



CIRCULAR No. IP/01/2008

No. AAI/PMQA/7001

Dated: 17th October 2008

Subject: Implementation of Integrity Pact (IP) in Airports Authority of India w.e.f. 1st April '08 - Regarding

As intimated earlier vide this office letter of even no. dated 15th February, '08 and 28th March, '08 on the above mentioned subject, in compliance of Central Vigilance Commission's advice, Airports Authority of India commenced implementation of Integrity Pact w.e.f. 1st April, '08. In view of further guidelines received from CVC vide Circular No. 24/8/08 dt. 5th August, '08, discussions held on 4th July, '08 with EIMs of AAI and ONGC in a meeting headed by Chairman, and consideration of minutes of the meeting regarding 'Evaluation of Impact of the Integrity Pact in Public Sector Organization of the Govt. of India' held on 7th Aug, '08 under chairmanship of Secretary to CVC, organized by ONGC, in supersession of earlier letters dated 15th Feb, '08 and 28th March, '08, following comprehensive guidelines are issued for implementation of Integrity Pact in the Airports Authority of India:

1. Integrity Pact (IP) shall be implemented in all tenders/contracts of values specified below :
 - Civil/Electrical/Composite Projects \geq Rs. 50 Crores
 - CNS/Electronics Projects \geq Rs. 25 Crores
 - Land/Commercial Contracts \geq Rs. 25 Crores
(Annual Rental Value)
2. Sub-Contractors / Associates whose value of contribution in a project exceeds Rs.5.00 Crores shall be brought under the purview of Integrity Pact. Therefore, such firms shall also sign the Integrity Pact with Airports Authority of India.
3. Participation in IP program is mandatory for all tenderers/contractors/ sub-contractors/associates of designated value.

4. Copies of Integrity Pact, as enclosed herewith, shall be signed by the concerned parties. Downloadable format of the Pact is available on Airports Authority of India website: <http://infosaarthee/pages/infosaarthee.aspx>.
5. Integrity Pact document shall be made integral part of all tender documents of designated value being issued by the concerned departments. A copy of the Integrity Pact duly signed on each page by the officer authorized to sign the tender document shall be enclosed along with the tender documents as one of enclosures.
6. Tender document shall make it mandatory that authorized person to sign the bid for submission on behalf of bidder / sub contractor / associate shall sign on each page of Integrity Pact.
7. Integrity Pact shall be submitted on plain paper in Envelope - 1 as mandatory prequalification criteria for participation in tender of designated value.
8. One para pertaining to 'Implementation of Integrity Pact' including appointment of External Independent Monitor (EIM) in respect of the specific procurement should be incorporated in the tender document itself, and the same shall be carried over to the agreement as per standard draft given at Annex - 1.
9. Address of one of EIMs (External Independent Monitors) for correspondence shall be mentioned as Mr. C/o Chairman, Airports Authority of India, Rajiv Gandhi Bhavan, Safdarjung Airport, New Delhi in the NIT. Personal address and contact details of EIM shall not be provided in NIT.
10. The name of EIM to be specified for the project should be taken by tender issuing/contract signing authority from the ED(PMQA) by sending a request on Performa PMQA –701 (Copy enclosed as Annex - 2).
11. IP shall cover all phases of procurement. IP shall come into force when both the parties have signed it. It shall be in-force till expiry of 12 months after the final payment under the respective contract for the successful bidder awarded the work and for all other bidders 3 months after the contract is awarded.

12. EIM, who is specifically nominated for the project, shall be primarily investigating the complaints related to that project. However, the matter shall be referred to / decided by the full panel of EIMs for ensuring the transparency and objectivity in dealing with the complaints arising out of any tendering process, to examine the records, conduct the investigation and submit a report to the Management, giving joint findings.
 13. In case a bidder has failed to sign all pages of Integrity Pact while submitting his bid in Envelope - 1, an opportunity shall be provided to the concerned for signing and submitting the Integrity Pact within a reasonable time in the initial stages of implementation. However, efforts should be made gradually by educating agencies for taking proper care for signing all pages of the Integrity Pact before submitting the bid.
2. This is issued with the approval of the Chairman.
 3. Copy of this Circular is available on the AAI's website: <http://infosaarthee/pages/infosaarthee.aspx>.
 4. For any further clarification, undersigned may be contacted please.

Yours faithfully,

Sd/-

(Sushil Kumar)

Executive Director (PMQA)

Encl: As above

Distribution:

1. ED-Engg-I, II, Metro, Kolkata Project, NER Project / ED-CNSP / ED-Comml / ED-LM / ED-Fin / ED-CNS (O&M), ED-Ops
2. The REDs, NR/WR/SR/ER/NER
Ops offices/CSI/Chennai/NSCBI/LGBI Airport
New Delhi/Mumbai/Chennai/Kolkata/Guwahati

Copy to:

1. Chairman
2. Member (P&A)/Fin/Plg/Ops/CVO
3. EIMs (Mr. M.K. Kaw, Mr. K.N. Ardhanareeswaran, Mr. R.C. Rekhi).

Para..... Implementation of Integrity Pact

1. Signing of Integrity Pact is mandatory for every bidder participating in this tender and the contractee who is awarded the work. The Pact signed on each page by the person authorized by bidder/ sub-contractor/ associate to sign the bid for submission or the person authorized to sign the contract on behalf of successful bidder shall be submitted by the bidder in Envelop – 1 along with EMD and be enclosed with the agreement by the contractee.
2. IP shall be signed on plain papers, which is pre-signed by tender issuing authority/ contract signing authority.
3. All sub-contractors/ associates whose contribution in the project is Rs 5 crores or above shall sign Integrity Pact with the Authority after the work is awarded to the successful bidder. All bidders shall inform their sub-contractors/ associates accordingly.
4. The External Independent Monitor (EIM) for this work shall be Mr..... All correspondences to him regarding implementation of Integrity Pact, shall be addressed to Mr..... C/o Chairman, Airports Authority of India, Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi – 110003.
5. Integrity Pact in downloadable format is available on the AAI's website: <http://infosaarthee/pages/infosaarthee.aspx>.

6. Integrity Pact Programme guidelines may be perused on AAI's website: <http://infosaarthee/pages/infosaarthee.aspx>.



Annex-2

PMQA-701

**AIRPORTS AUTHORITY OF INDIA
Directorate of**

No. AAI.....

Dated:

ION

Subject: Implementation of Integrity Pact in AAI – Nominating EIM.

Kindly nominate an External Independent Monitor (EIM) for the following project/ work:

1. Airport :
2. Project/ Work :
.....
.....
3. Estimated Cost :
4. PDC :
5. Remarks :

A one page brief (comprising of name of project/ work, AA/ES, scope, salient features, etc.) on the project is enclosed herewith.

(.....)
Executive Director (.....)

Encl: As above.

ED (PMQA)