

## NATIONAL ASSEMBLY SECRETARIAT

### REPORT OF THE STANDING COMMITTEE ON CABINET SECRETARIAT ON THE PUBLIC PROCUREMENT REGULATORY AUTHORITY (AMENDMENT) BILL, 2021 (ORDINANCE NO. VII OF 2020)

I, Chairperson of the Standing Committee on Cabinet Secretariat have the honour to present this report on the Public Procurement Regulatory Authority (Amendment) Bill, 2021 (Ordinance No. vii of 2020) (Government Bill) referred to Committee on 20<sup>th</sup> July, 2020.

2. The Committee comprises the following:

(1)	Ms. Kishwer Zehra	Chairperson
(2)	Mr. Saleem Rehman	Member
(3)	Mr. Ali Nawaz Awan	Member
(4)	Mr. Tahir Sadiq	Member
(5)	Mr. Muhammad Asim Nazir	Member
(6)	Mr. Aamir Talal Gopang	Member
(7)	Khawaja Sheraz Mehmood	Member
(8)	Mr. Muhammad Aslam Khan	Member
(9)	Ms. Uzma Riaz	Member
(10)	Mr. Muhammad Hashim	Member
(11)	Mr. Rasheed Ahmad Khan	Member
(12)	Mr. Ahmad Raza Maneka	Member
(13)	Rana Iradat Sharif Khan	Member
(14)	Ms. Shahnaz Saleem Malik	Member
(15)	Ms. Seema Mohiuddin Jameeli	Member
(16)	Mr. Raza Rabani Khar	Member
(17)	Mr. Roshanuddin Junejo	Member
(18)	Mir Ghulam Ali Talpur	Member
(19)	Syed Mehmood Shah	Member
(20)	Mr. Mohsin Dawar	Member
(21)	Minister-in-charge for Cabinet Secretariat	Ex-officio Member

3. The Committee considered the Bill as introduced in the National Assembly placed at 'Annex-A' in its meetings held on 11<sup>th</sup> August, 2020, 29<sup>th</sup> September, 2020 and 17<sup>th</sup> February, 2021. The Committee made the following amendments therein.-

#### **Clause: 4**

After clause 4, following new clauses, 5, 6, 7 and 8 shall be inserted and the remaining clauses shall be re-numbered accordingly.

#### **Clause: 5**

(2) The Authority shall accomplish and enforce a comprehensive regulatory framework of public procurement and disposal of public assets, starting from planning to the close out of the contracts.

(3) The Authority shall make with the approval of the Federal Government, such rules, regulations, policies, standards, codes of practice and standard tendering documents including standard contracts.

(4) The Authority shall formulate training policies on public procurement and launch its training programs for the relevant personnel of the procuring agencies and the suppliers, contractors and vendors.

(5) The Authority shall digitalize the public procurement by developing and maintaining an e-procurement system covering all the aspects of procurement or disposal starting from planning to the close out of the contract.

(6) The Authority shall have the power to:

- (a) issue general and specific instructions, directives, and recommendations for improvement in the procurement processes;
- (b) conduct investigations and inquiries into any of the issues related to public procurement and disposal of public assets;
- (c) debar a tenderer for a specified period from participating in public procurement, and notify all procuring agencies on such actions;
- (d) impose penalties up to maximum amount of ten million in accordance with the gravity of violation(s) of rules, regulations, instructions and directives issued by the Authority; and
- (e) evaluate the selected procurement cases and issue the evaluation reports containing observations, findings and directives or recommendations thereof.

(7) Without prejudice to the generality of the foregoing powers conferred by above sub sections, following shall be the powers and functions of the Authority, namely:

- (a) monitor the application of laws, rules, regulations, policies and procedures in respect of or relating to public procurement;
- (b) monitor the implementation of procurement regulatory framework, and issues instructions, directives and recommendations, and the same shall be binding on the Procuring Agencies as well as suppliers, contractors and vendors;
- (c) evaluate the procurement regulatory framework and take steps for reformulation or revision thereof, and recommend to the Federal Government revision in or formulation of new laws, rules and policies in respect of or related to public procurement;
- (d) make regulations and lay down codes of ethics, regulatory guides, procurement guidelines and procedures for public procurement, inspection or quality of goods, services or works;
- (e) monitor public procurement practices and issue instructions, directives and recommendation for improving governance transparency, accountability and quality of public procurement;
- (f) monitor overall performance of procuring agencies and issue instructions, directives and recommendation for improvement in their institutional setup

- (g) provide guidance and support to procuring agencies for developing and improving their institutional framework and public procurement activities;
- (h) submit reports to the Government in respect of public procurement activities of procuring agencies;
- (i) call any functionary of procuring agencies to provide assistance in its functions and call for any information from such agencies in pursuance of its objectives and functions; and
- (j) perform any other function assigned to it by the Federal Government or that is incidental or consequential to any of the aforesaid functions."

2. **Amendment of section 6, Ordinance No. XXII of 2002.**- In the said Ordinance, for section 6, the following shall be substituted, namely:-

**"6. Composition of the Authority.**- (1) The Authority shall consist of a Chairman and five full time members and five private part time members. Five full time members shall be namely Member (Monitoring and Evaluation), Member (Technical), Member (Corporate) and Member (Information Technology).

(2) The Chairman and every member of the Authority shall be a citizen of Pakistan having ability and integrity along with such knowledge and experience as hereinafter specified.

(3) There shall be a Secretary of the Authority amongst the officers of the Authority, who shall be a non-voting member of the Authority.

(4) Subject to the provision of this Ordinance, the Chairman and full time members shall hold the office for a fixed terms of four years not extendable for any other term unless selected again by open competition.

(5) The Federal Government shall through open competition select and appoint Chairman and full time Members of the Authority in accordance with the criteria hereinafter specified.

(6) The eligibility criteria for the appointment of the Chairman and full time members shall be as follows, namely:-

(a) the Chairman shall be an eminent thorough professional of known integrity and competence holding a professional graduate degree in engineering or law having the experience of seventeen years in the relevant field. The Chairman shall have sound knowledge and understanding of regulatory infrastructure, monitoring and evaluation, procurement management and technical specification aligned with international codes and standards. An advanced university degree in the relevant field shall be treated as two years practical experience.

(b) the Member (Monitoring and Evaluation) shall be an eminent professional of known integrity and competence holding professional graduate degree in engineering having the experience of fifteen years in the relevant field, The Member (Monitoring and Evaluation) shall have sound knowledge and understanding of regulatory infrastructure, monitoring & evaluation, procurement management and technical specification aligned with international codes and standards. An advanced university degree in the relevant field shall be treated as two years practical experience.