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# Public Procurement Rules 2026 in Pakistan: What Agencies Must Do Now

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## Key Takeaways

Pakistan's Public Procurement Rules 2026, notified by S.R.O. 1658(I)/2026 on 28 September 2026, replace the 2004 Rules for federal procuring agencies. They make e-PADS compulsory for every procurement, require Procurement Cells staffed by PPRA-accredited officers within twelve months, move grievance handling to committees outside the agency and list the material deviations that can lead to a mis-procurement declaration.

- e-PADS is mandatory - Rule 8 requires all public procurement to be carried out through the E-Pak Acquisition and Disposal System, and PPRA has said this includes direct contracting.
- Accreditation has a deadline - Rule 10(2) gives officers in a Procurement Cell twelve months to obtain PPRA accreditation.
- Grievances move outside the agency - Rule 65 sets up committees completely outside the procuring agency, with a ten-day decision period and a 45-day appeal stage.
- Mis-procurement is defined - Rule 67(4) lists sixteen material deviations, from bypassing e-PADS to not using standard bidding documents.
- The evidence explains the change - PPRA's own 2025-26 review found violations in 80.58% of 103 sampled federal procurements.

## Introduction

Pakistan's Public Procurement Rules 2026 are the first complete rewrite of federal procurement rules in more than two decades. The Cabinet Division notified them under section 26 of the PPRA Ordinance, 2002, through S.R.O. 1658(I)/2026 dated 28 September 2026, and they came into force at once.

For procuring agencies, project implementation units and suppliers, the questions are practical. What has changed from the 2004 Rules? Which deadlines now apply? What did the Public Procurement Regulatory Authority (PPRA) and the IMF find that led to these changes? And what should an agency do in the next twelve months to stay compliant?

This guide summarises the main provisions, citing rule numbers as they appear in the gazette text, and sets out a checklist for agencies and donor-financed project teams. It is a plain-language summary, not legal advice: officers should always work from the notified text and any regulations or clarifications PPRA issues.

## What the Public Procurement Rules 2026 Change

The 2026 Rules repeal the Public Procurement Rules, 2004 (Rule 69). Proceedings that started before the new Rules came into force continue under the 2004 Rules (Rule 68), so agencies will run two sets of files for some time and should label each procurement clearly.

The main shifts are:

- Digital by default: all procurement through e-PADS (Rule 8), with bids opened through the system.

- Professional procurement units: a Procurement Cell in each agency under the Principal Accounting Officer or Head (Rules 9 and 10).
- Stronger committees: accredited members on bid evaluation committees, third-party validation for large procurements and external members for the largest (Rules 11 to 13).
- Independent complaints: grievance redressal committees drawn from outside the agency, with an appeal to PPRA's Appellate Committee (Rule 65).
- Clear consequences: a defined list of material deviations that can lead to mis-procurement (Rule 67(4)).
- Contract stage duties: third-party performance evaluation for large contracts and inspection rules (Rules 60 and 61).

Rule 5 keeps an important exception: where the Rules conflict with an obligation under an international treaty, an agreement with another state or an arrangement with an international financial institution, that obligation prevails to the extent of the conflict.

## e-PADS, Procurement Cells and the 12-Month Clock

Rule 8 requires procuring agencies to carry out public procurement through e-PADS. In a clarification issued on 30 September 2026, reported by the state news agency APP, PPRA said that this applies to every procurement type, including direct contracting.

Rule 9 makes the Principal Accounting Officer or Head of the procuring agency responsible for establishing a Procurement Cell under Rule 10. Officers in the Cell must be accredited by PPRA; those who are not yet accredited must obtain accreditation within twelve months of the notification establishing the Cell (Rule 10(2)). The Cell prepares quarterly reports on the agency's procurement for the Principal Accounting Officer or Head (Rule 10(3)(o)).

