



No. PPRA/AP-45/2025
Government of Pakistan
Public Procurement Regulatory Authority
(Appeal & Review Petition Secretariat)
1st Floor, FBC Building, G-5/2, Islamabad
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ORDER

M/s Bureau Veritas Pakistan (Pvt.) Ltd.

...the "Appellant"

Vs.

Port Qasim Authority

...the "Respondent"

Date of Hearing 13.01.2026	<p>Mr. Muhammad Asim Shahzad (NS Operations Manager), Mr. Muhammad Ali (AM Taxation)</p> <p style="text-align: right;">(On behalf of Appellant)</p> <p>Mr. Shahnawaz (Secretary), Mr. Mohammad Salman Khan (Director Ops Maint)</p> <p style="text-align: right;">(On behalf of Respondent)</p>
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APPEAL UNDER RULE 48(7) OF THE PUBLIC PROCUREMENT RULES, 2004

The above mentioned learned counsel(s) and representative(s) of the parties tendered appearance before the Appellate Committee and furnished their arguments at length.

2. At the very outset, the representative of the Appellant submitted that the tender for hiring / transfer of classification society for PQA Craft was invited by M/s Port Qasim Authority (PQA) with scope of services and mandatory technical evaluation criteria. M/s PQA, however, after technical evaluation, deemed M/s BCS (Bahria Classification Society) as

technically qualified despite the fact that M/s BCS was not fulfilling mandatory technical evaluation criteria defined therein the tender documents.

3. The representative of the Appellant further submitted that as per tender for hiring / transfer of classification society for PQA Craft, the mandatory technical evaluation criteria of classification society requires that bidder shall be recognised organization (RO) having Memorandum of Understanding (MoU) signed with Ministry of Maritime Affairs, Directorate General (Ports & Shipping), Government of Pakistan. Further added that M/s BCS was not a recognized organization (RO) as on 1100 hrs, 06 May, 2025 (bid submission deadline) for the scope of services.

4. Further submitted that Rule 30 of the Public Procurement Rules, 2004 violated due to the fact that technical evaluation was not carried out according to mandatory technical evaluation criteria as defined in legal grounds at serial no. 1.1.2.1 to 1.1.2.4. Further added that Rule 4 of the Public Procurement Rules, 2004 violated due to the fact that technical evaluation was not carried out in a fair and transparent manner; whereby, extra favours were given to M/s BCS. Further averred that M/s BCS is not appearing in IMO (International Maritime Organization), a United Nation's specialised agency with responsibility for the safety and security of shipping) website portal GISIS (Global Integrated Shipping Information System) as of today dated November 21, 2025 as an RO to Pakistan Flag Administration, i.e., Ministry of Maritime Affairs, Directorate General (Ports & Shipping), Government of Pakistan. Further highlighted that the Member States are required to update the IMO GISIS database for recognised organization (RO) under the guidance of IMO Instruments Implementation Code (Code-III) (resolution A.10170(28)).

5. The representative of the Appellant further submitted that upon Grievance lodged to M/s PQA, they responded by referring to MoU between DG (P&S) and M/s (BCS) dated 19-02-2025, tender committee correspondence with DG (P&S) dated 16-05-2025, and DG (P&S) replies dated 15-07-2025 and 12-08-2025 which in fact also confirm that M/s BCS was not a recognised organisation as on 1100 hrs, 06 May, 2025 (bid submission deadline) for the scope of services mentioned at item serial no. 4 and BOQ 1 to 4 of the tender document. Further added that as evident in GRC report that the letter from DG (P&S) 15-07-2025 (point no. 01) clearly states that MoU signed between DG (P&S) and M/s BCS dated 19-02-2025 was only covering Limited Scope that was not sufficient to perform the services required by tender documents unlike M/s BV (Bureau Veritas) which is a full scope RO and also appearing on IMO GISIS portal.

6. The representative of the Appellant further averred that it is also evident from GRC Report that the letter from DG (P&S) dated 15-07-2025 (point no. 02) that M/s BCS was still in the process obtaining full scope of required activities post tender submission deadline date. Further submitted that it is evident from the GRC Report that the letter from DG (P&S) dated 15-07-2025 (point no. 03) which states "initial authorisation will be granted only for one year", hence clearly declaring that M/s BCS was not fully authorised as on 15-07-2025 (i.e. post bid submission deadline) for full scope of services required. Further added that it is evident from GRC Report, whereby, the letter from DG (P&S) dated 12-08-2025 authorised M/s BCS (restricting them to limited authorisation as against list of number of subjects which are required under tender documents), i.e., months after bid submission deadline date. The said RO authorisation was considered in the month of August, 2025, i.e., 3 months after bid submission deadline.

