall have effect notwithstanding anything to the contrary contained in any other rules concerning public procurements.</p>	<p>Proviso is deleted as Public Procurement Rules, 2004 were notified 11 years back and procurements started earlier than the Rules must have been completed.</p>
<p>52. Post Procurement Reviews (New Addition)</p>	<p>52. Post Procurement Reviews <u>The records of procurement activities shall be reviewed periodically by the Authority of few selected high value procurements of some procuring agencies for evaluation of the procurement process. The findings of the post procurement review may be provided to the procuring agency for improvement in the institutional frame work and public procurement activities.</u></p>	<p>Post procurement reviews are introduced to enhance quality of procurement of goods, services&works andimprovement in the institutional frame work.</p>

<p>53. Unsolicited proposal (New Addition)</p>	<p><u>53. Unsolicited proposal</u> <u>(1). In case of unsolicited proposal received without invitation to bid for any engineering design, procurement of complex machinery and any other arrangements, the procuring agency shall process the proposal to ascertain its viability and after such process if proposal is considered viable the procuring agency shall ;</u></p> <p>a) <u>Advertise the proposal for open competitive bidding without disclosing the name of the initiator. In case prequalification process is opted then the initiator of the proposal shall be exempt from the prequalification.</u></p> <p>b) <u>If no other bidder in response to advertisement submits bid then the procuring agency may award the contract to the initiator of the proposal; and</u></p> <p>c) <u>Award five percent additional weightage to the initiator of the proposal from the combined score, technical and financial, in evaluation.</u></p> <p><u>Provided that valid unsolicited proposal must include sufficient details to permit a determination by the procuring agency.</u></p>	<p>New amendment has been proposed to cover the aspect of Public Procurement in PPP projects.</p>
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