The same twelve-month allowance appears for bid evaluation committees: Rule 11 requires at least one qualified, experienced and accredited member, and an unaccredited member may be appointed provided accreditation follows within twelve months. PPRA's draft National Procurement Strategy 2025-28 describes four accreditation levels: Basic, Intermediate, Advance and Expert.

## Methods, Thresholds and Framework Agreements

Open competitive bidding is the principal method (Rule 26(1)(a)). Any other method needs written justification (Rule 15(4)). The main value bands in the gazette text are:

- Below Rs200,000: shopping without quotations (Rule 32(1)(a)).
- Rs200,000 to less than Rs700,000: shopping through at least three quotations, awarded on lowest price (Rule 32(1)(b)).
- Rs700,000 to Rs2 million: gallop tendering, with a minimum five-day response time and a bid-securing declaration (Rule 31).
- Force account: up to Rs200 million (Rule 32(1)(e)).

Direct contracting is limited to the conditions in Rule 32(1)(c), with repeat orders capped at fifteen per cent of the original contract. Rule 32(1)(f) allows direct contracting with state-owned entities in narrow cases, with subcontracting capped at 40% of the work assigned; exceeding that cap is treated as a material deviation. PPRA's clarification stressed that this route is for exceptional circumstances and gives no preference to state-owned entities.

Rule 30 introduces framework agreements: closed frameworks for up to one year and open frameworks for up to three years. For agencies that buy the same goods many times a year, this can reduce repeated tendering, but it needs careful planning and contract management.

Publication duties are also clearer. Annual procurement plans go on e-PADS and the PPRA website (Rule 15(2)). Procurements above Rs200,000 are published on e-PADS and the PPRA website, and those above Rs5 million also in at least two national dailies, one English and one Urdu (Rule 18). Minimum response times are ten days for national and twenty days for international competitive bidding (Rule 19).

## Evaluation, Validation and Publication of Results

The Rules scale oversight to value. Bid evaluation committees handle procurements up to Rs2 billion (Rule 11). Procurements above Rs500 million and up to Rs2 billion go to a third-party validation committee whose members come from outside the agency (Rule 12). Above Rs2 billion, the evaluation committee must include at least two members from outside the agency (Rule 13).

Agencies must use the standard bidding documents notified by PPRA (Rule 34(1)). Bid validity extensions are allowed only in exceptional circumstances, with reasons recorded, and may not exceed the original validity period in total (Rule 37(3)). Bid security is capped at 5% for procurements up to Rs250 million and 2% above that (Rule 36).

Results must be published before award with a brief justification (Rule 48), and evaluation and award documents must be made public on e-PADS after award (Rule 57). Records are kept for at least five years (Rule 56). After award, contracts above Rs500 million need third-party performance evaluation (Rule 60), and third-party pre-shipment inspection applies to significant procurements above Rs1 billion or cross-border deliveries (Rule 61).

## Grievances, Appeals and Mis-procurement Under Rule 67

Rule 65 sets out the grievance process. Complaints about bidding documents must be lodged two days before the submission deadline; complaints after bid submission within seven days of the technical evaluation report or five days of the final evaluation report. The grievance redressal committee, constituted completely outside the procuring agency, decides within ten days. An appeal to PPRA's Appellate Committee is lodged within ten days of that decision, subject to a prescribed fee, and is decided within 45 days; that decision is final.

Rule 67(4) lists sixteen material deviations. They include corrupt, collusive, coercive, fraudulent or obstructive practices; bypassing e-PADS; procuring without the required Procurement Cell or committees; tailor-made specifications; breaches of publication rules or response times; not using standard bidding documents; evaluating on criteria not stated in advance; discriminatory conditions; failing to publish evaluation or award documents; and not having an inspection committee for goods. Non-material deviations may be condoned, but where the procurement exceeds Rs250 million the matter goes to the Authority or a committee it constitutes (Rule 67(6)).

Rule 25 sets blacklisting periods of up to ten years for corrupt or fraudulent practices, up to five years for false or misleading information and six months for non-performance, consistently abnormally low bids or failing to honour a bid-securing declaration, with a review petition to PPRA within thirty days.

