

PROCUREMENT PLAN AND CONTRACT PACKAGES

Table A6.1: Procurement Plan

Project Information	
Country	Lao People's Democratic Republic
Name of Borrower	Lao People's Democratic Republic
Project Name	Northern GMS Transport Network Improvement Project
Executing Agency	Ministry of Communications, Transport Posts, and Construction
Period Covered by this Plan	2007–2012

GMS = Greater Mekong Subregion, TA = technical assistance.

Source: Asian Development Bank estimates.

Table A6.2: Procurement Thresholds, Goods and Related Services, Works, and Supply and Install

Procurement Methods	To be used above/below (\$)
ICB works	At least \$1,000,000
ICB goods	At least \$500,000
NCB works	Less than \$1,000,000
NCB goods	Less than \$500,000
Shopping works	Less than \$100,000
Shopping goods	Less than \$100,000

ICB = international competitive bidding, NCB = national competitive bidding.

Source: Asian Development Bank estimates.

Table A6.3: Procurement Thresholds, Consultants Services

Procurement Methods	To be used above/below (\$)
Quality- and Cost-Based Selection	At least \$200,000

Source: Asian Development Bank estimates.

Table A6.4: List of Contract Packages in Excess of \$100,000, Goods, Works and Consulting Services

Ref	Contract Description	Estimated Costs (\$ million) ^a	Procurement Methods	Expected Date of Advertisement	Prior Review Yes/No	Comments
1	Xieng Ngeun–Pakkhone Section + Mekong Bridge	25.18	Republic of Korea's Method	Q2 2007	Republic of Korea's Method Y	Financed by the Republic of Korea
2	Tha Deua–Nam Pui	12.69	ICB	Q2 2007	Y	Financed by ADB and OFID
3	Nam Pui–Paklai	12.59	ICB	Q2 2007	Y	Financed by ADB and OFID
4	Paklai–Houay Ped	4.98	ICB	Q2 2007	Y	Financed by ADB and OFID
5	Houay Ped–Nakha	6.93	ICB	Q2 2007	Y	Financed by Australia
6	Rural Access Roads (various)	2.61	NCB	Q2 2008	N	Financed by Australia
7	Periodic Maintenance	0.87	NCB	Q1 2010	N	Financed by ADB
8	Equipment	0.72	Shopping/Direct Contracting ^b	Q4 2011	Y	Financed by ADB
9	Project Implementation and Monitoring ^c	6.57	QCBS	Q2 2007	Y	Financed by Australia
10	Consultancy for Road Safety ^d	0.44	SSS	Q2 2007	Y	Financed by Australia
11	Design and Construction Supervision	2.31	Republic of Korea's QBS Method	Q2 2007	Republic of Korea's Method Y	Financed by the Republic of Korea

ADB = Asian Development Bank, ICB = international competitive bidding, NCB = national competitive bidding, OFID = OPEC Fund for International Development, Q = quarter, QBS = quality-based selection, QCBS = quality- and cost-based selection, SSS = single source selection.

^a Estimated costs include taxes and physical contingencies.

^b Vehicle weigh stations to be procured using direct contracting.

^c Including HIV/AIDS Awareness and Prevention of Human Trafficking Program.

^d Swedish National Road Consulting AB (SweRoad).

Source: Asian Development Bank estimates.

A. Procurement and Recruitment Procedures

1. Civil Works

1. For international competitive bidding (ICB) contracts administered by the Asian Development Bank (ADB), the procurement method to be used will be the single stage, one envelope system, with prequalification. For this purpose, the Ministry of Communications, Transport, Posts, and Construction (MCTPC) will submit the invitation for prequalification and all related documents (including the proposed prequalification factors, methodology, and criteria) for review and approval by ADB before they are issued. The prequalification invitation is to be advertised in accordance with paras. 2.7–2.10 of the *Procurement Guidelines* (2007, as amended from time to time). MCTPC will provide ADB with a report on the advertising as part of

the review requirements. After the prequalification applications have been evaluated, ADB's approval of the evaluation results, including the recommendation for prequalified and disqualified applicants, must be obtained before they are communicated to the applicants. For each ICB contract, a full set of bid documents should be submitted to ADB for review and approval before issuance to prequalified bidders.

2. For national competitive bidding (NCB) contracts, documents will be modeled on those developed for NCB under previous ADB-funded projects and updated to conform with the latest *Procurement Guidelines*. The single stage, two envelope model with post-qualification will be used. The first draft English language version of the procurement documents should be submitted for ADB review and approval regardless of the estimated contract amount; for subsequent contracts, ADB will review the documents post-award. ADB-approved procurement documents should be used as a model for all succeeding NCB contracts partly or wholly financed by ADB for the Project.

3. For all ADB-administered contracts, ADB will review the bid evaluation report and proposal for award of contract on a prior review basis. The Executing Agency (EA) must submit copies of the bid evaluation report in English to ADB for approval. Contracts funded by the Republic of Korea will be procured using Republic of Korea procurement procedures.

2. Recruitment of Consultants

4. For ADB-administered contracts, the Borrower will use quality and cost-based selection (QCBS), ADB's preferred method. Full technical proposals will be requested from short-listed firms. The EA is required to submit its short-listing documents in ADB's standard format for ADB's approval. Apart from making sure the short-list is composed of qualified firms that are reasonably geographically spread, ADB will review the following documents:

- (i) Terms of reference and background information;
- (ii) Request for proposal, including the EA's budget for the assignment, selection method, and type of technical proposals;
- (iii) Criteria for evaluating the technical proposals;
- (iv) Draft contract; and
- (v) Consultant recruitment activities monitoring (CRAM) frame.

5. The process of selecting consultants will follow ADB guidelines for approvals of technical, financial, and overall ranking of consultants as well as the draft contract. For Republic of Korea-financed contracts, recruitment will follow Republic of Korea procedures.

3. Monitoring the Consultant Recruitment Process

6. MCTPC and ADB will use CRAM frames to monitor the activities in recruiting the consultant and to avoid delays. Indicative CRAM frames based on forecasted scheduling of recruitment for consulting packages have been provided to MCTPC. ADB will send a copy of the CRAM frame for the assignment to MCTPC. MCTPC's Consultant Selection Committee (CSC) short-listing meeting will discuss and confirm the CRAM schedule. When MCTPC submits its CSC meeting documents to ADB for approval, the CRAM frame will be included. When ADB approves the EA's technical evaluation and financial evaluation/overall ranking, ADB will send the EA an updated CRAM frame. The responsible MCTPC staff will monitor the recruitment process and reports to the ADB project officer the date when each activity is completed and the reason for any delays.