



Pakistan Engineering Council

(Constituted under Pakistan Engineering Council Act, 1976 enacted by the Parliament)

Think Tank Department

PEC/TT/BDC/PA
06th September 2022

To:

(As per Distribution List)

Subject: Standard Adjustment on Unprecedented Price Hike of Construction Machinery and Construction Materials

Please refer to PEC letter No. PEC/Const/Misc/2022 dated February 28, 2022 on the subject matter. It is to apprise that Pakistan Engineering Council (PEC) in consultation with relevant stake holders is putting in efforts to formulate workable solution for the problem caused by recent unprecedented price hike in construction inputs with its adverse effects on the Construction firms and eventually the on-going projects.

2. It is further informed that PEC in collaboration and under the guidance of Planning Commission of Pakistan, has formulated and promulgated Price Adjustment document "Standard Procedure and Formula for Price Adjustment (Second Edition) May 2022", which is available at PEC website (https://pec.org.pk/wp-content/uploads/2022/07/STANDARD-PROCEDURE-FOR-PRICE-ADJUSTMENT_new.pdf). This document is applicable to all future projects, yet with a solution in general terms, for ongoing projects as well.

3. The more precise, elaborate and discernable mechanism for Price Adjustments applicable to ongoing stalling projects is under deliberation. It will be finalized shortly for issuance to all concerned through Planning Commission.

4. Above in view, it will be prudent that no default, liquidated damages or any other punitive clause of the Conditions of the Contract be invoked against any Consultant / Constructor / Operator till the time a revised price adjustment policy is approved and notified.

This is issued with the approval of Competent Authority.

(Engr. Dr. Nasir Mahmood Khan)
Secretary/Registrar

As per Distribution List:-

1. Chief Secretary, Punjab
2. Chief Secretary, Sindh



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3. Chief Secretary, Balochistan
4. Chief Secretary, Khyber Pakhtunkhwa
5. Chief Secretary, Gilgit Baltistan
6. Chief Secretary, Azad Jammu and Kashmir
7. Secretary, Ministry of Energy (Power & Petroleum Division)
8. Secretary, Ministry of Water Resources
9. Secretary, Ministry of Communication
10. The Secretary, Ministry of Housing & Works
11. Secretary, Ministry of Industries and Production
12. Secretary, Ministry of Information Technology and Telecommunication
13. Secretary, Ministry of Railways
14. Chairman, OGDCL, Islamabad
15. Chairman, PTCL, Islamabad
16. Chairman, Civil Aviation Authority, Islamabad
17. Chairman, Board of Industries, Islamabad
18. Chairman, NARTC, Haripur
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21. Chairman, WAPDA, Lahore
22. Chairman, Pak Railways, Islamabad
23. Chairman, PAEC, Islamabad
24. Chairman, Kahuta Research Laboratories, Kahuta
25. Chairman, Lahore Development Authority, Lahore,
26. Chairman, Karachi Development Authority, Karachi
27. Chairman, Peshawar Development Authority, Peshawar
28. Chairman, Multan Development Authority, Multan
29. Engineer-in-Chief, E-n-C Branch, GHQ, Rawalpindi.
30. Director General, Military Engineer Services, Rawalpindi
31. Director General, Pak PWD, Islamabad
32. Chief Executive Officer, PESCO, Peshawar
33. Chief Executive Officer, LESCO, Lahore
34. Chief Executive Officer, MEPCO, Multan
35. Chief Executive Officer, QESCO, Quetta
36. Chief Executive Officer, GEPCO, Gujranwala

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