

GOVERNMENT OF THE KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

NOTIFICATION

Peshawar, Dated the 3rd February 2014

No. SO (FR)/FD/9-7/2010/Vol-II.--In exercise of the powers conferred by section 36 of the Khyber Pakhtunkhwa Public Procurement Regulatory Authority Act, 2012 (Khyber Pakhtunkhwa Act No.XI of 2012), the Government of the Khyber Pakhtunkhwa is pleased to make the following rules, namely:

The Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014.

CHAPTER 1

GENERAL PROVISIONS

1. **Short title and commencement.**-- (1) These rules may be called the Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014.
(2) These shall come into force at once.
2. **Definitions.**-- (1) In these rules, unless there is anything repugnant in the subject or context,-
 - (a) "Act" means the Khyber Pakhtunkhwa Public Procurement Regulatory Authority Act, 2012;
 - (b) "bid" means a technical proposal or a financial proposal or a technical and financial proposal submitted as a result of request for quotations, tender notice, request for proposal as the case may be;
 - (c) "bid security/ surety/ guarantee" means a written guarantee from a third party guarantor usually a bank [deleted] submitted to a client by a contractor or bidder with a bid;
 - (d) "borrower" means procuring entity;
 - (e) "contractor" means a person, a firm, a company or an organization undertaking supply of goods, works or non consulting services;

* Words "or an insurance company" deleted, Vide Finance Department Notification No. SO (FR)/FD-9-7/2011/ Vol-II dated 11.08.2016.

- (ii) in case of procurement through government organizations, in accordance with provisions of rule-3(2)(c) of these rules;
- (iii) where a change of contractor or supplier would oblige the procuring entity to acquire material having different technical specifications or characteristics and would result in incompatibility or disproportionate technical difficulties in operation and maintenance, this shall be done with proper justification and recording of such reasons, provided that the contract or contracts do not exceed three years in duration;
- (iv) in case of emergency as defined in these rules and procurement specified under sub-rule 3(2)(a) and 3(2)(b), provided that the procurement entity shall specify appropriate forum vested with necessary authority to declare an emergency.
- (v) subject to the conditions of contract, a procuring entity may, insure a variation order to a contractor to include works which were outside the original scope of works to ensure interests of Government and for reasons of economy, compatibility and efficiency provided that:
 - (a) the original contract is still in force;
 - (b) the procuring entity has satisfied itself for technical reasons that the placing of the variation order is cost effective;
 - (c) the value of variation order is not more than fifteen percent of the original contract; and
 - (d) there may be more than one variation orders as long as the total value of all the variation orders remains within 15 percent of the original contract.

19. Method of advertisement.-(1) The procurement entity shall engage in open competitive bidding if the cost of the object to be procured is more than the financial limit which is applicable under rule 10. Procurement from Rs. 100,000/- to Rs. 2.5 million shall be posted on the procuring entity's website or Authority website or both. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring entity.

(2) For all procurement, other than those being covered by rule 10 shall be advertised in print media, appearing in one national English and one Urdu daily newspaper with nationwide circulation along with advertising the same either on the procuring entity or Authority website or both.

(3) A procuring entity utilizing electronic media shall ensure that the information posted on the website is complete for the purposes for which it has been