

**GOVERNMENT OF PAKISTAN
PUBLIC PROCUREMENT REGULATORY AUTHORITY
(CABINET DIVISION)**

WORKING PAPER

Subject: **INCOME GENERATION BY PPRA**

Section 9 of Public Procurement Regulatory Authority Ordinance No. XXII of 2002 provides that there shall be a PPRA fund to be utilized by the Authority to meet the charges in connection with its functions. Section 9(2) of PPRA ordinance provides that in addition to the Federal Government allocations, the fund shall also comprise of grants, income by investment by the authority and all other sums or properties which may in any manner become payable to; or vest with the authority in respect of any matter. In view of the above, PPRA has been sufficiently authorized to explore ways and means to generate its own income in line with other regulatory bodies.

2. One of the major functions being performed by PPRA is the continuous monitoring of tenders which are up-loaded by Public Sector Procuring Agencies on its website www.ppra.org.pk. Deviations from Public Procurement Rules 2004 are pointed out to the respective agencies for taking corrective measures. According to Public Procurement Rule-12, all tender advertisements above Rs: 100,000 are also required to be uploaded on PPRA website. During the financial year 2008-2009 about 329 procuring agencies uploaded their 18630 tender advertisements on PPRA website. Since establishment of this facility in 2004, no charge has been levied on the tender advertisements.

3. PPRA web site is useful for the procuring agencies and the suppliers. The advertisement of tender notices in print media is very expensive. All tender advertisements from Rs.1 lac to 20 lac are also required to be uploaded on PPRA website. Tenders above Rs.2 million are published both on PPRA website and in print media. This facility of uploading on PPRA website has been providing huge savings for the procuring agencies. However, a nominal levy of tender fee would generate income for PPRA without causing any additional financial burden on the procuring agencies.

4. The methods being used for uploading of procuring agencies tender advertisements include direct uploading (through user login), emails, faxes, letters and newspapers. PPRA intends to levy an initial fee of Rs.1000/- **(subject to variation)* on each tender uploading by the procuring agencies to generate some income and to meet its expenses which will ultimately reduce reliance on government budget. This initiative, would help generate an income of approximately Rs.2 million annually.

5. Proposal at para 4 above may kindly be approved ^{is} for financial autarky of PPRA and a much needed right step to attain the essence of a regulatory body in the new regulatory regime to achieve the overall objective of improving governance, management, transparency, accountability and quality of public procurement of goods, services and works in the public sector.


(Hafeez ur Rehman)
Managing Director
22 | 7
2009

* Suggested variation Rs. _____

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Islamabad – the


July 2009.

RESOLUTION


Resolved that the proposal of PPRA to levy a nominal fee as suggested in the working paper on uploading of each tender on its website www.ppra.org.pk by Public Sector Procuring Agencies is hereby concurred.



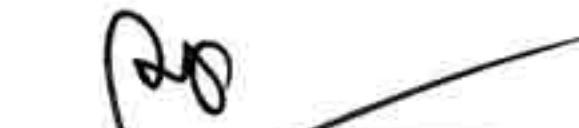
Mr. G.M. Sikandar
Member, PPRA BOD



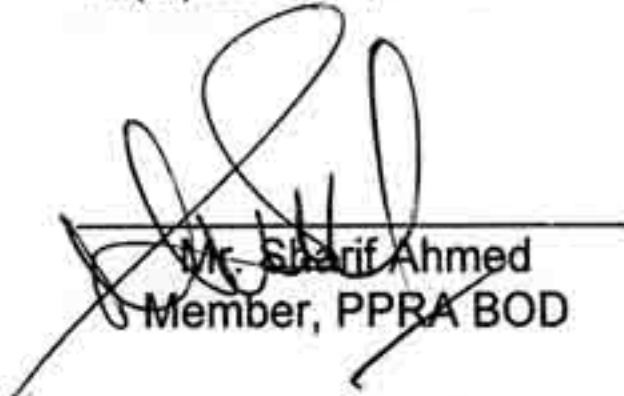
Lt Gen @ Israr Ahmad Ghumman, HI,
HI(M) Member, PPRA BOD



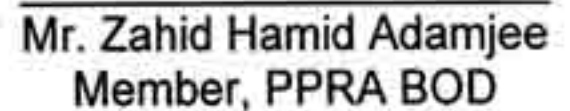
Mr. Shahid Rafi
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Mr. Nasir Ali Shah Bukhari
Member, PPRA BOD



Mr. Hafeez ur Rehman
Member/Secretary, PPRA BOD



Mr. Salman Siddique
Chairman, PPRA BOD

22/7/2009