## What PPRA's Own 2026 Reports Found

In September 2026 PPRA published two federal reports for 2025-26. They describe procurement under the rules then in force and show where the new Rules are aimed.

The compliance and violations report reviewed 103 open competitive procurements from 101 agencies. It rated 19.42% compliant, 47.57% partially compliant and 33.01% non-compliant; 80.58%

had at least one violation. Among the procurements with violations, 40.96% had not adopted national standard bidding documents, 36.14% were awarded after bid validity expired without a recorded extension, 9.64% had not published evaluation and award documents on e-PADS and 8.43% had not uploaded evaluation reports before award. Contract agreements could not be confirmed for 34.95% of the sample.

The monitoring report, based on e-PADS 1.0 data, counted 62,652 planned procurements and 51,989 awarded records worth PKR 409.72 billion. Open competitive bidding made up 9.60% of records but 98.44% of value. It took an average of 101.48 days from publication to award (median 94.08), attracted an average of 4.52 bidders (median 3), and 12.25% of open bidding records received a single bid. The report itself notes some data inconsistencies that will be revisited after e-PADS 2.0 integration, so these figures are best read as indicative.

The draft National Procurement Strategy adds the system view: only bid submission modules are available on e-PADS, securities are still collected physically, procurement financed by multilateral banks is often run in isolation, and most agencies lack specialised procurement units. It plans e-contract management and multilateral bank modules.

## What the IMF Governance and Corruption Diagnostic Asked For

The IMF's technical assistance report, Pakistan Governance and Corruption Diagnostic, found that public procurement remained fragmented and privileged state parties. It noted that some entities, such as NHA, CDA and WAPDA, continued to use their own systems, that there was no structured, machine-readable procurement database, that federal complaints took two to six months to resolve, that complaint decisions were not published and that a significant appeal fee reduced effectiveness.

Its recommendations for PPRA included removing preferences for state-owned firms and charitable organisations, quarterly monitoring reports for development and non-development spending, mandatory use of e-PADS (the executive summary says within 12 months, the recommendations table within 18 months), mandatory certification of procurement professionals with dedicated procurement cells, and standards for resolving complaints with public reporting on grievances.

Several of these now appear in the Rules: the e-PADS mandate, Procurement Cells with accredited officers, external grievance committees and the narrowing of SOE direct contracting. Publication of grievance decisions is not an explicit requirement in the gazette text, and the Rules still provide for an appeal fee, so these remain areas to watch.

## Donor-Financed Projects: World Bank, ADB and Rule 5

Project teams must work out which rules apply to each contract. Under Rule 5, obligations under agreements with international financial institutions prevail where they conflict with the Rules. For World Bank investment project financing, procurement follows the Procurement Regulations for IPF Borrowers (seventh edition, September 2025); ADB-financed projects follow ADB's procurement framework, including its Technical Instruction on Borrower-Administered Procurement.

Where financing agreements allow national procurement procedures, the 2026 Rules and e-PADS become directly relevant to donor projects. The World Bank's Public Resources for Inclusive Development operations are an example. The federal phase (P509827, US$600 million) cites delays and leakages in procurement and plans to strengthen procurement, including through expansion of e-procurement; its US$30 million investment component finances technical

assistance, consultancies, IT systems and borrower capacity strengthening. The Sindh phase (P511459, US$200 million) notes that the province is adopting e-procurement and an asset disposal system, with a US$30 million investment component that includes capacity building.

Provincial rules also matter. Punjab announced a province-wide e-procurement rollout from 1 July 2026, while in Sindh, Transparency International Pakistan, as reported by The News, objected to exemptions that let two departments continue manual tendering.

## A 12-Month Checklist for Procuring Agencies and Project Teams

The table below groups the main actions. Timing depends on each agency's notification dates and any further regulations from PPRA.

Agencies that want a structured starting point can compare their current practice with this list using a self-assessment, then turn the gaps into a plan with owners and dates.

