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January 18, 2022 TIP22/0118/1A

The Chairman,
Capital Development Authority
CDA Head office, Sector G-7/4,
Islamabad.

Subject: Complaint against Qualification Criteria and Clarifications for the Project/RFP titled "Procurement, Installation O&M of IITS and Construction of OCC Building for Islamabad Metro Bus Project"

Dear Sir,

Transparency International Pakistan has received a complaint from M/s Asis City Technologies against qualification criteria for the Project/RFP titled "Procurement, Installation O&M of IITS and Construction of OCC Building for Islamabad Metro Bus Project". **(Annex-A)**

The complainant has the following allegations/objections:

That,

1. The floated RFP has some of the key mandatory requirements and specifications which are specifically favoring one or two select bidders while eliminating all the other potential bidders:
    a. Clause 3.11: Lead bidder must have successfully implemented similar project for the procurement, implementation and O&M of similar work and project should be in public operations.
    b. Pre-Bid Clarification: Foreign Party can be a Lead Bidder if it has a registered office in Pakistan with NTN and GST.
2. No renowned International ITS Solution Provider has a registered office in Pakistan therefore no foreign bidder can qualify here
3. The only local bidders with ITS deployment with 1 Year or more experience are not more than one to two companies only; therefore, all foreign reputed bidders do not qualify as lead bidder.
4. The BOQ and scope of technical requirements/specifications is very vague and ambiguous with no clarifications from the procuring agency, below are
    a. Fare Gate Validator count discrepancy (Page 190 and Page 299); The RFP mentions as three types of Fare Gates with 2 validators per gate which make total of 132 validators. In BOQ (Page 299) number of validators is mentioned as 22.
    b. Gate Validator OS (Page 193); Android 5 or higher is very limiting as Linux is still widely used among the validator manufacturers.
    c. Onboard Dispatching Screen (Page 208); The dimensions required in the RFP limits the product selection beyond the mentioned screen size which are of ordinary tablets and not industrial ones. Such specifications are not robust and not recommended for a project with higher number of ridership and long tenure.
    d. HW Delivery Time (Page 297); Considering the chip and electronic part crisis, 12 weeks is very limited unless some companies have not prepared already.

5. The bid delivery time is very limited for an international tender during the pandemics.
6. The layouts and designs provided with the RFP are not in congruence with the required BOQ's.
7. No clarity has been provided on the detailed BOQ requirements in the pre-bid meeting and the bidders have been asked to provide complete solution as per their understanding of the RFP.

TI Pakistan Comments:

The allegations/objections have been examined by TI Pakistan, and prima facie it appears that they are correct. The specification should allow the widest possible competition and should not favor any specific bibber. According to Clause 10 and 29, PPRA Rules 2004:

10. Specifications.-

(1) The procuring agency shall allow the widest possible competition by defining such specifications that shall not favour any single contractor or supplier nor put others at a disadvantage.

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 criterion in the bidding documents shall amount to mis-procurement.

TI Pakistan Recommendation:

TI Pakistan requests, Chairman Capital Development Authority (CDA) to please examine the allegations, and if they are found to be correct, redress the grievances of the complainant, and comply with Rule No. 10 & 29, and ensure the response time for international competitive bidding as mentioned in Rule 30, of PPRA Rules 2004.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption, and achieve against Zero tolerance against corruption.

Regards

Ms. Yasmeen Lari
Sitara-e-Imtiaz, Hilal-e- Imtiaz
Chairperson
Transparency International Pakistan

Justice (Rtd) Nasira Iqbal
Vice Chair, Sitara-e-Imtiaz
Transparency International Pakistan

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

1. PSPM. PM House, Islamabad
2. Chairman, NAB, Islamabad
3. Registrar, Supreme Court of Pakistan, Islamabad
4. MD, PPRA, Islamabad
5. Complainant

January 17, 2022

The Chairman

Capital Development Authority

CDA Head office, Sector G-7/4,

Islamabad, Pakistan

Subject: **Grievances on the Qualification Criteria and Clarifications for the Project/RFP titled "Procurement, Installation O&M of IITS and Construction of OCC Building for Islamabad Metro Bus Project"**

Dear Sir,

This is with reference to RFP for **"Procurement, Installation O&M of IITS and Construction of OCC Building for Islamabad Metro Bus Project"** floated by your esteemed organization for the completion and operational readiness of Metro-Bus Corridor from Kashmir Highway to New Islamabad International Airport, Islamabad**.** We are a keen prospective bidder and have been closely following the complete bidding process. However, we wish to highlight our grievances on major inconsistencies in the whole bidding process.