7. Further added that the subject tender was published for the services of five years plus one year extendable as mentioned in point no. 1 of Notice Inviting Tender for hiring / transfer of classification society for PQA Craft. It is evident from GRC Report that the letter from DG (P&S) dated 15-07-2025, point no. 03 states that initial authorisation will be granted only for one year and it is also evident from the same GRC Report. The subsequent letter from DG (P&S) dated 12-08-2025, point no. 04, which depicts that continuous oversight and evaluation will be undertaken to facilitate future certification authority status. This clearly indicates that M/s BCS authorisation is only for one year and thus not fulfilling tender requirements for entire service duration, i.e., five years plus one year extendable.

8. The representative of the Appellant further submitted that impartiality is extremely important for any classification society, any conflict-of-interest situation must be evaluated while setting up evaluation criteria and evaluating classification societies. Further highlighted that M/s BCS being a subsidiary of Bahria Foundation is non-compliant in this regard and would be involved in conflict of interest if qualified technically. This is because an organization providing operation and maintenance services to PQA ships cannot certify its own work and it must be done by a third party. Thus, the work done by the Bahria Foundation cannot be certified by its own subsidiary, i.e., M/s BCS, to avoid conflict of interest. Further added that the IMO Instruments Implementation Code (III Code), specifically within the related "RO Code" (Resolution MSC.349(92) require recognised organizations (RO) / classification societies) to maintain impartiality and prevent financial interests from influencing their work. Further highlighted that in accordance with para 2, Section 2 of the RO Code, an RO and its staff must avoid any activity that could compromise their independent judgement and integrity when

performing statutory certification and services. Further added in this case, M/s BCS is a subsidiary organisation of M/s Bahria Foundation which is engaged in providing manning, operations and maintenance services to M/s PQAs Craft.

9. The representative of the Respondent (PQA) submitted that the tender for hiring / transfer of Classification Society for PQA Craft was published in local and international print media on 29-03-2025 and 04-04-2025 respectively. Tender Documents were purchased by two firms, namely M/s BCS (Bahria Foundation) and M/s BV (Bureau Veritas). Further submitted that a pre-bid meeting was held on 15-04-2025, during which the queries raised by the bidders were duly addressed by the Tender Committee. Subsequently, bids were submitted by both firms on 06-05-2025.

10. The representative of the Respondent further submitted that the technical scrutiny was carried out by the Tender Committee. During the process, PQA sought confirmation from DG (P&S) office regarding the Recognised Organization (RO) status of both firms and their capability to fulfil the scope of work defined in the tender document. Further highlighted that after completion of scrutiny, the Tender Committee technically qualified both bidding firms and endorsed the evaluation criteria. The technical evaluation report was approved by the Chairman and was subsequently uploaded on E-PADAS and PQA website.

11. The representative of the Respondent averred that M/s BCS signed an MoU with DG (P&S) to become a Recognised Organization (RO) on 19-02-2025. Further added that the Ministry of Maritime Affairs vide Certificate dated 19-02-2025 also confirmed the RO status of M/s BCS. The RO status of BCS is well before Notice Inviting Tender (NIT) publishing date, i.e., 29-03-2025 and bid submission date, i.e., 06-05-2025.

12. The Respondent further added that even after obtaining above confirmation, PQA still wrote a letter to DG (P&S) on 16-05-2025 for clarification of both firms RO status during technical bid evaluation period. DG (P&S) office shared a letter dated 12-08-2025, which confirmed that M/s BCS is authorised to conduct statutory certification and related services on behalf of the Administration for coastal vessels, registered in or flying the flag of the Islamic Republic of Pakistan. Thus, contention of limited recognition does not hold ground.

13. The representative of the Respondent further submitted that as regards Contract for five years as per tender, and recognition of BCS for one year by DG (P&S) vide letter dated 15-07-2025, PQA took up the matter with Chief Engineer & Ship Surveyor, DG(P&S) office on phone, wherein, it was clarified that the letter dated 12-08-2025 adequately addressed the issue.

14. The representative of the Respondent (PQA) further contended that contention regarding Conflict of Interest by BCS vis-à-vis Bahria Foundation, it is submitted that BCS acquired RO status as a separate entity, operating independently and is registered with Securities and Exchange Commission of Pakistan (SECP). Further added that the evaluation criteria were unambiguous and objective, and did not restrict eligibility to a particular ownership structure or exclude institutional or public-sector entities. Further added that the determination of which survey is to be conducted at this stage rests solely within the discretion of the procuring agency. M/s BCS fulfilled the minimum eligibility requirements as prescribed in the RFP; and was accordingly declared qualified, besides the Appellant.

15. The Appellate Committee heard arguments of the Parties at length and perused all available record furnished by the Parties to the subject Appeal.

16. In terms of Rules 29 & 30 of the Public Procurement Rules, 2004, which is reproduced as under:

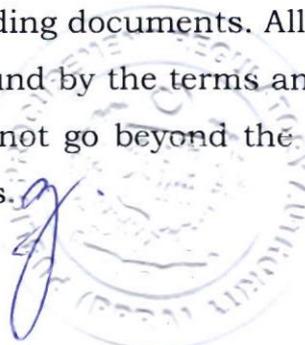
29. Evaluation criteria: -

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

30. Evaluation of bids. -

(1) All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding documents. Save as provided for in sub-clause (iv) of clause (c) of rule 36 no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents.