## Critical Questions Government and Project Leaders Should Be Asking

### Do we know which of our procurements fall under the 2004 Rules and which under the 2026 Rules?

Rule 68 keeps earlier proceedings under the 2004 Rules. A simple register that tags each file avoids applying the wrong timelines or documents.

### How many of our procurement staff and committee members are accredited today?

The twelve-month window in Rules 10(2) and 11 is short for large agencies. A list of names, current status and planned training dates is the first step.

### Are we still running any procurement outside e-PADS?

Bypassing e-PADS is a material deviation under Rule 67(4). Agencies should identify every exception, including small purchases and direct contracts, and move them onto the system.

### Can we show that evaluations finish within bid validity?

PPRA's 2025-26 review found that 36.14% of procurements with violations were awarded after validity expired. A timeline tracker and early decisions on extensions under Rule 37(3) reduce this risk.

### Who will sit on our grievance redressal committees, and how will we meet the ten-day deadline?

Rule 65 requires members from outside the agency. Agencies should agree arrangements in advance rather than search for members when a complaint arrives.

### How do we manage contracts while e-PADS has no contract module?

The draft strategy plans an e-contract management module. Until then, a contract register, performance reports and signed agreements uploaded with award documents help meet Rules 57 and 60.

## How Risalat Can Help

Risalat partners with procuring agencies and project teams to put new procurement rules into practice. Our Public Procurement Rules 2026 and e-PADS compliance training in Dubai works through planning, methods, evaluation, grievances, mis-procurement and contract management using participants' own files, and can be delivered in-house. Agencies can also take our free procurement maturity diagnostic to benchmark their procurement function before planning the year ahead.

## Frequently Asked Questions

### When did Pakistan's Public Procurement Rules 2026 come into force?

They were notified by S.R.O. 1658(I)/2026 on 28 September 2026 and came into force at once. Procurements started earlier continue under the 2004 Rules (Rule 68).

### Is e-PADS mandatory under the 2026 Rules?

Yes. Rule 8 requires procuring agencies to carry out public procurement through e-PADS, and PPRA has clarified that this includes direct contracting. Bypassing e-PADS is a material deviation under Rule 67(4).

### How long do procurement officers have to get PPRA accreditation?

Rule 10(2) gives unaccredited officers in a Procurement Cell twelve months from the notification establishing the Cell; Rule 11 gives the same period to unaccredited evaluation committee members.

### How quickly must procurement grievances be decided?

Under Rule 65, the grievance redressal committee decides within ten days. An appeal to PPRA's Appellate Committee must be filed within ten days and is decided within 45 days.

## Sources


- Public Procurement Rules, 2026 (S.R.O. 1658(I)/2026), Gazette of Pakistan
- PPRA: Public Procurement Compliance and Violations Analysis Report FY2025-26
- PPRA: Federal Public Procurement Monitoring Report FY2025-26
- PPRA: Draft National Procurement Strategy 2025-28
- IMF Technical Assistance Report: Pakistan Governance and Corruption Diagnostic
- APP: PPRA clarification on the Public Procurement Rules 2026 (30 September 2026)
- World Bank PID: PRID MPA Phase 1 Federal (P509827)
- World Bank PID: PRID MPA Phase 1 Sindh (P511459)
- World Bank Procurement Framework
- ADB Procurement Framework
- PITB: Punjab e-procurement conference (June 2026)
- The News: Sindh CM urged to revoke EPADS exemption

## Related Risalat programmes

- Public Procurement Rules 2026 and e-PADS Compliance Training in Dubai, Dubai (1 Feb 2027)
- Inclusive Public Procurement: Engaging CSOs, SMEs, Women-Owned, and Local Businesses, Seville (1 Feb 2027)
- Training on Green Public Procurement (GPP), Berlin (1 Feb 2027)
- Procurement under World Bank and ADB Rules for Project Teams in Dubai, Dubai (4 Jan 2027)

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