As the project is one of National Significance and will be utilizing huge amounts of Public Monies, therefore it is in the greater National Interest that the bidding should be done under a thorough competitive process that ensures the participation of the maximum potential Local and International Bidding Agencies. However, the currently floated RFP has a number of key mandatory requirements and specifications that are specifically favoring one or two select bidders while eliminating all the other potential bidders in the initial scrutiny. Furthermore, there are huge gaps in the requirements and expectations of the bidding agency to which no formal clarifications have been provided to the prospective bidders.

Below are some of the key areas where the RFP is clearly favoring a select few bidders and eliminating the majority of the potential bidders. areas that clearly indicate

Asis CT, Asis Elektronik ve Bilişim Sistemleri A.Ş.'nin şehir teknolojileri alanındaki tescilli markasıdır.

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CITY TECHNOLOGIES

1) As per Clause 3.11 (Page 13) of the RFP and further to clarifications in the pre-bid meeting
Clause 3.11: Lead bidder must have successfully implemented similar project for the procurement, implementation and O&M of similar work and project should be in public operations.
Pre-Bid Clarification: Foreign Party can be a Lead Bidder if it has a registered office in Pakistan with NTN and GST.
Given the above criteria for the lead bidder, no renowned International ITS Solution Provider has a registered office in Pakistan therefore no foreign bidder can qualify here. Additionally, the only local bidders with ITS deployment with 1 Year or more experience are not more than one to two companies only; therefore, all foreign reputed bidders do not qualify as lead bidder. This requirement is clearly indicative of eliminating potential competition and favoring specific bidder(s).

2) The BOQ and scope of technical requirements/specifications is very vague and ambiguous with no clarifications from the procuring agency, below are some of the objection points:

   i) **Fare Gate Validator count discrepancy (Page 190 and Page 299);** The RFP mentions as three types of Fare Gates with 2 validators per gate which make total of 132 validators. In BOQ (Page 299) number of validators is mentioned as 22.
   ii) **Gate Validator OS (Page 193);** Android 5 or higher is very limiting as Linux is still widely used among the validator manufacturers.
   iii) **Onboard Dispatching Screen (Page 208);** The dimensions required in the RFP limits the product selection beyond the mentioned screen size which are of ordinary tablets and not industrial ones. Such specifications are not robust and not recommended for a project with higher number of ridership and long tenure.
   iv) **HW Delivery Time (Page 297);** Considering the chip and electronic part crisis, 12 weeks is very limited unless some companies have not prepared already.

3) Overall, bid delivery time is very limited for an international tender during the pandemics.

4) The BOQ and scope of Civil and Construction Works is very vague and ambiguous with no clarifications from the procuring agency.

5) The layouts and designs provided with the RFP are not in congruence with the required BOQ's. Furthermore, no clarity has been provided on the detailed BOQ requirements in the pre-bid meeting and the bidders have been asked to provide complete solution as per their understanding of the RFP. The solutions expected in response to such a complex requirement from different bidders may vary significantly and hence an apple to apple comparison will not be possible.

6) Since similar solutions are already in place in Lahore, Multan, Rawalpindi and Peshawar, the procuring agency and its consultant could have easily evaluated and finalized a comprehensive requirement for the complete solution instead of vague requirements as laid down in the RFP and subsequent clarification meetings.

We would like to reiterate that the subject project is of National Significance and huge amounts of Public Monies are involved, therefore the complete RFP may be revised/re-issued keeping in view the National/Federal Procurement laws ensuring open competitive and transparent environment; and competitive yet flexible requirements enabling maximum participation of the potential bidders; as this will promote healthy competition and would ensure the best utilization of Public Money.

We look forward to your kind intervention in the process to make it a competitive and transparent one.

Warm Regards,

Mustafa Öziçsel
ASIS – Vice President- International Sales

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C.C:

1. **PM's Performance Delivery Unit –** Office of the Prime Minister of Pakistan, Constitution Avenue, Sector G-5/1, Islamabad
2. **Chairman, Public Accounts Committee** – National Assembly of Pakistan, Constitution Avenue, Sector G-5/1, Islamabad
3. **Competition Commission of Pakistan** - 7th Floor South, ISE Towers 55-B, Jinnah Avenue, Islamabad, Pakistan.
4. **Transparency International Pakistan Office -** Plot 72F/2, 9th Street, Jami Commercial, DHA Phase-7, Karachi
5. **Public Procurement Regulatory Authority** – 1st Floor FBC Building Near State Bank, Sector G-5/2, Islamabad-Pakistan
6. **Project Director-ISB Metrobus -** CDA Head office, G-7/4, Islamabad, Pakistan