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Cracking down on collusion — finally (Editorial)

It's a wonder that it took authorities this long to acknowledge what had been obvious to the market for years.

The signing of a Memorandum of Understanding (MoU) between the National Accountability Bureau (NAB) and the Competition Commission of Pakistan (CCP) to crack down on bid rigging, price fixing, and collusive tendering is, on the surface, a welcome and long-overdue development.

The scale of procurement abuse in the public sector has been staggering, draining national resources and distorting market behaviour in ways that have repeatedly punished both taxpayers and honest businesses. That it took so long for key enforcement agencies to formally coordinate efforts against these "mega crimes against the economy," as the NAB chief finally termed them, speaks volumes about misplaced priorities and wilful neglect.

Still, better late than never. The strategic value of institutional cooperation cannot be understated. Collusion in public procurement tends to fall through the cracks of enforcement when responsibility is scattered across multiple bodies—some criminal, some regulatory — without a unified approach or formal communication channels.

The MoU, by outlining a framework for joint investigations, intelligence sharing, and capacity building, creates a much-needed bridge between criminal and civil jurisdictions. It is encouraging that CCP's analytical capacity will now complement NAB's prosecutorial reach, especially in cases where cartel behaviour crosses the threshold from regulatory violation into criminal conspiracy.

But let's not get ahead of ourselves. For this to be more than a token gesture, it must break free from the legacy of politicised enforcement that has dogged NAB for decades.

Successive governments, regardless of ideological stripes, have used NAB as a tool to harass and cripple political opponents, often while turning a blind eye to corruption within their own ranks. That reputation is well-earned, and it will not be easy to shed. If NAB's new partnership with CCP is to have any credibility, it must be seen to target corruption and collusion across the board, without fear or favour, and most importantly, without political interference.

In this regard, the emphasis on data analytics could prove decisive. Unlike politically motivated investigations built on selective leaks and questionable testimony, data doesn't lie. CCP's recent exposure of a bid-rigging cartel among electricity distribution companies demonstrates the power of technology-driven oversight.

With advanced analytical tools and procurement datasets such as EPADS now feeding into the enforcement process, it is possible to identify pricing anomalies, coordinated bidding patterns, and market abuse with precision and objectivity. This can help shift the culture of enforcement away from theatrics and towards results – towards a regime where actions are guided not by who the accused is, but by what the data says.

It is also worth noting that the MoU includes provisions for reviewing procurement regulations and plugging loopholes that allow collusive practices to flourish in the first place. This is important. Too often, the state reacts to corruption only after the damage is done. A proactive approach that leverages data to reform policy, redesign tender processes, and eliminate perverse incentives could deliver far more sustainable outcomes than prosecutions alone.

Still, the institutional limitations of both NAB and CCP cannot be ignored. CCP has often lacked teeth, constrained by limited enforcement powers and bureaucratic inertia. NAB, for its part, is overextended, controversial, and frequently distracted by politically engineered assignments. That is why this new alliance must be closely watched – not just to assess its effectiveness, but also to ensure it does not devolve into another instrument of selective accountability.

Ultimately, transparency, accountability, and fairness must be the guiding principles of this new phase in enforcement.

The public has heard too many grand promises and seen too little follow-throughs. If NAB and CCP are serious about cleaning up public procurement, they must let data lead the way – and have the institutional discipline to follow it wherever it goes.

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