17. It is pertinent to mention that no deviation from the specifications, terms and conditions specified in the bidding documents & evaluation criteria is permissible. The procuring agency may proceed strictly in accordance with terms and conditions set forth in the bidding documents. All participants in the bidding process are bound by the terms and conditions of tender documents and cannot go beyond the purview and ambit of the tender documents.



18. In accordance with clause 1 "Purpose" of the Agreement signed between the Directorate General (Port & Shipping), Ministry of Maritime Affairs and Bahria Classification Society (BCS), it is mentioned that "Deriving powers under section 354 of Pakistan Merchant Shipping Ordinance, 2001, hereinafter referred to as MSO 2001, and subject to the terms and conditions of this Agreement, the Administration hereby delegates its Authority to BCS to perform certain statutory surveys and certification services as specified in section 342, 343, 345, 346 and 347 of MSO 2001. In accordance with clause 3.1 "General Conditions" of the Agreement signed between the Directorate General (Port & Shipping), Ministry of Maritime Affairs and Bahria Classification Society (BCS), it is mentioned that "Statutory Surveys and Certification Services comprise the assessment of Pakistani flagged vessels and assessed entities in order to determine compliance of such ships with the applicable requirements of the applicable instruments and the issuance of, or in support of the issuance of, relevant certificates and documents to the extent required under section 342, 343, 345, 346 and 347 of MSO Ordinance, 2001".

19. In accordance with clause 3.3 "General Conditions" of the Agreement signed between the Directorate General (Port & Shipping), Ministry of Maritime Affairs and Bahria Classification Society (BCS), it is mentioned that "Statutory Surveys rendered and statutory certificates issued by BCS will be accepted as services rendered or certificates issued by the Administration provided that BCS maintains compliance with the provisions of Code for Recognised Organization (IMO resolutions MSC 349 (92), and such other legislation as may be enforced in Pakistan from time to time in this regard.

20. In accordance with Mandatory Technical Evaluation Criteria of Classification Society at Serial No. a, of the Tender Documents, which states: "Bidder shall be recognised

organization having Memorandum of Understanding (MoU) signed with Ministry of Maritime Affairs, Directorate General (Ports & Shipping), Government of Pakistan”.

21. The Appellant Committee observed that in the instant matter, the tender documents clearly stipulated the mandatory technical evaluation criteria, including the requirement that the bidder be a Recognised Organization (RO) duly authorized by the Ministry of Maritime Affairs, Directorate General (Ports & Shipping). As per record, an MoU dated 19-02-2025 was executed between DG (P&S) and M/s Bahria Classification Society (BCS), prior to publication of the Notice Inviting Tender (29-03-2025), and Bid submission deadline dated 06-05-2025. The said MoU expressly delegated statutory survey and certification powers to BCS under Sections 342, 343, 345, 346 and 347 of the Pakistan Merchant Shipping Ordinance, 2001. A certificate confirming RO status was also issued by the Ministry of Maritime Affairs (Ports & Shipping Wing) on the same date, i.e., 19-02-2025.

22. The Appellate Committee further observes that the existence and validity of RO status must be assessed as of the bid submission deadline, not on the basis of subsequent clarifications or administrative correspondence. The MoU dated 19-02-2025 validly delegated statutory survey and certification functions to BCS under Pakistani law. Moreover, the clarification letter dated 12-08-2025 expressly confirmed that BCS is authorized to conduct statutory certification and related services on behalf of the Administration for Pakistani-flagged coastal vessels, such as tugs, bunker barges, pilot boats, dredgers, etc.

23. The Appellant has raised an objection regarding an alleged conflict of interest on the basis that BCS is a subsidiary of Bahria Foundation. The Appellate Committee is of the view that BCS is a separate legal entity, duly incorporated and

registered with SECP. The tender documents did not prohibit participation based on ownership structure, nor did they exclude subsidiaries of foundations or public-sector entities.

24. In view of the foregoing, the Appellate Committee holds that the technical evaluation has been made in accordance with the evaluation criteria and other terms and conditions mentioned in the prescribed Bidding Document, which is in accordance with Rule 30 of the Public Procurement Rules, 2004; no deviation from the evaluation criteria or violation of Rules 4, 29 or 30 has been established. M/s BCS fulfilled the prescribed eligibility and technical requirements. Therefore, the Appeal filed by M/s Bureau Veritas Pakistan (Pvt) Limited is hereby **dismissed** being devoid of merit.


(Dr. Muhammad Aslam Waseem)
Director General (Legal)
(Member)


(Sheikh Afzaal Raza)
Director (M&E)
(Member)


(Hasnat Ahmed Qureshi)
Managing Director (PPRA)
(Chairman of the Committee)

Each page of the order has been signed by all members of the Appellate Committee. The order comprises of ten (10) pages.

