



Transparency International Pakistan

Strives to build a better country to live in

MEMORANDUM OF UNDERSTANDING

An Agreement has been reached between Transparency International Pakistan and the Pakistan Telecommunications Company Limited for the Implementation of the "Integrity Pact" and Transparency in its Procurement Systems.

The "Integrity Pact" is an Integral Part of the National Anti Corruption Strategy approved by the Cabinet on 20th September 2002 & 5th October 2002 and its Implementation mechanism approved by the President 24th October 2002.

The Integrity Pact is a tool developed by Transparency International, which ensures that all activities and decisions of public offices are transparent and that the projects/works are implemented, services are provided or taken, and goods/materials are supplied without giving taking or allowing for any kind of benefit, financial or otherwise. Justification of the decisions taken is provided without discrimination to all parties concerned or to any individual or institution/organization.

It is agreed that PTCL along with TI-Pakistan will work jointly for the implementation of the World Bank SBD's which is a recommendation of the NACS. and also those recommendations in the NACS involving Transparency in procurement. It is also agreed that the PTCL will establish accountability in all its dealings and try to provide all the necessary Checks and Balances in its effort towards an all encompassing Transparent Procurement System in its effort to reduce corruption. The process will comprise the formation of a Coordination Committee to implement the Integrity Pact

The Coordinating Committee.

This committee to be set up by the PTCL shall consist of a three members comprising Officials of PTCL, with responsibilities related to the Administrative (Legal Expert), Financial and Technical (Procurement & Contracts) Departments. and two Representative of TI-Pakistan. The EVP (Development) shall act as its Chairman. The Coordinating Committee will:

1. Identify and list all issues of transparency and evaluation of tenders criteria in the procurement bidding documents, including the discretionary conditions of exiting in the contract documents and make the necessary changes where necessary..
2. Prepare ways and means to be included in Contract Documents to eliminate/reduce delays to a bare minimum (Time base decisions with predictable milestones) and in approvals by providing mandatory time frames for submittals by consultants/contractors and approvals by client/consultants.
3. Introduce approval systems to process and award contracts, as well as complete the Projects at the most economical cost and within the scheduled time.
4. Incorporate the Directives of the NACS with regards to Procurement and Contracting.

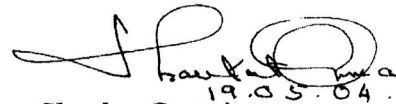
Herein after it is agreed that;

- ☐ All important decisions be made public.
- ☐ PTCL will periodically make public their sources of income and revenues.
- ☐ For this purpose, Transparency International Pakistan will provide experts' services to PTCL without any cost to the PTCL .
- ☐ PTCL has the responsibility to inform the local public and all interested individuals / institutions / organizations / Vendors and others about the activities carried out under this Agreement.
- ☐ In accordance with the proposed Pact, Transparency International Pakistan will provide experts' services for 3-months beginning from 13th May 2004 and may be renewed on mutual understanding.
- ☐ PTCL will continue the Integrity System even after the completion of this project and will provide information and details when Transparency International Pakistan requires such information for the purpose of implementation of this agreement.

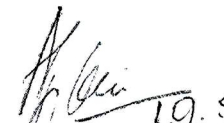


- ☐ That all information relevant to providing Transparency Procurement procedures shall be provided to the Coordination Committee by the PTCL and all its related departments. It shall include documents which are in addition to those that are allowed under the Freedom of Information. Ordinance 2002.
- ☐ It is also agreed that the SAMPLE Integrity Pact attached along with will be implemented as part of all Contracts / Tenders to be implemented by the PTCL with modifications by the coordination committee where and when necessary and preferably at the pre-qualification stage.


Mohammad Arif
Executive Vice President (Dev)
Pakistan Telecommunications Company Ltd
Islamabad


Shaukat Omari,
Executive Director
Transparency International Pakistan


Abdul Latif Gandapur
Chief Engineer (Procurement-I)
Pakistan Telecommunications Company Ltd
Islamabad


Syed Adil Gilani
Procurement Specialist
Transparency International Pakistan

Witness



